# MADISON COUNTY, GEORGIA




# ANNUAL FINANCIAL REPORT

## FOR THE YEAR ENDED DECEMBER 31, 2023

# MADISON COUNTY, GEORGIA

# FINANCIAL STATEMENTS
# FOR THE YEAR ENDED
# DECEMBER 31, 2023 AND
# INDEPENDENT AUDITOR'S REPORT

**MADISON COUNTY, GEORGIA**

**TABLE OF CONTENTS**
**DECEMBER 31, 2023**


**Independent Auditor's Report** ..... 1

**Basic Financial Statements**

***Government-Wide Financial Statements***

Statement of Net Position ..... 4
Statement of Activities ..... 6

***Fund Financial Statements***

Balance Sheet - Governmental Funds ..... 8
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position ..... 10
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds ..... 11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities ..... 13
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund and American Rescue Plan Act - Major Special Revenue Funds ..... 14

***Proprietary Funds***

Statement of Net Position ..... 17
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds ..... 19
Statement of Cash Flows ..... 20

***Fiduciary Funds***

Statement of Fiduciary Net Position ..... 22
Statement of Changes in Fiduciary Net Position ..... 23

**Notes to the Financial Statements** ..... 24

**Required Supplementary Information**

Schedule of Changes in the County's Net Pension Liability and Related Ratios ..... 47
Schedule of County Contributions ..... 49
Notes to Required Supplementary Information ..... 50

**Supplementary Information**

Schedule of Nonmajor Governmental Funds ..... 51

***Combining and Individual Fund Statements and Schedules***

Combining Balance Sheet - Nonmajor Governmental Funds ..... 52
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds ..... 54
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Special Revenue Funds ..... 56
Schedule of Project Expenditures with Special Sales Tax Proceeds ..... 63
Schedule of Project Expenditures with Transportation Sales and Use Tax Proceeds ..... 65

**MADISON COUNTY, GEORGIA**

**TABLE OF CONTENTS**
**DECEMBER 31, 2023**


***Community Development Block Grant***
Project Cost Schedule ..... 66
Source and Application of Funds Schedule ..... 67

***Custodial Funds***
Combining Statement of Fiduciary Net Position ..... 68
Combining Statement of Changes in Fiduciary Net Position ..... 69

## Governmental Reports

Schedule of Expenditures of Federal Awards ..... 70
Notes to the Schedule of Expenditures of Federal Awards ..... 71
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* ..... 72
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance ..... 74
Schedule of Findings and Questioned Costs ..... 77
Summary Schedule of Prior Audit Findings ..... 78

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

June 28, 2024

# 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, 2023, 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, 2023, 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 – American Rescue Act 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 4 percent, 3 percent, and 16 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. 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 (GAS),* 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.

### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, as of January 1, 2023, the County adopted new accounting guidance for Governmental Accounting Standards Board ("GASB") Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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 *GAS* 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 *GAS*, 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 47 and 48, the schedule of County contributions on page 49, and the notes to the required supplementary information on page 50 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, the schedule of project expenditures with transportation sales and use tax proceeds, the CDBG project schedules, combining custodial fund financial statements, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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, the schedule of project expenditures with transportation sales and use tax proceeds, the CDBG project schedules, combining custodial fund financial statements, and the schedule of expenditures of federal awards 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, the schedule of project expenditures with special sales tax proceeds, the schedule of project expenditures with transportation sales and use tax proceeds, the CDBG project schedules, combining custodial fund financial statements, and the schedule of expenditures of federal awards 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 June 28, 2024, 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 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

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

# BASIC FINANCIAL STATEMENTS

**MADISON COUNTY, GEORGIA**
**STATEMENT OF NET POSITION**
**DECEMBER 31, 2023**

| | Primary Government | | | Component Units | |
|---|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Industrial Development Authority | Board of Health |
| **Assets** | | | | | |
| Cash and Cash Equivalents | $ 35,466,812 | $ 30,500 | $ 35,497,312 | $ 3,933,286 | $ 1,011,597 |
| Investments | 7,597,921 | - | 7,597,921 | - | - |
| Receivables, Net of Allowance | | | | | |
| Taxes | 1,887,542 | - | 1,887,542 | 188,998 | - |
| Accounts | 377,502 | 10,298 | 387,800 | 177,450 | 28,319 |
| Restricted Cash | 180,529 | - | 180,529 | 318,227 | - |
| Due from Other Governments | 1,024,005 | 42,644 | 1,066,649 | 248,600 | - |
| Inventories | 218,879 | - | 218,879 | - | - |
| Prepaid Items | 72,932 | - | 72,932 | 91,205 | - |
| Capital Assets | | | | | |
| Nondepreciable | 1,266,193 | - | 1,266,193 | 574,135 | - |
| Depreciable, Net | 140,717,318 | 69,624 | 140,786,942 | 22,248,202 | 53,714 |
| **Total Assets** | 188,809,633 | 153,066 | 188,962,699 | 27,780,103 | 1,093,630 |
| **Deferred Outflows of Resources** | | | | | |
| Pensions | 3,235,023 | 32,677 | 3,267,700 | - | 356,620 |
| OPEB | - | - | - | - | 63,888 |
| **Total Deferred Outflows of Resources** | 3,235,023 | 32,677 | 3,267,700 | - | 420,508 |
| **Liabilities** | | | | | |
| Accounts Payable | 916,399 | 27,198 | 943,597 | 72,711 | 61,603 |
| Accrued Interest | - | - | - | 85,678 | - |
| Cash Held in Escrow | 179,990 | - | 179,990 | - | - |
| Accrued Salaries and Benefits | 426,748 | 7,665 | 434,413 | - | - |
| Due to Other Governments | 2,053 | - | 2,053 | 15,058 | 6,260 |
| Customer Deposits | - | - | - | 102,188 | - |
| Unearned Grant Revenue | - | - | - | - | 5,022 |

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

**MADISON COUNTY, GEORGIA**
**STATEMENT OF NET POSITION**
**DECEMBER 31, 2023**
**(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 | $ 356,897 | $ - | $ 356,897 | $ 15,449 | $ - |
| Lease Liabilities | 8,799 | - | 8,799 | - | - |
| Subscription Liabilities | 39,958 | - | 39,958 | - | - |
| Notes Payable | - | - | - | 361,152 | - |
| Bonds Payable | 1,515,000 | - | 1,515,000 | 100,000 | - |
| Postclosure Liability | - | 8,335 | 8,335 | - | - |
| Due in More than One Year | | | | | |
| Lease Liabilities | 28,151 | - | 28,151 | - | - |
| Subscription Liabilities | 126,521 | - | 126,521 | - | - |
| Notes Payable | - | - | - | 3,991,202 | - |
| Bonds Payable | 3,135,000 | - | 3,135,000 | 4,092,081 | - |
| Compensated Absences | 118,966 | 1,141 | 120,107 | - | 32,070 |
| Net Pension Liability | 3,861,798 | 39,008 | 3,900,806 | - | 759,208 |
| Net OPEB Liability | - | - | - | - | 37,328 |
| Postclosure Liability | - | 25,005 | 25,005 | - | - |
| **Total Liabilities** | 10,716,280 | 108,352 | 10,824,632 | 8,835,519 | 901,491 |
| **Deferred Inflows of Resources** | | | | | |
| Pensions | 1,104,805 | 11,160 | 1,115,965 | - | 33,240 |
| OPEB | - | - | - | - | 84,522 |
| **Total Deferred Inflows of Resources** | 1,104,805 | 11,160 | 1,115,965 | - | 117,762 |
| **Net Position** | | | | | |
| Net Investment in Capital Assets | 139,828,603 | 69,624 | 139,898,227 | 14,277,902 | 53,714 |
| Restricted for | | | | | |
| Capital Outlay | 9,986,278 | - | 9,986,278 | 482,286 | - |
| Law Enforcement | 1,050,092 | - | 1,050,092 | - | - |
| Court Programs | 137,614 | - | 137,614 | - | - |
| Debt Service | - | - | - | 38,519 | - |
| Unrestricted (Deficit) | 29,220,984 | (3,393) | 29,217,591 | 4,145,877 | 441,171 |
| **Total Net Position** | $ 180,223,571 | $ 66,231 | $ 180,289,802 | $ 18,944,584 | $ 494,885 |

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

**MADISON COUNTY, GEORGIA**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| 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 | $ 7,097,530 | $ 816,904 | $ 6,705 | $ - |
| Judicial | 1,642,112 | 20,905 | 103,000 | - |
| Public Safety | 9,571,897 | 2,729,132 | 5,345,753 | - |
| Public Works | 19,029,459 | - | 1,659,445 | 4,647 |
| Health and Welfare | 806,434 | 3,972 | 221,661 | - |
| Culture and Recreation | 1,139,349 | 334,140 | 47,380 | - |
| Economic Development | 439,465 | - | - | - |
| Interest on Long-Term Debt | 64,155 | - | - | - |
| Total Governmental Activities | 39,790,401 | 3,905,053 | 7,383,944 | 4,647 |
| Business-Type Activities | | | | |
| Solid Waste | 571,932 | 313,626 | 42,644 | - |
| Total Business-Type Activities | 571,932 | 313,626 | 42,644 | - |
| **Total Primary Government** | $ 40,362,333 | $ 4,218,679 | $ 7,426,588 | $ 4,647 |
| **Component Unit** | | | | |
| Industrial Development Authority | $ 2,657,459 | $ 2,237,483 | $ - | $ 2,168 |
| Madison County Health Department | 944,496 | 321,770 | 763,917 | - |
| **Total Component Unit** | $ 3,601,955 | $ 2,559,253 | $ 763,917 | $ 2,168 |
| **General Revenues** | | | | |
| Property Tax | | | | |
| Sales Tax | | | | |
| Other Tax | | | | |
| Interest Revenue | | | | |
| Miscellaneous | | | | |
| Gain on Sale of Capital Assets | | | | |
| **Total General Revenues** | | | | |
| Transfers | | | | |
| **Total General Revenues and Transfers** | | | | |
| **Change in Net Position** | | | | |
| **Net Position - Beginning of Year** | | | | |
| **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, 2023**
**(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 |
| $ (6,273,921) | $ - | $ (6,273,921) | | |
| (1,518,207) | - | (1,518,207) | | |
| (1,497,012) | - | (1,497,012) | | |
| (17,365,367) | - | (17,365,367) | | |
| (580,801) | - | (580,801) | | |
| (757,829) | - | (757,829) | | |
| (439,465) | - | (439,465) | | |
| (64,155) | - | (64,155) | | |
| (28,496,757) | - | (28,496,757) | | |
| - | (215,662) | (215,662) | | |
| - | (215,662) | (215,662) | | |
| (28,496,757) | (215,662) | (28,712,419) | | |
| | | | $ - | $ (417,808) |
| | | | 141,191 | - |
| | | | 141,191 | (417,808) |
| 14,141,210 | - | 14,141,210 | - | 1,133,257 |
| 9,172,119 | - | 9,172,119 | - | - |
| 2,742,063 | - | 2,742,063 | - | - |
| 541,392 | - | 541,392 | 5,623 | 3,347 |
| 376,106 | 39,348 | 415,454 | - | 1,528 |
| 81,524 | - | 81,524 | - | - |
| 27,054,414 | 39,348 | 27,093,762 | 5,623 | 1,138,132 |
| (196,863) | 196,863 | - | - | - |
| 26,857,551 | 236,211 | 27,093,762 | 5,623 | 1,138,132 |
| (1,639,206) | 20,549 | (1,618,657) | 146,814 | 720,324 |
| 181,862,777 | 45,682 | 181,908,459 | 348,071 | 18,224,260 |
| $ 180,223,571 | $ 66,231 | $ 180,289,802 | $ 494,885 | $ 18,944,584 |

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

**MADISON COUNTY, GEORGIA**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**DECEMBER 31, 2023**

| | General Fund | American Rescue Plan Act Fund | TSPLOST Fund | 2020 SPLOST Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash and Cash Equivalents | $24,375,229 | $ - | $ 1,982,414 | $ 5,244,462 | $ 3,864,707 | $ 35,466,812 |
| Investments | 7,597,921 | - | - | - | - | 7,597,921 |
| Receivables, Net of Allowance | | | | | | |
| Taxes | 1,887,542 | - | - | - | - | 1,887,542 |
| Accounts Receivables | 377,502 | - | - | - | - | 377,502 |
| Due from Other Governments | 269,682 | - | 309,742 | 338,862 | 105,719 | 1,024,005 |
| Restricted Cash | 180,529 | - | - | - | - | 180,529 |
| Due from Other Funds | 25,423 | - | - | - | - | 25,423 |
| Prepaid Items | 28,248 | - | - | 20,916 | 23,768 | 72,932 |
| Inventory | 218,879 | - | - | - | - | 218,879 |
| **Total Assets** | $34,960,955 | $ - | $ 2,292,156 | $ 5,604,240 | $ 3,994,194 | $ 46,851,545 |
| **Liabilities** | | | | | | |
| Accounts Payable | $ 230,488 | $ - | $ 595,194 | $ 57,010 | $ 33,707 | $ 916,399 |
| Accrued Salaries and Benefits | 396,053 | - | - | - | 30,695 | 426,748 |
| Tax Sale Proceeds Held for Others | 179,990 | - | - | - | - | 179,990 |
| Due to Other Governments | 2,053 | - | - | - | - | 2,053 |
| Due to Other Funds | - | - | - | - | 25,423 | 25,423 |
| **Total Liabilities** | 808,584 | - | 595,194 | 57,010 | 89,825 | 1,550,613 |

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

**MADISON COUNTY, GEORGIA**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**DECEMBER 31, 2023**
**(CONTINUED)**

| | General Fund | American Rescue Plan Act Fund | TSPLOST Fund | 2020 SPLOST Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Deferred Inflows of Resources** | | | | | | |
| Unavailable Revenue - Property Taxes | 1,207,934 | - | - | - | - | 1,207,934 |
| **Total Deferred Inflows of Resources** | 1,207,934 | - | - | - | - | 1,207,934 |
| **Fund Balances** | | | | | | |
| Nonspendable | 247,127 | - | - | - | - | 247,127 |
| Restricted | - | - | 1,696,962 | 5,547,230 | 3,929,792 | 11,173,984 |
| Unassigned (Deficit) | 32,697,310 | - | - | - | (25,423) | 32,671,887 |
| **Total Fund Balances** | 32,944,437 | - | 1,696,962 | 5,547,230 | 3,904,369 | 44,092,998 |
| **Total Liabilities, Deferred Inflows of Resources, and Fund Balances** | $34,960,955 | $ - | $ 2,292,156 | $ 5,604,240 | $ 3,994,194 | $ 46,851,545 |

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, 2023**

| | | |
|---|---|---|
| **Total Fund Balances - Governmental Funds** | $ | 44,092,998 |
| 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 | | 460,986,459 |
| Accumulated Depreciation | | (319,002,948) |
| Deferred Outflows of Resources | | |
| Pensions | | 3,235,023 |
| Revenues | | |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. | | 1,207,934 |
| 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 | | (4,650,000) |
| Lease Liabilities | | (36,950) |
| Subscription Liabilities | | (166,479) |
| Compensated Absences | | (475,863) |
| Net Pension Liability | | (3,861,798) |
| Deferred Inflows of Resources | | |
| Pensions | | (1,104,805) |
| **Total Net Position of Governmental Activities** | $ | 180,223,571 |

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

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**MADISON COUNTY, GEORGIA**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | General Fund | American Rescue Plan Act Fund | TSPLOST Fund | 2020 SPLOST Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Taxes | | | | | | |
| Property Tax | $ 13,630,414 | $ - | $ - | $ - | $ - | $ 13,630,414 |
| Sales Tax | 2,620,499 | - | 3,079,611 | 3,472,009 | - | 9,172,119 |
| Other Taxes | 2,741,625 | - | - | - | 438 | 2,742,063 |
| License and Permits | 196,697 | - | - | - | - | 196,697 |
| Intergovernmental | 1,672,379 | 5,287,841 | - | - | 423,724 | 7,383,944 |
| Fines and Forfeitures | 620,296 | - | - | - | 67,590 | 687,886 |
| Charges for Services | 2,388,238 | - | - | - | 632,232 | 3,020,470 |
| Interest Earnings | 539,951 | 996 | 729 | 2,097 | 2,266 | 546,039 |
| Contributions and Donations | 97,325 | - | - | - | - | 97,325 |
| Other Revenues | 225,630 | - | - | - | 53,151 | 278,781 |
| **Total Revenues** | 24,733,054 | 5,288,837 | 3,080,340 | 3,474,106 | 1,179,401 | 37,755,738 |
| **Expenditures** | | | | | | |
| Current | | | | | | |
| General Government | 6,289,651 | - | - | - | - | 6,289,651 |
| Judicial | 1,642,112 | - | - | - | - | 1,642,112 |
| Public Safety | 8,694,801 | 216 | - | - | 1,070,855 | 9,765,872 |
| Public Works | 3,760,124 | - | 2,800,211 | - | 1,785,596 | 8,345,931 |
| Health and Welfare | 753,284 | - | - | - | - | 753,284 |
| Culture and Recreation | 1,278,343 | - | - | - | - | 1,278,343 |
| Housing and Development | 434,555 | - | - | - | - | 434,555 |

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, 2023**
(CONTINUED)

| | General Fund | American Rescue Plan Act Fund | TSPLOST Fund | 2020 SPLOST Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Expenditures (Continued)** | | | | | | |
| Debt Service | | | | | | |
| Principal | 47,422 | - | - | 1,480,000 | - | 1,527,422 |
| Interest | 7,068 | - | - | 57,087 | - | 64,155 |
| Intergovernmental | - | - | 372,941 | 312,481 | 83,721 | 769,143 |
| Capital Outlay | - | - | - | - | 577,831 | 577,831 |
| **Total Expenditures** | 22,907,360 | 216 | 3,173,152 | 1,849,568 | 3,518,003 | 31,448,299 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | 1,825,694 | 5,288,621 | (92,812) | 1,624,538 | (2,338,602) | 6,307,439 |
| **Other Financing Sources (Uses)** | | | | | | |
| Transfers from Other Funds | 5,290,830 | - | - | - | 593,623 | 5,884,453 |
| Transfers to Other Funds | (790,486) | (5,290,830) | - | - | - | (6,081,316) |
| Issuance of Subscription Based IT Arrangements | 205,379 | - | - | - | - | 205,379 |
| Proceeds from Sale of Capital Assets | 112,321 | - | - | - | - | 112,321 |
| **Total Other Financing Sources (Uses)** | 4,818,044 | (5,290,830) | - | - | 593,623 | 120,837 |
| **Net Change in Fund Balances** | 6,643,738 | (2,209) | (92,812) | 1,624,538 | (1,744,979) | 6,428,276 |
| **Fund Balance - Beginning of Year** | 26,300,699 | 2,209 | 1,789,774 | 3,922,692 | 5,649,348 | 37,664,722 |
| **Fund Balance - End of Year** | $ 32,944,437 | $ - | $ 1,696,962 | $ 5,547,230 | $ 3,904,369 | $ 44,092,998 |

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, 2023**

| | |
|---|---|
| **Net Change in Fund Balances - Total Governmental Funds** | $ 6,428,276 |
| 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 | 2,165,352 |
| Total Depreciation | (11,938,774) |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position. | (30,440) |
| 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 | 2,004,854 |
| Long-Term Debt | |
| The issuance of long-term debt (e.g., bonds, leases, subscription based software) 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. | |
| Subscription Liabilities | (205,379) |
| 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 | 1,480,000 |
| Lease Liabilities | 8,522 |
| Subscription Liabilities | 38,900 |
| Compensated Absences | (34,503) |
| Net Pension Liability | (2,630,684) |
| Revenues | |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 510,796 |
| 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 | 563,874 |
| **Change in Net Position of Governmental Activities** | $ (1,639,206) |

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

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**MADISON COUNTY, GEORGIA**
**GENERAL FUND**
**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| **Revenues** | | | | |
| Taxes | | | | |
| Property Tax | $ 15,070,215 | $ 13,793,363 | $ 13,630,414 | $ (162,949) |
| Sales Tax | 2,620,499 | 2,620,499 | 2,620,499 | - |
| Other Taxes | 2,741,626 | 2,741,625 | 2,741,625 | - |
| License and Permits | 196,697 | 196,697 | 196,697 | - |
| Intergovernmental | 1,649,998 | 1,672,379 | 1,672,379 | - |
| Fines and Forfeitures | 620,295 | 620,296 | 620,296 | - |
| Charges for Services | 2,338,322 | 1,519,057 | 2,388,238 | 869,181 |
| Interest Earnings | 275,946 | 275,946 | 539,951 | 264,005 |
| Contributions and Donations | 90,069 | 90,069 | 97,325 | 7,256 |
| Other Revenues | 219,731 | 216,222 | 225,630 | 9,408 |
| **Total Revenues** | 25,823,398 | 23,746,153 | 24,733,054 | 986,901 |
| **Expenditures** | | | | |
| Current | | | | |
| General Government | | | | |
| General Government | 4,350,726 | 4,496,975 | 4,200,709 | 296,266 |
| Governing Body | 171,903 | 185,407 | 185,407 | - |
| Financial Administration | 144,729 | 159,865 | 159,865 | - |
| Board of Elections / Registrations | 240,189 | 236,144 | 236,144 | - |
| Board of Equalization | 15,478 | 16,992 | 16,992 | - |
| Information Technology | 262,010 | 436,356 | 401,144 | 35,212 |
| Tax Commissioner | 405,956 | 390,183 | 390,183 | - |
| Tax Assessor | 430,480 | 480,641 | 480,641 | - |
| Buildings and Grounds | 332,162 | 218,566 | 218,566 | - |
| Judicial | | | | |
| Superior Court | 338,529 | 275,519 | 275,519 | - |
| Clerk of Superior Court | 471,149 | 465,076 | 465,076 | - |
| District Attorney | 109,599 | 106,470 | 106,470 | - |
| Magistrate Court | 301,566 | 284,400 | 284,400 | - |
| Probate Court | 373,627 | 361,486 | 361,486 | - |
| Juvenile Court | 157,758 | 149,161 | 149,161 | - |

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, 2023**
**(CONTINUED)**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget |
| Public Safety | | | | |
| Sheriff's Office | $ 2,759,521 | $ 2,768,377 | $ 2,761,935 | $ 6,442 |
| Emergency Management | 1,111,938 | 1,100,530 | 1,100,530 | - |
| Emergency Medical Service | 2,537,553 | 2,399,351 | 2,399,351 | - |
| Coroner | 80,849 | 70,625 | 70,625 | - |
| Animal Shelter | 110,296 | 110,296 | 110,296 | - |
| Jail | 2,387,576 | 2,252,064 | 2,252,064 | - |
| Public Works | | | | |
| Highways and Streets | 2,973,647 | 2,939,321 | 2,939,321 | - |
| Vehicle Maintenance | 874,447 | 878,060 | 820,803 | 57,257 |
| Health and Welfare | | | | |
| Food Bank | 125,675 | 119,736 | 87,685 | 32,051 |
| Senior Citizens Center | 375,676 | 371,388 | 371,388 | - |
| Public Education | 41,143 | 29,752 | 29,752 | - |
| Extension Office | 19,476 | 18,158 | 18,158 | - |
| Health | 243,877 | 246,301 | 246,301 | - |
| Culture and Recreation | | | | |
| Recreation | 912,680 | 1,048,154 | 1,048,154 | - |
| Library Administration | 230,189 | 230,189 | 230,189 | - |
| Housing and Development | | | | |
| Planning, Zoning, and Inspections | 487,891 | 409,236 | 409,236 | - |
| Chamber of Commerce | 26,452 | 16,452 | 16,452 | - |
| Forest Resources | 9,000 | 8,867 | 8,867 | - |
| Debt Service | | | | |
| Principal | 80,000 | 131,417 | 47,422 | 83,995 |
| Interest and other charges | 1,200 | 8,268 | 7,068 | 1,200 |
| **Total Expenditures** | 23,494,947 | 23,419,783 | 22,907,360 | 512,423 |
| **Excess Revenue Over (Under) Expenditures** | 2,328,451 | 326,370 | 1,825,694 | 1,499,324 |
| **Other Financing Sources (Uses)** | | | | |
| Transfers from Other Funds | 5,290,830 | 5,290,830 | 5,290,830 | - |
| Transfers to Other Funds | - | (790,486) | (790,486) | - |
| Issuance of Subscription Based IT Arrangements | - | - | 205,379 | 205,379 |
| Proceeds from Sale of Capital Assets | 108,321 | 108,321 | 112,321 | 4,000 |
| **Total Other Financing Sources (Uses)** | 5,399,151 | 4,608,665 | 4,818,044 | 209,379 |
| **Net Change in Fund Balance** | 7,727,602 | 4,935,035 | 6,643,738 | 1,708,703 |
| **Fund Balance - Beginning of Year** | 26,300,699 | 26,300,699 | 26,300,699 | - |
| **Fund Balance - End of Year** | $ 34,028,301 | $ 31,235,734 | $ 32,944,437 | $ 1,708,703 |

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, 2023**
**(CONTINUED)**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | **Original** | **Final** | **Actual** | **Variance with Final Budget** |
| **Revenues** | | | | |
| Intergovernmental | $ - | $ 5,287,841 | $ 5,287,841 | $ - |
| Interest Earnings | - | 996 | 996 | - |
| **Total Revenues** | - | 5,288,837 | 5,288,837 | - |
| **Expenditures** | | | | |
| Current | | | | |
| Public Safety | - | 216 | 216 | - |
| **Total Expenditures** | - | 216 | 216 | - |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | - | 5,288,621 | 5,288,621 | - |
| **Other Financing Sources (Uses)** | | | | |
| Transfers to Other Funds | - | (5,290,830) | (5,290,830) | - |
| **Total Other Financing Sources (Uses)** | - | (5,290,830) | (5,290,830) | - |
| **Net Changes in Fund Balance** | - | (2,209) | (2,209) | - |
| **Fund Balance - Beginning of Year** | 2,209 | 2,209 | 2,209 | - |
| **Fund Balance - End of Year** | $ 2,209 | $ - | $ - | $ - |

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

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**MADISON COUNTY, GEORGIA**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**DECEMBER 31, 2023**

| | Solid Waste Fund |
|---|---|
| **Assets** | |
| Current Assets | |
| Cash and Cash Equivalents | $ 30,500 |
| Accounts Receivable, Net | 10,298 |
| Due from Other Governments | 42,644 |
| Total Current Assets | 83,442 |
| Long-Term Assets | |
| Capital Assets | |
| Depreciable Assets, Net | 69,624 |
| Total Capital Assets, Net | 69,624 |
| Total Noncurrent Assets | 69,624 |
| **Total Assets** | 153,066 |
| **Deferred Outflows of Resources** | |
| Pensions | 32,677 |
| **Total Deferred Outflows of Resources** | 32,677 |

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

**MADISON COUNTY, GEORGIA**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**DECEMBER 31, 2023**
**(CONTINUED)**

| | Solid Waste Fund |
|---|---|
| **Liabilities** | |
| Current Liabilities | |
| Accounts Payable | $ 27,198 |
| Accrued Salaries and Benefits | 7,665 |
| Postclosure Liability | 8,335 |
| Total Current Liabilities | 43,198 |
| Long-Term Liabilities | |
| Compensated Absences | 1,141 |
| Net Pension Liability | 39,008 |
| Postclosure Liability | 25,005 |
| Total Long-Term Liabilities | 65,154 |
| **Total Liabilities** | 108,352 |
| **Deferred Inflows of Resources** | |
| Pensions | 11,160 |
| **Total Deferred Inflows of Resources** | 11,160 |
| **Net Position** | |
| Investment in Capital Assets | 69,624 |
| Unrestricted (Deficit) | (3,393) |
| **Total Net Position** | $ 66,231 |

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, 2023**

| | Solid Waste Fund |
|---|---|
| **Operating Revenues** | |
| Charges for Sales and Services | $ 313,626 |
| Miscellaneous | 39,348 |
| **Total Operating Revenues** | 352,974 |
| **Operating Expenses** | |
| Cost of Sales - Waste Disposal Fees | 270,380 |
| Personal Services | 209,113 |
| Contractual Services | 3,264 |
| Other Supplies and Expenses | 76,934 |
| Depreciation | 12,241 |
| **Total Operating Expenses** | 571,932 |
| **Operating Income (Loss)** | (218,958) |
| **Nonoperating Revenues (Expenses)** | |
| Intergovernmental Revenue | 42,644 |
| **Total Nonoperating Revenues (Expenses)** | 42,644 |
| **Income (Loss) Before Contributions and Transfers** | (176,314) |
| Transfers from Other Funds | 196,863 |
| **Change in Net Position** | 20,549 |
| **Total Net Position - Beginning of Year** | 45,682 |
| **Total Net Position - End of Year** | $ 66,231 |

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, 2023**

| | Solid Waste Fund |
|---|---|
| **Cash Flows from Operating Activities** | |
| Cash Received from Customers | $ 350,709 |
| Cash Paid to Suppliers for Goods and Services | (354,299) |
| Cash Paid to Employees | (210,799) |
| **Net Cash Flows Provided by (Used for) Operating Activities** | (214,389) |
| **Cash Flows from Noncapital Financing Activities** | |
| Transfers from Other Funds | 196,863 |
| Intergovernmental Revenue | 16,276 |
| **Net Cash Flows Provided by (Used for) Noncapital Financing Activities** | 213,139 |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | (1,250) |
| **Cash and Cash Equivalents - Beginning of Year** | 31,750 |
| **Cash and Cash Equivalents - End of Year** | $ 30,500 |

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, 2023**
**(CONTINUED)**

| | Solid Waste Fund |
|---|---|
| **Reconciliation of Net Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities** | |
| Net Operating Income (Loss) | $ (218,958) |
| **Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities** | |
| Depreciation | 12,241 |
| Changes in Assets and Liabilities | |
| (Increase) Decrease in Accounts Receivable | (2,265) |
| (Increase) Decrease in Deferred Outflows - Pensions | (20,251) |
| Increase (Decrease) in Accounts Payable | (3,721) |
| Increase (Decrease) in Accrued Salaries and Benefits | 7,665 |
| Increase (Decrease) in Compensated Absences | (1,643) |
| Increase (Decrease) in Net Pension Liability | 26,573 |
| Increase (Decrease) in Deferred Inflows - Pensions | (5,695) |
| Increase (Decrease) in Postclosure Liability | (8,335) |
| Total Adjustments | 4,569 |
| **Net Cash Provided by (Used for) Operating Activities** **Operating Activities** | $ (214,389) |

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

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**MADISON COUNTY, GEORGIA**
**FIDUCIARY FUNDS**
**STATEMENT OF FIDUCIARY NET POSITION**
**DECEMBER 31, 2023**

| | Custodial Funds |
|---|---|
| **Assets** | |
| Cash and Cash Equivalents | $ 495,486 |
| Taxes Receivable for Other Governments | 4,718,946 |
| **Total Assets** | $ 5,214,432 |
| **Liabilities** | |
| Funds Due to Others | $ 400,608 |
| Uncollected Taxes | 4,718,946 |
| **Total Liabilities** | 5,119,554 |
| **Net Position** | |
| Restricted for Individuals, Organizations, and Other Governments | 94,878 |
| **Total Net Position** | $ 94,878 |

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, 2023**

| | Custodial Funds |
|---|---|
| **Additions** | |
| Taxes Collected for Other Governments | $ 27,766,029 |
| Funds Collected for Others | 2,262,230 |
| **Total Additions** | 30,028,259 |
| **Deductions** | |
| Taxes Distributed to Other Governments | 27,766,029 |
| Forfeitures | 1,743 |
| Funds Distributed to Others | 2,288,140 |
| **Total Deductions** | 30,055,912 |
| **Changes in Net Position** | (27,653) |
| **Net Position - Beginning of Year** | 122,531 |
| **Net Position - End of Year** | $ 94,878 |

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

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

# 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, 2023, and the Madison County Industrial Development and Building Authority, as of December 31, 2023. 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 east 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.

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

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 and GASB 96. The intangible right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease / subscription liability plus any lease / subscription payments made prior to the lease / subscription term, less lease / subscription incentives, plus ancillary charges necessary to place the lease / subscription into service. The intangible right-to-use assets are amortized on a straight-line basis over the life of the related lease / subscription.

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 |
| Intangible Right-to-Use Assets | 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 and differences between expected and actual experiences. 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, lease liabilities and subscription liabilities are deferred and amortized over their life 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, lease liabilities, and subscription liabilities 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, 2023:

| | General Fund | TSPLOST Fund | 2020 SPLOST Fund | Nonmajor Governmental | Total |
|---|---|---|---|---|---|
| Nonspendable | | | | | |
| Inventory | $ 218,879 | $ - | $ - | $ - | $ 218,879 |
| Prepaids Items | 28,248 | - | - | - | 28,248 |
| Restricted | | | | | |
| Capital Outlay | - | 1,696,962 | 5,547,230 | 2,742,086 | 9,986,278 |
| Law Enforcement | - | - | - | 1,050,092 | 1,050,092 |
| Court Programs | - | - | - | 137,614 | 137,614 |
| Unassigned (Deficit) | 32,697,310 | - | - | (25,423) | 32,671,887 |
| Total Fund Balances | $32,944,437 | $1,696,962 | $ 5,547,230 | $ 3,904,369 | $ 44,092,998 |

***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.

***Impact of New Accounting Standard Adopted***

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96). The objective of this statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

## (1) Summary of Significant Accounting Policies (Continued)

### *Impact of New Accounting Standard Adopted (Continued)*

As a result of adopting this pronouncement as of January 1, 2023, the County recognized intangible right-to-use assets and subscription liabilities related to its subscription arrangements, as described in Note 9. The subscription 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 amortized on a straight-line basis as amortization expense over the life of the subscription. 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 2023, the budget was legally adopted on October 3, 2022.

4. The Finance Director is authorized to transfer budgeted amounts within a department, with the exception of personnel amendments. The Finance Director is also authorized to transfer amounts between departments 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).

### *Deficit Fund Balance*

The Opioid Settlement Fund had a deficit fund balance as of December 31, 2023. The deficit will be eliminated through receipt of settlements in future years.

## (3) Deposits and Investments

### *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, 2023, 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 and Investments (Continued)**

***Custodial Credit Risk – Deposits (Continued)***

The Board, a discretely presented component unit, bank balances of deposits as of June 30, 2023 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, 2023, 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.

***Investments***

Investment Policy – The County's formal investment policy limits investment of public funds in manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow demands of the County and conforming to all state and local statues governing the investment of such funds. The investment portfolio shall remain sufficiently liquid to enable the County to meet all operating requirements that might be reasonably anticipated.

Custodial credit risk. For an investment, the custodial risk is the risk that in the event of the failure of the counterparty to a transaction, an entity will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

As of December 31, 2023, the County had the following investments:

| | | Maturities in Years | | | |
|---|---|---|---|---|---|
| **Investment** | **Credit Rating** | **Under One** | **One - Three** | **Three - Seven** | **Total** |
| U.S. Government Agency Notes and Bonds | AA+ | $ 7,597,921 | $ - | $ - | $ 7,597,921 |
| Total Investments | | $ 7,597,921 | $ - | $ - | $ 7,597,921 |

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk. All financial institutions (banks) and broker/dealers are pre-qualified and subject to ongoing monitoring to ensure compliance with applicable regulations and requirements. Diversification of the investment portfolio to avoid concentration risk also alleviates some of the credit risk by limiting deposits to any one issuer.

Fair Value Measurements. Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application establishes a hierarchy of inputs to the valuation techniques of certain assets and liabilities at fair value. This hierarchy consists of three broad levels: Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are quoted market prices for similar assets or liabilities, or quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable. Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal. The County has the following recurring fair value measurements as of December 31, 2023:

**(3) Deposits and Investments (Continued)**

***Investments (Continued)***

| Investment Type | Total | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| Investment at Fair Value | | | | |
| U.S. Government Agency Notes and Bonds | $ 7,597,921 | $ 7,597,921 | $ - | $ - |
| Total | $ 7,597,921 | $ 7,597,921 | $ - | $ - |

**(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, 2023, were levied on September 15, 2023 with a due date of December 20, 2023. 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, 2023 amounted to $1,887,542 and deferred property tax revenue totaled $1,207,934.

**(5) Receivables**

Receivables at December 31, 2023, consist of the following:

| | General Fund | Solid Waste Fund | Total |
|---|---|---|---|
| Taxes | $ 1,887,542 | $ - | $ 1,887,542 |
| Accounts | 3,781,858 | 10,298 | 3,792,156 |
| Gross Receivables | 5,669,400 | 10,298 | 5,679,698 |
| Allowance for Uncollectible | (3,404,356) | - | (3,404,356) |
| Net Total Receivables | $ 2,265,044 | $ 10,298 | $ 2,275,342 |

**(6) Due from Other Governments**

Amounts due from other governments at December 31, 2023, are as follows:

| Fund | State | Other | Total |
|---|---|---|---|
| General Fund | $ 254,624 | $ 15,058 | $ 269,682 |
| TSPLOST Fund | 309,742 | - | 309,742 |
| 2020 SPLOST Fund | 338,862 | - | 338,862 |
| Non-Major Governmental Funds | - | 105,719 | 105,719 |
| Solid Waste Fund | 42,644 | - | 42,644 |
| Total | $ 945,872 | $ 120,777 | $1,066,649 |

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, 2023, is as follows:

| Due To / From Other Funds | | |
|---|---|---|
| Receivable Fund | Payable Fund | Amount |
| General Fund | Nonmajor Governmental Fund | $ 25,423 |
| Total | | $ 25,423 |

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 | $ - | $ 593,623 | $ 196,863 | $ 790,486 |
| American Rescue Plan Act Fund | 5,290,830 | - | - | 5,290,830 |
| Total | $ 5,290,830 | $ 593,623 | $ 196,863 | $ 6,081,316 |

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, 2023 include the following:

| | Beginning Balance | Increase | Decrease | Transfers / Reclassifications | Ending Balance |
|---|---|---|---|---|---|
| Capital Assets Not Being Depreciated | | | | | |
| Land | $ 969,316 | $ - | $ - | $ - | $ 969,316 |
| Construction in Progress | 222,402 | 417,971 | - | (343,496) | 296,877 |
| Total Capital Assets Not Being Depreciated | 1,191,718 | 417,971 | - | (343,496) | 1,266,193 |
| Capital Assets Being Depreciated | | | | | |
| Buildings | 14,380,323 | - | - | 305,382 | 14,685,705 |
| Equipment, Furniture & Vehicles | 11,161,451 | 1,506,660 | (409,474) | - | 12,258,637 |
| Land Improvements | 2,222,214 | 35,342 | - | - | 2,257,556 |
| Infrastructure | 430,217,903 | - | - | 38,114 | 430,256,017 |
| Intangible Right-To-Use Assets (Leases) | 56,972 | - | - | - | 56,972 |
| Intangible Right-To-Use Assets (SBITAs) | - | 205,379 | - | - | 205,379 |
| Total Capital Assets Being Depreciated | 458,038,863 | 1,747,381 | (409,474) | 343,496 | 459,720,266 |
| Accumulated Depreciation | | | | | |
| Buildings | (6,271,525) | (353,757) | - | - | (6,625,282) |
| Equipment, Furniture & Vehicles | (7,333,273) | (840,666) | 379,034 | - | (7,794,905) |
| Land Improvements | (1,158,420) | (76,543) | - | - | (1,234,963) |
| Infrastructure | (292,671,535) | (10,617,237) | - | - | (303,288,772) |
| Intangible Right-To-Use Assets (Leases) | (8,455) | (9,495) | - | - | (17,950) |
| Intangible Right-To-Use Assets (SBITAs) | - | (41,076) | - | - | (41,076) |
| Total Accumulated Depreciation | (307,443,208) | (11,938,774) | 379,034 | - | (319,002,948) |
| Total Capital Assets Being Depreciated, Net | 150,595,655 | (10,191,393) | (30,440) | 343,496 | 140,717,318 |
| Governmental Activities Capital Assets, Net | $ 151,787,373 | $ (9,773,422) | $ (30,440) | $ - | 141,983,511 |
| | | | | Less Related Long-Term Debt Outstanding | (4,853,429) |
| | | | | Unspent Bond Proceeds | 2,698,521 |
| | | | | Net Investment in Capital Assets | $ 139,828,603 |

**(8) Capital Assets (Continued)**

Business-type activities for the year ended December 31, 2023 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 | (63,177) | (2,352) | - | - | (65,529) |
| Furniture, Fixtures, and Equipment | (174,989) | (9,889) | - | - | (184,878) |
| Total Accumulated Depreciation | (238,166) | (12,241) | - | - | (250,407) |
| Total Capital Assets Being Depreciated, Net | 81,865 | (12,241) | - | - | 69,624 |
| Business-Type Activities Capital Assets, Net | $ 81,865 | $ (12,241) | $ - | $ - | $ 69,624 |

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

| | |
|---|---|
| Governmental Activities | |
| General Government | $ 175,756 |
| Public Safety | 708,107 |
| Public Works | 10,848,556 |
| Health and Welfare | 53,150 |
| Culture and Recreation | 148,295 |
| Housing and Development | 4,910 |
| Total Depreciation Expense - Governmental Activities | $ 11,938,774 |
| Business-Type Activities | |
| Solid Waste | $ 12,241 |
| Total Depreciation Expense - Business-Type Activities | $ 12,241 |

**(8) Capital Assets (Continued)**

Activity for the Madison County Industrial Development and Building Authority for the year ended December 31, 2023, was as follows:

| | Beginning Balance | Increase | Decrease | Transfers / Reclassifications | Ending Balance |
|---|---|---|---|---|---|
| Capital Assets Not Being Depreciated | | | | | |
| Land | $ 574,135 | $ - | $ - | $ - | $ 574,135 |
| Construction in Progress | 2,659,835 | 16,134 | - | (2,675,969) | - |
| Total Capital Assets Not Being Depreciated | 3,233,970 | 16,134 | - | (2,675,969) | 574,135 |
| Capital Assets Being Depreciated | | | | | |
| Water System | 25,814,234 | 32,248 | - | 2,675,969 | 28,522,451 |
| Wastewater Treatment Plant | 2,495,327 | - | - | - | 2,495,327 |
| Vehicles and Equipment | 179,501 | 98,909 | - | - | 278,410 |
| Total Capital Assets Being Depreciated | 28,489,062 | 131,157 | - | 2,675,969 | 31,296,188 |
| Accumulated Depreciation | | | | | |
| Water System | (7,448,974) | (669,986) | - | - | (8,118,960) |
| Wastewater Treatment Plant | (753,795) | (62,385) | - | - | (816,180) |
| Vehicles and Equipment | (88,187) | (24,659) | - | - | (112,846) |
| Total Accumulated Depreciation | (8,290,956) | (757,030) | - | - | (9,047,986) |
| Total Capital Assets Being Depreciated, Ne | 20,198,106 | (625,873) | - | 2,675,969 | 22,248,202 |
| Madison County IDBA Capital Assets, Net | $ 23,432,076 | $ (609,739) | $ - | $ - | 22,822,337 |
| | | | | Less Related Long-Term Debt Outstanding | (8,544,435) |
| | | | | Net Investment in Capital Assets | $ 14,277,902 |

Depreciation expense of $757,030 was charged to the business-type activities Water Fund.

Activity for the Board of Health for the year ended June 30, 2023, was as follows:

| | Beginning Balance | Increase | Decrease | Ending Balance |
|---|---|---|---|---|
| Capital Assets Being Depreciated | | | | |
| Office and Medical Equipment | $ 151,146 | $ 16,942 | $ (1,195) | $ 166,893 |
| Total Capital Assets Being Depreciated | 151,146 | 16,942 | (1,195) | 166,893 |
| Accumulated Depreciation | | | | |
| Office and Medical Equipment | (97,744) | (16,630) | 1,195 | (113,179) |
| Total Accumulated Depreciation | (97,744) | (16,630) | 1,195 | (113,179) |
| Total Capital Assets Being Depreciated, Net | 53,402 | 312 | - | 53,714 |
| Board of Health Capital Assets, Net | $ 53,402 | $ 312 | $ - | $ 53,714 |

Depreciation expense of $16,630 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, 2023 was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| 2020 General Obligation Bonds | $ 6,130,000 | $ - | $ (1,480,000) | $ 4,650,000 | $ 1,515,000 |
| Lease Liabilities | 45,472 | - | (8,522) | 36,950 | 8,799 |
| Subscription Liabilities | - | 205,379 | (38,900) | 166,479 | 39,958 |
| Net Pension Liability | 1,231,114 | 2,630,684 | - | 3,861,798 | - |
| Compensated Absences | 441,360 | 564,135 | (529,632) | 475,863 | 356,897 |
| Governmental activity | | | | | |
| Long-Term Liabilities | $ 7,847,946 | $ 3,400,198 | $ (2,057,054) | $ 9,191,090 | $ 1,920,654 |
| Business-Type Activities | | | | | |
| Landfill Postclosure Cost | $ 41,675 | $ - | $ (8,335) | $ 33,340 | $ 8,335 |
| Net Pension Liability | 12,435 | 26,573 | - | 39,008 | - |
| Compensated Absences | 2,784 | - | (1,643) | 1,141 | - |
| Business-Type Activity | | | | | |
| Long-Term Liabilities | $ 56,894 | $ 26,573 | $ (9,978) | $ 73,489 | $ 8,335 |

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 Bond*

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 |
| 2024 | $ 1,515,000 | $ 44,175 |
| 2025 | 1,550,000 | 29,782 |
| 2026 | 1,585,000 | 15,058 |
| Total | $ 4,650,000 | $ 89,015 |

**(9) Long-Term Debt (Continued)**

***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 annual requirements of principal and interest for the lease liability as of December 31, 2023:

| | Governmental Activities | |
|---|---|---|
| Year Ending | Principal | Interest |
| 2024 | $ 8,799 | $ 1,201 |
| 2025 | 9,085 | 915 |
| 2026 | 9,380 | 620 |
| 2027 | 9,686 | 315 |
| Total | $ 36,950 | $ 3,051 |

***Subscription Liabilities***

The County has entered into a subscription liability agreement for the financing of accounting software. The subscription liability agreement has been recorded at the present value of the future minimum subscription payments as of the date of its inception.

The following is an analysis of the annual requirements of principal and interest for the subscription liability as of December 31, 2023:

| | Governmental Activities | |
|---|---|---|
| Year Ending | Principal | Interest |
| 2024 | $ 39,958 | $ 4,532 |
| 2025 | 41,046 | 3,444 |
| 2026 | 42,163 | 2,327 |
| 2027 | 43,312 | 1,179 |
| Total | $ 166,479 | $ 11,482 |

**(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.

**(10) Landfill Costs (Continued)**

During 2023, the County expended $7,735 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 4 years as shown on the County's financial statements for landfill post-closure costs is $33,340 as of December 31, 2023. 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, 2023. 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.

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 percent equities and 30 percent fixed income securities on a cost basis.

**(11) Retirement Benefits (Continued)**

***ACCG Defined Benefit Plan (Continued)***

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, 2022, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

| | |
|---|---|
| Retirees and Beneficiaries Currently Receiving Benefits | 86 |
| Terminated Employees Entitled to Benefits but not et Receiving Them | 98 |
| Current Active Employees | 126 |
| Total | 310 |
| Covered compensation for active participants | $ 5,534,643 |

*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 12.9 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, 2023, the County reported a net pension liability. The net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2022. An expected total pension liability as of December 31, 2023, was determined using standard roll-forward techniques.

For the year ended December 31, 2023, the County recognized pension expense relative to ACCG in the amount of $848,860. At December 31, 2023, the County reported deferred outflows of resources related to the Pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | $ 2,081,763 | $ 955,939 |
| Differences Between Expected and Actual Experience in the Measurement of the Total Pension Liability | 364,665 | 160,026 |
| Changes of Assumptions or Other Inputs | 34,995 | - |
| Employer Contributions Subsequent to the Measurement Date | 786,277 | - |
| | $ 3,267,700 | $ 1,115,965 |

**(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)*

County contributions subsequent to the measurement date of December 31, 2022, 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, 2023.

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 December 31 are as follows:

| Year | Amount |
|---|---|
| 2024 | $ 126,019 |
| 2025 | 278,353 |
| 2026 | 440,646 |
| 2027 | 520,440 |
| 2028 | - |

Actuarial Assumptions - The total pension liability as of December 31, 2023, was determined by an actuarial valuation as of January 1, 2022, 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 2022. 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)***

Net Pension Liability

Changes in net pension liability for the year ended December 31, 2023, are as follows:

| | Total Pension Liability | Fiduciary Net Position | Net Pension Liability |
|---|---|---|---|
| Balance - December 31, 2021 | $ 13,576,902 | $ 12,333,353 | $ 1,243,549 |
| Service cost | 235,540 | - | 235,540 |
| Interest | 927,931 | - | 927,931 |
| Liability Experience (Gain) Loss | 358,058 | - | 358,058 |
| Assumption Changes | 23,140 | - | 23,140 |
| Plan Changes | - | - | - |
| Employer Contributions | - | 671,394 | (671,394) |
| Employee Contributions | - | 53,497 | (53,497) |
| Net Investment Income | - | (1,718,243) | 1,718,243 |
| Benefit Payments | (641,489) | (641,489) | - |
| Administrative Expense | - | (45,391) | 45,391 |
| Other changes | - | (73,845) | 73,845 |
| Net changes | 903,180 | (1,754,077) | 2,657,257 |
| Balance - December 31, 2022 | $ 14,480,082 | $ 10,579,276 | $ 3,900,806 |

The County's net pension liability is recorded in the government-wide statement of net position in the amounts of $3,861,798 related to governmental activities, and in the Solid Waste Fund in the amount of $39,008.

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 | $ 5,919,242 | $ 3,900,806 | $ 2,239,545 |

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 $57,845.

**(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.

***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.

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

***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, 2023, 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, 2023**

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

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Total Pension Liability** | | | |
| Service Cost | **$ 235,540** | $ 206,169 | $ 198,702 |
| Interest on Total Pension Liability | **927,931** | 895,319 | 863,273 |
| Difference between Expected and Actual Experience | **358,058** | (305,504) | 310,715 |
| Changes of Assumptions | **23,140** | 21,529 | 20,580 |
| Plan Changes | **-** | 257,757 | - |
| Benefit Payments, Including Refunds of Employee Contributions | **(641,489)** | (577,267) | (646,844) |
| **Net Change in Total Pension Liability** | **903,180** | 498,003 | 746,426 |
| **Total Pension Liability - Beginning of Year** | **13,576,902** | 13,078,899 | 12,332,473 |
| **Total Pension Liability - End of Year** | **$ 14,480,082** | $ 13,576,902 | $ 13,078,899 |
| **Plan Fiduciary Net Position** | | | |
| Contributions - Employer | **$ 671,394** | $ 673,868 | $ 683,112 |
| Contributions - Employee | **53,497** | 19,894 | - |
| Net Investment Income | **(1,718,243)** | 1,619,777 | 1,290,793 |
| Benefit Payments, Including Refunds of Member Contributions | **(641,489)** | (577,267) | (624,970) |
| Administrative Expenses | **(45,391)** | (41,656) | (39,729) |
| Other Expenses | **(73,845)** | (98,184) | (65,313) |
| **Net Change in Plan Fiduciary Net Position** | **(1,754,077)** | 1,596,432 | 1,243,893 |
| **Plan Fiduciary Net Position - Beginning of Year** | **12,333,353** | 10,736,921 | 9,493,028 |
| **Plan Fiduciary Net Position - End of Year** | **$ 10,579,276** | $ 12,333,353 | $ 10,736,921 |
| **Net Pension Liability (Asset) - End of Year** | **$ 3,900,806** | $ 1,243,549 | $ 2,341,978 |
| **Plan Fiduciary Net Position as a Percentage of the Total Pension Liability** | **73.06%** | 90.84% | 82.09% |
| **Covered Payroll** | **5,534,643** | 5,146,665 | 4,803,973 |
| **Net Pension Liability as a Percentage of Covered Payroll** | **70.48%** | 24.16% | 48.75% |

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, 2023**
**(CONTINUED)**

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

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|
| | $ 197,664 | $ 211,631 | $ 216,888 | $ 189,468 | $ 187,164 | $ 197,980 |
| | 771,592 | 764,259 | 718,383 | 693,026 | 615,307 | 582,428 |
| | 156,738 | 59,089 | 115,896 | (113,511) | 285,873 | - |
| | 557,804 | 49,838 | 31,751 | 320,970 | 331,254 | - |
| | - | - | - | - | - | - |
| | (748,125) | (459,040) | (441,243) | (401,912) | (364,786) | (319,239) |
| | 935,673 | 625,777 | 641,675 | 688,041 | 1,054,812 | 461,169 |
| | 11,396,800 | 10,771,023 | 10,129,348 | 9,441,307 | 8,386,495 | 7,925,326 |
| | $ 12,332,473 | $ 11,396,800 | $ 10,771,023 | $ 10,129,348 | $ 9,441,307 | $ 8,386,495 |
| | $ 625,461 | $ 599,011 | $ 592,576 | $ 549,129 | $ 537,605 | $ 530,214 |
| | - | - | - | - | - | - |
| | 1,570,476 | (366,391) | 1,113,370 | 456,996 | 10,638 | 395,521 |
| | (748,125) | (459,040) | (441,243) | (401,912) | (364,786) | (319,239) |
| | (39,683) | (27,268) | (25,644) | (28,414) | (26,457) | (26,147) |
| | (22,627) | (51,644) | (96,276) | (14,712) | (32,893) | (19,417) |
| | 1,385,502 | (305,332) | 1,142,783 | 561,087 | 124,107 | 560,932 |
| | 8,107,526 | 8,412,858 | 7,270,075 | 6,708,988 | 6,584,881 | 6,023,949 |
| | $ 9,493,028 | $ 8,107,526 | $ 8,412,858 | $ 7,270,075 | $ 6,708,988 | $ 6,584,881 |
| | $ 2,839,445 | $ 3,289,274 | $ 2,358,165 | $ 2,859,273 | $ 2,732,319 | $ 1,801,614 |
| | 76.98% | 71.14% | 78.11% | 71.77% | 71.06% | 78.52% |
| | 4,939,728 | 4,631,134 | 4,726,098 | 4,544,200 | 4,786,794 | 4,921,444 |
| | 57.48% | 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, 2023**

## SCHEDULE OF COUNTY CONTRIBUTIONS

| | **2023** | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|
| Actuarially Determined Contributions | **$ 786,277** | $ 671,394 | $ 683,112 | $ 625,461 | $ 599,011 | $ 592,576 | $ 549,129 | $ 537,210 | $ 519,956 |
| Contributions in Relation to the Actuarially Determined Contributions | **786,277** | 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 | **6,142,789** | 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 | **12.80%** | 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 2022 instead of 2021 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 55-60 rate of 20%, age 61-64 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 2022 (Pre-Retirement: Employee, Post-Retirement: Retire) |
| Disability | Male and female rates derived from the 1985 CIDA Table Class 1. |

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

# SUPPLEMENTARY INFORMATION

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

## 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.

***Opioid Settlement Fund*** - This fund accounts for Opioid Settlements received and the related Law Enforcement expenditures.

### 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.

***General Obligation Bond 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.

**MADISON COUNTY, GEORGIA**
**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**DECEMBER 31, 2023**

| | 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 | $ 47,523 | $ 80,951 | $ 4,449 | $ 10,925 | $ 33,970 |
| Due from Other Governments | - | - | - | - | - |
| Prepaids | - | - | - | - | - |
| **Total Assets** | $ 47,523 | $ 80,951 | $ 4,449 | $ 10,925 | $ 33,970 |
| **Liabilities** | | | | | |
| Accounts Payable | $ - | $ - | $ - | $ 49 | $ - |
| Accrued Wages | - | - | - | 1,736 | - |
| Due To Other Funds | - | - | - | - | - |
| **Total Liabilities** | - | - | - | 1,785 | - |
| **Fund Balances** | | | | | |
| Restricted | 47,523 | 80,951 | 4,449 | 9,140 | 33,970 |
| Unassigned (Deficit) | - | - | - | - | - |
| **Total Fund Balances** | 47,523 | 80,951 | 4,449 | 9,140 | 33,970 |
| **Total Liabilities and Fund Balance** | $ 47,523 | $ 80,951 | $ 4,449 | $ 10,925 | $ 33,970 |

**MADISON COUNTY, GEORGIA**
**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**DECEMBER 31, 2023**
**(CONTINUED)**

| Special Revenue Funds | | Capital Project Funds | | | Total |
|---|---|---|---|---|---|
| E-911 Fund | Opioid Settlement Fund | CDBG Fund | 2014 SPLOST Fund | General Obligation Bond Fund | Nonmajor Governmental Funds |
| $ 912,020 | $ - | $ - | $ 76,348 | $ 2,698,521 | $ 3,864,707 |
| 105,719 | - | - | - | - | 105,719 |
| 23,768 | - | - | - | - | 23,768 |
| $ 1,041,507 | $ - | $ - | $ 76,348 | $ 2,698,521 | $ 3,994,194 |
| $ 875 | $ - | $ - | $ 3,434 | $ 29,349 | $ 33,707 |
| 28,959 | - | - | - | - | 30,695 |
| - | 25,423 | - | - | - | 25,423 |
| 29,834 | 25,423 | - | 3,434 | 29,349 | 89,825 |
| 1,011,673 | - | - | 72,914 | 2,669,172 | 3,929,792 |
| - | (25,423) | - | - | - | (25,423) |
| 1,011,673 | (25,423) | - | 72,914 | 2,669,172 | 3,904,369 |
| $ 1,041,507 | $ - | $ - | $ 76,348 | $ 2,698,521 | $ 3,994,194 |

**MADISON COUNTY, GEORGIA**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | 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 | 9,781 | 21,667 | 16,735 | 19,407 | - |
| Interest Earnings | 21 | 38 | - | - | - |
| Other Revenues | - | 31,248 | 129 | - | 19,665 |
| **Total Revenues** | 9,802 | 52,953 | 16,864 | 19,407 | 19,665 |
| **Expenditures** | | | | | |
| Current | | | | | |
| Public Safety | 3,123 | 20,209 | 16,604 | 63,946 | 18,055 |
| Public Works | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| **Total Expenditures** | 3,123 | 20,209 | 16,604 | 63,946 | 18,055 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | 6,679 | 32,744 | 260 | (44,539) | 1,610 |
| **Other Financing Sources (Uses)** | | | | | |
| Transfers from Other Funds | - | - | - | 45,568 | - |
| **Total Other Financing Sources (Uses)** | - | - | - | 45,568 | - |
| **Net Change in Fund Balances** | 6,679 | 32,744 | 260 | 1,029 | 1,610 |
| **Fund Balance - Beginning of Year** | 40,844 | 48,207 | 4,189 | 8,111 | 32,360 |
| **Fund Balance - End of Year (Deficit)** | $ 47,523 | $ 80,951 | $ 4,449 | $ 9,140 | $ 33,970 |

**MADISON COUNTY, GEORGIA**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**
**AND CHANGES IN FUND BALANCES**
**NONMAJOR GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**
**(CONTINUED)**

| Special Revenue Funds | | Capital Project Funds | | | Total |
|---|---|---|---|---|---|
| E-911 Fund | Opioid Settlement Fund | CDBG Fund | 2014 SPLOST Fund | General Obligation Bond Fund | Nonmajor Governmental Funds |
| $ 438 | $ - | $ - | $ - | $ - | $ 438 |
| - | 34,610 | 389,114 | - | - | 423,724 |
| 632,232 | - | - | - | - | 632,232 |
| - | - | - | - | - | 67,590 |
| 386 | - | - | 44 | 1,777 | 2,266 |
| 2,109 | - | - | - | - | 53,151 |
| 635,165 | 34,610 | 389,114 | 44 | 1,777 | 1,179,401 |
| 940,269 | 5,033 | - | - | 3,616 | 1,070,855 |
| - | - | 389,114 | 24,491 | 1,371,991 | 1,785,596 |
| - | - | - | - | 83,721 | 83,721 |
| 20,305 | 55,000 | - | - | 502,526 | 577,831 |
| 960,574 | 60,033 | 389,114 | 24,491 | 1,961,854 | 3,518,003 |
| (325,409) | (25,423) | - | (24,447) | (1,960,077) | (2,338,602) |
| 548,055 | - | - | - | - | 593,623 |
| 548,055 | - | - | - | - | 593,623 |
| 222,646 | (25,423) | - | (24,447) | (1,960,077) | (1,744,979) |
| 789,027 | - | - | 97,361 | 4,629,249 | 5,649,348 |
| $ 1,011,673 | $ (25,423) | $ - | $ 72,914 | $ 2,669,172 | $ 3,904,369 |

**MADISON COUNTY, GEORGIA**
**LAW LIBRARY FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**
**BUDGET AND ACTUAL**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 13,000 | $ 9,781 | $ (3,219) |
| Interest Income | - | 21 | 21 |
| **Total Revenues** | 13,000 | 9,802 | (3,198) |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 20,000 | 3,123 | 16,877 |
| **Total Expenditures** | 20,000 | 3,123 | 16,877 |
| **Net Changes in Fund Balance** | (7,000) | 6,679 | 13,679 |
| **Fund Balance - Beginning of Year** | 40,844 | 40,844 | - |
| **Fund Balance - End of Year** | $ 33,844 | $ 47,523 | $ 13,679 |

**MADISON COUNTY, GEORGIA**
**CLERK DEED FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**
**BUDGET AND ACTUAL**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 21,500 | $ 21,667 | $ 167 |
| Interest Income | - | 38 | 38 |
| Other Revenue | - | 31,248 | 31,248 |
| **Total Revenues** | 21,500 | 52,953 | 31,453 |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 37,500 | 20,209 | 17,291 |
| **Total Expenditures** | 37,500 | 20,209 | 17,291 |
| **Net Changes in Fund Balance** | (16,000) | 32,744 | 48,744 |
| **Fund Balance - Beginning of Year** | 48,207 | 48,207 | - |
| **Fund Balance - End of Year** | $ 32,207 | $ 80,951 | $ 48,744 |

**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, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 20,000 | $ 16,735 | $ (3,265) |
| Other Revenues | - | 129 | 129 |
| **Total Revenues** | 20,000 | 16,864 | (3,136) |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 20,000 | 16,604 | 3,396 |
| **Total Expenditures** | 20,000 | 16,604 | 3,396 |
| **Net Changes in Fund Balance** | - | 260 | 260 |
| **Fund Balance - Beginning of Year** | 4,189 | 4,189 | - |
| **Fund Balance - End of Year** | $ 4,189 | $ 4,449 | $ 260 |

**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, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 19,407 | $ 19,407 | $ - |
| **Total Revenues** | 19,407 | 19,407 | - |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 63,947 | 63,946 | 1 |
| **Total Expenditures** | 63,947 | 63,946 | 1 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | (44,540) | (44,539) | 1 |
| **Other Financing Sources (Uses)** | | | |
| Transfer from Other Funds | 44,090 | 45,568 | 1,478 |
| **Total Other Financing Sources (Uses)** | 44,090 | 45,568 | 1,478 |
| **Net Changes in Fund Balance** | (450) | 1,029 | 1,479 |
| **Fund Balance - Beginning of Year** | 8,111 | 8,111 | - |
| **Fund Balance - End of Year** | $ 7,661 | $ 9,140 | $ 1,479 |

**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, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Other Revenues | $ 5,500 | $ 19,665 | $ 14,165 |
| **Total Revenues** | 5,500 | 19,665 | 14,165 |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 18,055 | 18,055 | - |
| **Total Expenditures** | 18,055 | 18,055 | - |
| **Net Changes in Fund Balance** | (12,555) | 1,610 | 14,165 |
| **Fund Balance - Beginning of Year** | 32,360 | 32,360 | - |
| **Fund Balance - End of Year** | $ 19,805 | $ 33,970 | $ 14,165 |

**MADISON COUNTY, GEORGIA**
**E-911 FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**
**BUDGET AND ACTUAL**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Taxes | $ 438 | $ 438 | $ - |
| Charges for Services | 578,972 | 632,232 | 53,260 |
| Interest Earnings | 386 | 386 | - |
| Other Revenues | 2,109 | 2,109 | - |
| **Total Revenues** | 581,905 | 635,165 | 53,260 |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 940,269 | 940,269 | - |
| Capital Outlay | 20,305 | 20,305 | - |
| **Total Expenditures** | 960,574 | 960,574 | - |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | (378,669) | (325,409) | 53,260 |
| **Other Financing Sources (Uses)** | | | |
| Transfers from Other Funds | 538,360 | 548,055 | 9,695 |
| **Total Other Financing Sources (Uses)** | 538,360 | 548,055 | 9,695 |
| **Net Changes in Fund Balance** | 159,691 | 222,646 | 62,955 |
| **Fund Balance - Beginning of Year** | 789,027 | 789,027 | - |
| **Fund Balance - End of Year** | $ 948,718 | $ 1,011,673 | $ 62,955 |

**MADISON COUNTY, GEORGIA**
**OPIOID SETTLEMENT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**
**BUDGET AND ACTUAL**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 34,610 | $ 34,610 | $ - |
| **Total Revenues** | 34,610 | 34,610 | - |
| **Expenditures** | | | |
| Current | | | |
| Public Safety | 5,033 | 5,033 | - |
| Capital Outlay | 55,000 | 55,000 | - |
| **Total Expenditures** | 60,033 | 60,033 | - |
| **Net Changes in Fund Balance** | (25,423) | (25,423) | - |
| **Fund Balances - Beginning of Year** | - | - | - |
| **Fund Balance - End of Year (Deficit)** | $ (25,423) | $ (25,423) | $ - |

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**MADISON COUNTY, GEORGIA**
**SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| Project<br>2014 Special Local Option Sales Tax | Original Estimated Budget | Amended Budget | Expenditures<br>Prior Years | Expenditures<br>Current Year | 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 | 995,442 | 24,491 | 1,019,933 |
| 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 | $ 12,165,530 | $ 24,491 | $ 12,190,021 |

**MADISON COUNTY, GEORGIA**
**SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| Project<br>2020 Special Local Option Sales Tax | Original Estimated Budget | Amended Budget | Expenditures<br>Prior Years | Expenditures<br>Current Year | Total |
|---|---|---|---|---|---|
| Road and Bridge Improvements | $ 5,455,000 | $ 5,455,000 | $ 1,322,836 | $ 1,140,507 | $ 2,463,343 |
| Recreation | 365,000 | 365,000 | 137,541 | 48,026 | 185,567 |
| Sheriff | 885,000 | 885,000 | 386,222 | 180,510 | 566,732 |
| E-911 | 905,000 | 905,000 | 910,127 | - | 910,127 |
| EMS | 715,000 | 715,000 | 241,088 | 149,913 | 391,001 |
| Courthouse | 50,000 | 50,000 | 50,283 | - | 50,283 |
| Coroner | 60,000 | 60,000 | - | - | - |
| Firefighting | 1,455,000 | 1,455,000 | 356,796 | 359,177 | 715,973 |
| 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 | 83,721 | 658,081 |
| Payments to Cities for Capital Projects | | | | | |
| City of Carlton | 135,783 | 135,783 | 79,968 | 35,415 | 115,383 |
| City of Colbert | 310,172 | 310,172 | 310,172 | - | 310,172 |
| City of Comer | 591,057 | 591,057 | 348,100 | 154,157 | 502,257 |
| City of Danielsville | 294,197 | 294,197 | 173,266 | 76,731 | 249,997 |
| City of Hull | 103,834 | 103,834 | 103,834 | - | 103,834 |
| City of Ila | 177,052 | 177,052 | 104,273 | 46,178 | 150,451 |
| Debt Service | | | | | |
| Bonded SPLOST Projects - Interest | - | - | 70,698 | 57,087 | 127,785 |
| 2020 Special Local Option Sales Tax | $ 13,312,095 | $ 13,312,095 | $ 5,343,421 | $ 2,331,422 | $ 7,674,843 |

The following is a reconciliation of 2020 SPLOST Expenditures:

| | |
|---|---|
| 2020 SPLOST expenditures that are reported in the GO Bond Fund | |
| Road and Bridge Improvements | $(1,140,507) |
| Recreation | (48,026) |
| Sheriff | (180,510) |
| EMS | (149,913) |
| Firefighting | (359,177) |
| IDBA Water & Sewer Projects | (83,721) |
| Total SPLOST Expenditures Reported in the GO Bond Fund | (1,961,854) |
| Principal on GO Bonds | 1,480,000 |
| 2020 SPLOST Expenditures Reported in the 2020 SPLOST Fund | $ 1,849,568 |

**MADISON COUNTY, GEORGIA**
**SCHEDULE OF PROJECT EXPENDITURES WITH TRANSPORTATION**
**SALES AND USE TAX PROCEEDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| Project<br>2022 Transportation Sales and Use Tax | Original Estimated Budget | Expenditures<br>Prior Years | Expenditures<br>Current Year | Total |
|---|---|---|---|---|
| Transportation Purposes | $11,425,700 | $ 237,960 | $ 2,800,212 | $ 3,038,172 |
| Payments to Cities for Transportation Purpose Projects: | | | | |
| City of Carlton | 132,600 | 23,531 | 31,412 | 54,943 |
| City of Colbert | 302,900 | 53,752 | 71,755 | 125,507 |
| City of Comer | 577,200 | 102,428 | 136,734 | 239,162 |
| City of Danielsville | 287,300 | 50,984 | 68,059 | 119,043 |
| City of Hull | 101,400 | 17,994 | 24,021 | 42,015 |
| City of Ila | 172,900 | 30,683 | 40,959 | 71,642 |
| 2022 Transportation Sales and Use Tax | $13,000,000 | $ 517,332 | $ 3,173,152 | $ 3,690,484 |

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**MADISON COUNTY, GEORGIA**
**COMMUNITY DEVELOPMENT BLOCK GRANT**
**GRANT #21P-Y-097-1-6222**
**PROJECT COST SCHEDULE**
**FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2023**

| Program Activity | Activity Code | Last Approved Budget | Prior Year Expenditures To Date | Current Year Expenditures | Cumulative Expenditures to Date |
|---|---|---|---|---|---|
| Water Facilities | P-03J-01 | $ 495,041 | $ 124,666 | $ 369,658 | $ 494,324 |
| Administration | A-21A-00 | 25,300 | 6,561 | 19,456 | 26,017 |
| | | $ 520,341 | $ 131,227 | $ 389,114 | $ 520,341 |

**MADISON COUNTY, GEORGIA**
**COMMUNITY DEVELOPMENT BLOCK GRANT**
**SOURCE AND APPLICATION OF FUNDS SCHEDULE**
**GRANT #21P-Y-097-1-6222**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | | | |
|---|---|---|---|
| I. | Total Fiscal Year **2021** CDBG Funds Awarded to Recipient | $ | 520,341 |
| II. | Total Amount Drawn Down by Recipient from CDBG | $ | 520,341 |
| III. | Less CDBG Funds Expended by Recipient | | 520,341 |
| IV. | Amount of Fiscal Year **2021** CDBG Funds Held by Recipient | $ | - |

The 2021 CDBG project has been completed and the grant has been closed out.

**MADISON COUNTY, GEORGIA**
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**
**CUSTODIAL FUNDS**
**DECEMBER 31, 2023**

| | Clerk of Superior Court | Magistrate Court | Probate Court | Sheriff's Department | Tax Commissioner's Office | Total |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash and Cash Equivalents | $ 233,933 | $ 10,247 | $ 3,513 | $ 137,185 | $ 110,608 | $ 495,486 |
| Taxes Receivable for Other Governments | - | - | - | - | 4,718,946 | 4,718,946 |
| **Total Assets** | 233,933 | 10,247 | 3,513 | 137,185 | 4,829,554 | 5,214,432 |
| **Liabilities** | | | | | | |
| Funds Due to Others | 227,928 | 10,247 | - | 51,825 | 110,608 | 400,608 |
| Uncollected Taxes | - | - | - | - | 4,718,946 | 4,718,946 |
| **Total Liabilities** | 227,928 | 10,247 | - | 51,825 | 4,829,554 | 5,119,554 |
| **Net Position** | | | | | | |
| Restricted for Individuals, Organizations, and Other Governments | 6,005 | - | 3,513 | 85,360 | - | 94,878 |
| **Total Net Position** | $ 6,005 | $ - | $ 3,513 | $ 85,360 | $ - | $ 94,878 |

**MADISON COUNTY, GEORGIA**
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**CUSTODIAL FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Clerk of Superior Court | Magistrate Court | Probate Court | Sheriff's Department | Tax Commissioner's Office | Total |
|---|---|---|---|---|---|---|
| **Additions** | | | | | | |
| Taxes Collected for Other Governments | $ - | $ - | $ - | $ - | $ 27,766,029 | $ 27,766,029 |
| Funds Collected for Others | 867,597 | 134,024 | 180,244 | 1,080,365 | - | 2,262,230 |
| **Total Additions** | 867,597 | 134,024 | 180,244 | 1,080,365 | 27,766,029 | 30,028,259 |
| **Deductions** | | | | | | |
| Taxes Distributed to Other Governments | - | - | - | - | 27,766,029 | 27,766,029 |
| Forfeitures | - | - | - | 1,743 | - | 1,743 |
| Funds Distributed to Others | 912,837 | 134,024 | 186,611 | 1,054,668 | - | 2,288,140 |
| **Total Deductions** | 912,837 | 134,024 | 186,611 | 1,056,411 | 27,766,029 | 30,055,912 |
| **Changes in Net Position** | (45,240) | - | (6,367) | 23,954 | - | (27,653) |
| **Net Position - Beginning of Year** | 51,245 | - | 9,880 | 61,406 | - | 122,531 |
| **Net Position - End of Year** | $ 6,005 | $ - | $ 3,513 | $ 85,360 | $ - | $ 94,878 |

**(THIS PAGE INTENTIONALLY LEFT BLANK)**

# SINGLE AUDIT SECTION

**MADISON COUNTY, GEORGIA**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| Federal / Grantor / Pass-Through Grantor / Program or Cluster Title | Assistance Listing Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Federal Expenditures |
|---|---|---|---|---|
| **U.S. Department of Health and Human Services** | | | | |
| Passed through Georgia State Department of Health and Human Resources | | | | |
| Special Programs for Aging - Title III, Part B | 93.044 | 42700-373-00000106644 | $ - | $ 7,546 |
| Special Programs for Aging - Title III, Part B ARPA | 93.044 | 42700-373-00000106544 | - | 222 |
| Special Programs for Aging - Title III, Part C1 | 93.045 | 42700-373-00000106644 | - | 49,922 |
| Special Programs for Aging - Title III, Part C2 | 93.045 | 42700-373-00000106644 | - | 31,688 |
| Special Programs for Aging - Title III, Part C1 ARPA | 93.045 | 42700-373-00000103017 | - | 35 |
| Special Programs for Aging - Title III, Vac 5 | 93.045 | 42700-373-00000103017 | - | 1,949 |
| Special Programs for Aging - Title III, Part C1 ARPA | 93.045 | 42700-373-00000106544 | - | 13,553 |
| Subtotal Aging Cluster | | | - | 104,915 |
| Social Services Block Grant | 93.667 | 42700-373-00000106644 | - | 3,100 |
| Total Pass-through Programs | | | - | 108,015 |
| Total U.S. Department of Health and Human Services | | | - | 108,015 |
| **U.S. Department of Housing & Urban Development** | | | | |
| Passed through Georgia State Department of Community Affairs | | | | |
| Community Development Block Grant | 14.228 | 21p-y-097-1-6222 | - | 389,114 |
| Total Pass-through Programs | | | - | 389,114 |
| Total U.S. Department of Housing & Urban Development | | | - | 389,114 |
| **U.S. Department of Treasury** | | | | |
| Direct Program | | | | |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | - | 5,287,841 |
| Total Direct Programs | | | - | 5,287,841 |
| Total U.S. Department of Treasury | | | - | 5,287,841 |
| **U.S. Department of Homeland Security** | | | | |
| Passed Through Georgia Emergency Management and Homeland Security Agency | | | | |
| Emergency Management Performance Grant | 97.042 | OEM#22-097 | - | 11,214 |
| Federal Emergency Management Agency | 97.036 | FEMA-4338-DR-GA | - | 1,999 |
| Total Pass-through Programs | | | - | 13,213 |
| Total U.S. Department of Homeland Security | | | - | 13,213 |
| **Total Expenditures of Federal Awards** | | | $ - | $ 5,798,183 |

See accompanying notes to schedule of expenditures of federal awards.

**MADISON COUNTY, GEORGIA**
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

## (1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Madison County, Georgia under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Madison County, Georgia, it is not intended to and does not present the financial position, changes in net position, or cash flows of Madison County, Georgia.

## (2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

## (3) Indirect Cost Rate

Madison County, Georgia has elected not to use the 10 - percent de minimis indirect cost rate allowed under the Uniform Guidance.

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

June 28, 2024

**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 (*Government Auditing Standards*) 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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 28, 2024. 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**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*.

**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

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

June 28, 2024

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Madison County, Georgia

## Report on Compliance for Each Major Federal Program

### *Opinion on Each Major Federal Program*

We have audited **Madison County, Georgia's** (the "County") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200*, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

### *Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

**MADISON COUNTY, GEORGIA**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**FOR THE YEAR ENDING DECEMBER 31, 2023**

## (1) Summary of Auditor's Results

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| Internal control over financial reporting: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified that are not considered to be material weakness(es) | None Reported |
| Noncompliance material to financial statements noted? | No |

***Federal Awards***

| | |
|---|---|
| Internal control over major programs: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified that are not considered to be material weakness(es)? | None Reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

Identification of Major Programs:

| ALN Numbers | Name of Federal Program |
|---|---|
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B Program | $ 750,000 |
| Auditee qualified as low-risk auditee | No |

## (2) Financial Statement Findings

No matters were reported.

## (3) Federal Award Findings and Questioned Costs

No matters were reported.

MADISON COUNTY
BOARD OF COMMISSIONERS

Todd Higdon, Chairman

Dennis Adams, District 1
Terry Chandler, District 2
Frank May, District 3
Brian Kirk, District 4
Derek Doster, District 5

# SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
# FOR THE YEAR ENDED DECEMBER 31, 2023

## FINANCIAL STATEMENT FINDINGS

***2022-001*** ***Accounts Receivable / Revenue***

**Status:** Resolved during 2023.

## FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.