MONROE COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2020

INTRODUCTORY SECTION

MONROE COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

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MONROE COUNTY, GEORGIA

FINANCIAL REPORT
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FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners of
Monroe County, Georgia
Forsyth, Georgia

Report on the Financial Statements

We have audited the accompanying 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 **Monroe County, Georgia** (the "County"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Monroe County Board of Health (the "Board of Health"), which represents 9.8% of the assets, (0.7%) of the net position, and 58.4% of the revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective 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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the E-911 Fund for the year then ended in accordance with GAAP.

Emphasis of Matter

As discussed in Note 14, the County implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, *Fiduciary Activities*, as of January 1, 2020. This standard significantly changed the accounting for the County's activities previously reported as agency funds. Our opinions are not modified with respect to this matter.

Other Matters

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 (pages 58 and 59), Schedule of County Pension Contributions (pages 60 and 61), and Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 62) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB 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 ("MD&A") that GAAP requires 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 GASB who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") § 48-8-121, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations ("CFR")* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements of the County.

The combining and individual nonmajor fund financial statements and schedules, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedules of expenditures of special purpose local option sales tax proceeds, 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 23, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Monroe County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
June 23, 2021

BASIC FINANCIAL STATEMENTS

MONROE COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Development Authority	Board of Health
ASSETS					
Cash and cash equivalents	$ 22,136,397	$ 136,470	$ 22,272,867	$ 2,565,143	$ 411,306
Investments	2,065,487	158,963	2,224,450	-	106,527
Taxes receivable	11,153,023	-	11,153,023	-	-
Accounts receivable, net of allowances	819,405	277,948	1,097,353	187,266	22,132
Due from other governments	908,561	-	908,561	-	23,722
Internal balances	141,321	(141,321)	-	-	-
Inventories	191,407	472,036	663,443	-	-
Prepaid items	14,866	1,514	16,380	4,357	-
Restricted assets: cash	26,625,366	130,019	26,755,385	-	-
Capital assets, non-depreciable	3,386,161	5,771,437	9,157,598	1,923,949	-
Capital assets, depreciable, net of accumulated depreciation	68,723,745	35,046,561	103,770,306	546,364	6,933
Total assets	136,165,739	41,853,627	178,019,366	5,227,079	570,620
DEFERRED OUTFLOW OF RESOURCES					
Pensions	1,622,670	90,272	1,712,942	-	111,229
Other post-employment benefits	798,301	-	798,301	-	67,265
Total deferred outflows of resources	2,420,971	90,272	2,511,243	-	178,494
LIABILITIES					
Accounts payable	2,922,753	668,286	3,591,039	4,478	4,530
Accrued liabilities	1,106,189	37,252	1,143,441	-	7,582
Unearned revenues	2,990	-	2,990	-	-
Due to other governments	191,186	-	191,186	-	20,897
Accrued interest	65,259	-	65,259	-	-
Customer deposits payable	-	130,019	130,019	-	-
Capital leases due within one year	713,116	-	713,116	-	-
Capital leases due in more than one year	2,130,245	-	2,130,245	-	-
Compensated absences due within one year	624,402	31,770	656,172	-	-
Compensated absences due in more than one year	1,965,140	215,313	2,180,453	-	31,805
Net pension liability	6,533,442	363,467	6,896,909	-	437,907
Notes payable due in within one year	-	53,959	53,959	-	-
Notes payable due in more than one year	-	961,792	961,792	-	-
Bonds payable due within one year	3,395,000	-	3,395,000	-	-
Bonds payable due in more than one year	38,869,780	-	38,869,780	-	-
Landfill closure and post-closure care costs due in more than one year	-	1,870,497	1,870,497	-	-
Total other post-employment benefits liability	2,967,692	-	2,967,692	-	107,960
Total liabilities	61,487,194	4,332,355	65,819,549	4,478	610,681
DEFERRED INFLOW OF RESOURCES					
Pensions	1,498,216	83,349	1,581,565	-	13,631
Other post-employment benefits	796,606	-	796,606	-	162,742
Total deferred inflows of resources	2,294,822	83,349	2,378,171	-	176,373
NET POSITION (DEFICIT)					
Net investment in capital assets	55,920,082	39,802,247	95,722,329	2,470,313	6,933
Restricted for:					
Judicial	238,017	-	238,017	-	-
Public safety	495,779	-	495,779	-	-
Capital projects	30,461,580	-	30,461,580	-	-
Unrestricted	(12,310,764)	(2,274,052)	(14,584,816)	2,752,288	(44,873)
Total net position (deficit)	$ 74,804,694	$ 37,528,195	$ 112,332,889	$ 5,222,601	$ (37,940)

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

MONROE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Business-type Activities	Total	Component Units: Development Authority	Component Units: Board of Health
Primary government:									
Governmental activities:									
General government	$ 12,400,857	$ 837,787	$ 1,399,126	$ -	$ (10,163,944)	$ -	$ (10,163,944)	$ -	$ -
Judicial	1,878,031	2,552,866	-	-	674,835	-	674,835	-	-
Public safety	13,554,879	1,883,913	956,401	15	(10,714,550)	-	(10,714,550)	-	-
Public works	4,331,949	451,846	844,796	-	(3,035,307)	-	(3,035,307)	-	-
Health and welfare	1,151,992	-	36,829	-	(1,115,163)	-	(1,115,163)	-	-
Culture and recreation	695,927	99,334	50	-	(596,543)	-	(596,543)	-	-
Housing and development	617,406	-	-	-	(617,406)	-	(617,406)	-	-
Interest on long-term debt	1,039,409	-	-	-	(1,039,409)	-	(1,039,409)	-	-
Total governmental activities	35,670,450	5,825,746	3,237,202	15	(26,607,487)	-	(26,607,487)	-	-
Business-type activities:									
Water	3,073,296	2,373,436	-	-	-	(699,860)	(699,860)	-	-
Landfill	1,980,317	642,773	-	-	-	(1,337,544)	(1,337,544)	-	-
Building inspections	214,639	23,266	-	-	-	(191,373)	(191,373)	-	-
Total business-type activities	5,268,252	3,039,475	-	-	-	(2,228,777)	(2,228,777)	-	-
Total primary government	$ 40,938,702	$ 8,865,221	$ 3,237,202	$ 15	(26,607,487)	(2,228,777)	(28,836,264)	-	-
Component units:									
Development Authority	$ 575,311	$ 211,769	$ -	$ 325,000	-	-	-	(38,542)	-
Board of Health	696,198	337,630	430,360	-	-	-	-	-	71,792
Total component units	$ 1,271,509	$ 549,399	$ 430,360	$ 325,000	-	-	-	(38,542)	71,792
General revenues:									
Property taxes					21,896,624	-	21,896,624	-	-
Sales taxes					9,046,585	-	9,046,585	-	-
Insurance premium tax					1,625,542	-	1,625,542	-	-
Intangible tax					377,702	-	377,702	-	-
Alcoholic beverages tax					116,660	-	116,660	-	-
Other taxes					177,769	-	177,769	-	-
Unrestricted investment earnings					170,409	931	171,340	14,784	5,233
Transfers					(6,497,127)	6,497,127	-	-	-
Total general revenues and transfers					26,914,164	6,498,058	33,412,222	14,784	5,233
Change in net position					306,677	4,269,281	4,575,958	(23,758)	77,025
Net position (deficit), beginning of year					74,498,017	33,258,914	107,756,931	5,246,359	(114,965)
Net position (deficit), end of year					$ 74,804,694	$ 37,528,195	$ 112,332,889	$ 5,222,601	$ (37,940)

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

MONROE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General	Public Facilities Authority	E-911	2014 SPLOST	2020 SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 17,947,437	$ -	$ 50,102	$ 1,808,210	$ 1,621,179	$ 709,469	$ 22,136,397
Investments	2,000,561	-	-	-	-	64,926	2,065,487
Taxes receivable (net)	10,661,871	-	-	-	491,152	-	11,153,023
Accounts receivable (net)	738,037	-	29,200	-	-	52,168	819,405
Due from other governments	1,237	443,645	91,983	-	361,456	10,240	908,561
Due from other funds	191,692	-	19,873	-	11,618	-	223,183
Inventories	191,407	-	-	-	-	-	191,407
Prepaid items	5,318	-	9,548	-	-	-	14,866
Restricted cash	-	26,625,366	-	-	-	-	26,625,366
Total assets	$ 31,737,560	$ 27,069,011	$ 200,706	$ 1,808,210	$ 2,485,405	$ 836,803	$ 64,137,695
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 489,442	$ -	$ 65,118	$ 561,428	$ 1,716,038	$ 90,727	$ 2,922,753
Accrued liabilities	1,071,047	-	29,143	-	-	5,999	1,106,189
Unearned revenues	-	-	-	-	-	2,990	2,990
Due to other governments	-	36,964	-	-	154,222	-	191,186
Due to other funds	19,873	-	-	48,826	-	13,163	81,862
Total liabilities	1,580,362	36,964	94,261	610,254	1,870,260	112,879	4,304,980
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	1,362,271	-	-	-	-	-	1,362,271
Unavailable revenue - emergency services	282,078	-	-	-	-	-	282,078
Total deferred inflows of resources	1,644,349	-	-	-	-	-	1,644,349
FUND BALANCES							
Fund balances:							
Nonspendable:							
Inventories	191,407	-	-	-	-	-	191,407
Prepaid items	5,318	-	9,548	-	-	-	14,866
Due from other governments	-	443,645	-	-	361,456	-	805,101
Restricted for:							
Judicial	-	-	-	-	-	238,017	238,017
Public safety	-	-	96,897	-	-	398,882	495,779
Capital projects	2,421,523	26,588,402	-	1,197,956	253,689	10	30,461,580
Assigned for:							
General government	104,020	-	-	-	-	-	104,020
Culture and recreation	-	-	-	-	-	92,534	92,534
Unassigned	25,790,581	-	-	-	-	(5,519)	25,785,062
Total fund balances	28,512,849	27,032,047	106,445	1,197,956	615,145	723,924	58,188,366
Total liabilities, deferred inflows of resources, and fund balances	$ 31,737,560	$ 27,069,011	$ 200,706	$ 1,808,210	$ 2,485,405	$ 836,803	

Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	72,109,906
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,644,349
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(47,762,942)
The net pension liability and related deferred outflows and inflows of resources are not financial resources and, therefore, are not reported in the governmental funds.	(6,408,988)
The total OPEB liability and related deferred outflows of resources are not financial resources and, therefore, are not reported in the governmental funds.	(2,965,997)
Net position of governmental activities	$ 74,804,694

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

MONROE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Public Facilities Authority	E-911	2014 SPLOST	2020 SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	$ 21,226,019	$ -	$ -	$ -	$ -	$ -	$ 21,226,019
Sales taxes	3,878,383	-	-	-	5,168,202	-	9,046,585
Other taxes	2,297,673	-	-	-	-	-	2,297,673
Licenses and permits	465,160	-	-	-	-	-	465,160
Intergovernmental	2,607,827	-	583,261	-	-	117,250	3,308,338
Charges for services	2,144,141	-	631,616	-	-	4,313	2,780,070
Fines and forfeitures	1,731,113	-	-	-	-	473,410	2,204,523
Interest income	526	169,107	15	-	194	582	170,424
Contributions	-	-	-	-	-	1,510	1,510
Miscellaneous	507,264	-	221	45,956	-	25,743	579,184
Total revenues	34,858,106	169,107	1,215,113	45,956	5,168,396	622,808	42,079,486
Expenditures							
Current:							
General government	8,714,092	-	-	-	-	-	8,714,092
Judicial	1,828,689	-	-	-	-	236,319	2,065,008
Public safety	10,559,659	-	1,915,885	-	-	275,876	12,751,420
Public works	2,215,897	-	-	-	-	-	2,215,897
Health and welfare	1,128,046	-	-	-	-	-	1,128,046
Culture and recreation	707,248	-	-	-	-	8,547	715,795
Housing and development	613,752	-	-	-	-	-	613,752
Intergovernmental	-	-	-	150,557	868,398	-	1,018,955
Capital outlay	-	-	-	1,254,327	4,903,501	251,664	6,409,492
Debt service:							
Principal	382,233	3,430,000	77,810	-	-	-	3,890,043
Interest and fiscal charges	44,913	1,372,302	5,043	-	-	-	1,422,258
Issuance costs	-	187,362	-	-		-	187,362
Total expenditures	26,194,529	4,989,664	1,998,738	1,404,884	5,771,899	772,406	41,132,120
Excess (deficiency) of revenues over (under) expenditures	8,663,577	(4,820,557)	(783,625)	(1,358,928)	(603,503)	(149,598)	947,366
Other financing sources (uses)							
Proceeds from sale of capital assets	49,264	-	-	-	-	-	49,264
Capital leases	2,500,000	-	-	-	-	-	2,500,000
Issuance of bonds	-	17,430,000	-	-	-	-	17,430,000
Premium on bonds	-	2,874,133	-	-	-	-	2,874,133
Transfers in	3,909	3,948,140	924,377	691,516	9,431,667	276,777	15,276,386
Transfers out	(4,372,305)	(9,429,573)	-	(75,626)	(7,896,009)	-	(21,773,513)
Total other financing sources (uses)	(1,819,132)	14,822,700	924,377	615,890	1,535,658	276,777	16,356,270
Net change in fund balances	6,844,445	10,002,143	140,752	(743,038)	932,155	127,179	17,303,636
Fund balance (deficit), beginning of year	21,668,404	17,029,904	(34,307)	1,940,994	(317,010)	596,745	40,884,730
Fund balance, end of year	$ 28,512,849	$ 27,032,047	$ 106,445	$ 1,197,956	$ 615,145	$ 723,924	$ 58,188,366

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

MONROE 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, 2020

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds	$	17,303,636
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		2,359,773
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(93,310)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		394,768
The issuance of long-term debt 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.		(18,354,814)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(1,303,376)
Change in net position - governmental activities	$	306,677

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

MONROE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 20,537,709	$ 19,897,130	$ 21,226,019	$ 1,328,889
Sales taxes	3,700,000	3,700,000	3,878,383	178,383
Other taxes	1,866,260	1,897,405	2,297,673	400,268
Licenses and permits	240,700	240,700	465,160	224,460
Intergovernmental	1,127,272	2,036,618	2,607,827	571,209
Charges for services	2,393,565	2,085,778	2,144,141	58,363
Fines and forfeitures	1,138,550	1,138,550	1,731,113	592,563
Investment income	-	525	526	1
Miscellaneous	156,910	164,260	507,264	343,004
Total revenues	31,160,966	31,160,966	34,858,106	3,697,140
Expenditures				
Current				
General government:				
County commissioners	2,429,579	1,438,086	908,779	529,307
Board of registrars	-	3,320	3,316	4
Elections	202,869	185,360	185,356	4
Financial administration	301,531	262,080	262,075	5
Purchasing	94,628	93,630	93,625	5
Fuel depot	15,072	1,650	1,647	3
Tax commissioner	656,157	531,310	531,307	3
Tax assessor	439,310	417,040	417,036	4
Board of equalization	10,453	1,150	1,148	2
Public buildings	830,482	982,670	1,644,393	(661,723)
Justice center	15,171	20,390	20,388	2
General insurance	4,932,531	5,147,025	4,645,022	502,003
Total general government	9,927,783	9,083,711	8,714,092	369,619
Judicial:				
Superior court	892,194	788,605	788,604	1
Clerk of superior court	363,907	457,055	457,050	5
Magistrate court	210,141	320,707	320,704	3
Probate court	249,562	260,025	260,022	3
Juvenile court	2,313	2,305	2,309	(4)
Total judicial	1,718,117	1,828,697	1,828,689	8
Public safety:				
Sheriff	3,899,298	4,034,715	3,918,022	116,693
Jail	2,361,780	2,458,720	2,458,718	2
School resource officer	211,062	287,850	244,811	43,039
Court security	183,005	169,955	169,953	2
Emergency services	2,581,436	3,563,595	3,563,592	3
Coroner	41,077	38,175	38,171	4
Animal control	163,595	139,135	139,131	4
Emergency management	38,093	27,265	27,261	4
Total public safety	9,479,346	10,719,410	10,559,659	159,751
Public works:				
Public roads	2,488,452	1,380,285	1,380,283	2
Maintenance and shop	639,235	835,616	835,614	2
Total public works	3,127,687	2,215,901	2,215,897	4

(Continued)

MONROE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued)				
Health and welfare:				
Healthcare	$ 1,072,481	$ 1,076,757	$ 1,076,754	$ 3
Welfare	29,292	29,292	29,292	-
Community services	24,700	22,000	22,000	-
Total health and welfare	1,126,473	1,128,049	1,128,046	3
Culture and recreation:				
Recreation	480,240	496,465	497,718	(1,253)
Recreation commissions	-	335	335	-
Library	235,256	209,195	209,195	-
Total culture and recreation	715,496	705,995	707,248	(1,253)
Housing and development:				
Soil conservation	3,103	33,520	33,517	3
Extension service	121,973	92,750	92,749	1
Georgia forestry commission	18,218	18,218	18,218	-
Protective Inspection	169,640	133,435	131,770	1,665
Planning and zoning	66,401	58,090	58,086	4
Economic development	218,100	231,811	231,809	2
Family connection	48,000	47,525	47,603	(78)
Total housing and development	645,435	615,349	613,752	1,597
Debt service:				
Principal	163,002	427,227	382,233	44,994
Interest and fiscal charges	-	-	44,913	(44,913)
Total debt service	163,002	427,227	427,146	81
Total expenditures	26,903,339	26,724,339	26,194,529	529,810
Excess of revenues over expenditures	4,257,627	4,436,627	8,663,577	4,226,950
Other financing sources (uses)				
Transfers in	-	-	3,909	3,909
Transfers out	(4,257,627)	(4,436,627)	(4,372,305)	64,322
Capital leases	-	-	2,500,000	2,500,000
Proceeds from sale of assets	-	-	49,264	49,264
Total other financing uses, net	(4,257,627)	(4,436,627)	(1,819,132)	2,617,495
Net change in fund balance	-	-	6,844,445	6,844,445
Fund balance, beginning of year	21,668,404	21,668,404	21,668,404	-
Fund balance, end of year	$ 21,668,404	$ 21,668,404	$ 28,512,849	$ 6,844,445

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

MONROE COUNTY, GEORGIA

E-911 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ 695,546	$ 695,546	$ 631,616	$ (63,930)
Intergovernmental	-	-	583,261	583,261
Interest	10	10	15	5
Other	-	-	221	221
Total revenues	695,556	695,556	1,215,113	519,557
EXPENDITURES				
Current:				
Public safety	2,026,255	2,026,255	1,915,885	110,370
Debt service:				
Principal	-	-	77,810	(77,810)
Interest	-	-	5,043	(5,043)
Total expenditures	2,026,255	2,026,255	1,998,738	27,517
Deficiency of revenues under expenditures	(1,330,699)	(1,330,699)	(783,625)	547,074
OTHER FINANCING SOURCES				
Transfers in	1,330,699	1,330,699	924,377	(406,322)
Total other financing sources	1,330,699	1,330,699	924,377	(406,322)
Net change in fund balances	-	-	140,752	140,752
FUND BALANCES, beginning of year	(34,307)	(34,307)	(34,307)	-
FUND BALANCES, end of year	$ (34,307)	$ (34,307)	$ 106,445	$ 140,752

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

MONROE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

	Water Fund	Landfill	Nonmajor Enterprise Fund Conference Center	Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 600	$ 131,719	$ 4,151	$ 136,470
Investments	158,963	-	-	158,963
Accounts receivable, net of allowances	244,446	32,032	1,470	277,948
Inventory	472,036	-	-	472,036
Prepaid items	1,514	-	-	1,514
Restricted assets:				
Cash and cash equivalents	130,019	-	-	130,019
Total current assets	1,007,578	163,751	5,621	1,176,950
NON-CURRENT ASSETS				
Capital assets:				
Non-depreciable	5,356,145	392,255	23,037	5,771,437
Depreciable, net of accumulated depreciation	33,307,401	881,643	857,517	35,046,561
Total capital assets	38,663,546	1,273,898	880,554	40,817,998
Total non-current assets	38,663,546	1,273,898	880,554	40,817,998
Total assets	39,671,124	1,437,649	886,175	41,994,948
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	20,555	69,717	-	90,272
Total deferred outflows of resources	20,555	69,717	-	90,272
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	597,953	65,240	5,093	668,286
Accrued liabilities	3,292	24,007	9,953	37,252
Notes payable due within one year	53,959	-	-	53,959
Compensated absences payable, current	17,617	12,039	2,114	31,770
Due to other funds	141,321	-	-	141,321
Customer deposits payable	130,019	-	-	130,019
Total current liabilities	944,161	101,286	17,160	1,062,607
LONG-TERM LIABILITIES				
Compensated absences	-	206,859	8,454	215,313
Accrued closure/post-closure costs	-	1,870,497	-	1,870,497
Net pension liability	82,763	280,704	-	363,467
Notes payable, net of current portion	961,792	-	-	961,792
Total long-term liabilities	1,044,555	2,358,060	8,454	3,411,069
Total liabilities	1,988,716	2,459,346	25,614	4,473,676
DEFERRED INFLOWS OF RESOURCES				
Pensions	18,979	64,370	-	83,349
Total deferred inflows of resources	18,979	64,370	-	83,349
NET POSITION				
Net investment in capital assets	37,647,795	1,273,898	880,554	39,802,247
Unrestricted	36,189	(2,290,248)	(19,993)	(2,274,052)
Total net position	$ 37,683,984	$ (1,016,350)	$ 860,561	$ 37,528,195

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

MONROE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Water Fund	Landfill	Nonmajor Enterprise Fund Conference Center	Total
Operating revenues				
Charges for services:				
Water charges	$ 2,095,547	$ -	$ -	$ 2,095,547
Collection and disposal fees	-	642,773	-	642,773
Rent	-	-	22,283	22,283
Service charges	256,385	-	-	256,385
Miscellaneous	21,504	-	983	22,487
Total operating revenues	2,373,436	642,773	23,266	3,039,475
Operating expenses				
Personal services	83,944	888,356	104,544	1,076,844
Purchased/contracted services	704,501	610,219	12,866	1,327,586
Supplies and materials	36,355	191,442	52,595	280,392
Utilities and purchased water	1,436,482	-	23,609	1,460,091
Depreciation	790,812	290,300	21,025	1,102,137
Total operating expenses	3,052,094	1,980,317	214,639	5,247,050
Operating loss	(678,658)	(1,337,544)	(191,373)	(2,207,575)
Non-operating revenues (expenses)				
Investment income	870	61	-	931
Interest expense	(21,202)	-	-	(21,202)
Total non-operating revenues (expenses)	(20,332)	61	-	(20,271)
Loss before transfers	(698,990)	(1,337,483)	(191,373)	(2,227,846)
Transfers				
Transfers in	4,817,640	1,512,342	167,145	6,497,127
Change in net position	4,118,650	174,859	(24,228)	4,269,281
Net position (deficit), beginning of year	33,565,334	(1,191,209)	884,789	33,258,914
Net position (deficit), end of year	$ 37,683,984	$ (1,016,350)	$ 860,561	$ 37,528,195

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

MONROE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Water Fund	Landfill	Nonmajor Enterprise Fund Conference Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 2,352,873	$ 648,386	$ 22,066	$ 3,023,325
Payments to suppliers and service providers	(1,559,181)	(474,217)	(85,966)	(2,119,364)
Payments to employees	(62,949)	(833,908)	(102,812)	(999,669)
Receipts/payments from interfund services provided	(822,356)	(376,797)	-	(1,199,153)
Net cash used in operating activities	(91,613)	(1,036,536)	(166,712)	(1,294,861)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	4,817,640	1,512,342	167,145	6,497,127
Net cash provided by noncapital financing activities	4,817,640	1,512,342	167,145	6,497,127
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property and equipment	(5,155,187)	(507,507)	-	(5,662,694)
Principal payments on notes payable	(52,876)	-	-	(52,876)
Interest paid	(21,202)	-	-	(21,202)
Net cash used in capital and related financing activities	(5,229,265)	(507,507)	-	(5,736,772)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(870)	-	-	(870)
Interest on investments	870	61	-	931
Net cash provided by investing activities	-	61	-	61
Change in cash and cash equivalents	(503,238)	(31,640)	433	(534,445)
Cash and cash equivalents:				
Beginning of year	633,857	163,359	3,718	800,934
End of year	$ 130,619	$ 131,719	$ 4,151	$ 266,489
Classified as:				
Cash and cash equivalents	$ 600	$ 131,719	$ 4,151	$ 136,470
Restricted assets, cash and cash equivalents	130,019	-	-	130,019
	$ 130,619	$ 131,719	$ 4,151	$ 266,489

(Continued)

MONROE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Water Fund	Landfill	Nonmajor Enterprise Fund Conference Center	Total
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	$ (678,658)	$ (1,337,544)	$ (191,373)	$ (2,207,575)
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	790,812	290,300	21,025	1,102,137
(Increase) decrease in:				
Accounts receivable	(54,917)	5,613	(1,200)	(50,504)
Inventory	(5,506)	-	-	(5,506)
Prepaid items	143,860	-	-	143,860
Due from other funds	30,655	-	-	30,655
Deferred outflows of resources - pension	25,143	85,276	-	110,419
Increase (decrease) in:				
Accounts payable	479,803	(121,734)	3,104	361,173
Accrued liabilities	1,529	(7,196)	7,132	1,465
Compensated absences	3,435	7,271	(5,400)	5,306
Due to other funds	(853,011)	(376,797)	-	(1,229,808)
Accrued closure/post-closure costs	-	449,178	-	449,178
Customer deposits payable	34,354	-	-	34,354
Net pension liability	(21,870)	(74,175)	-	(96,045)
Deferred inflows of resources - pension	12,758	43,272	-	56,030
Net cash used in operating activities	$ (91,613)	$ (1,036,536)	$ (166,712)	$ (1,294,861)

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

MONROE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	Private Purpose Trust Fund	
	Veterans' Memorial	Custodial Funds
ASSETS		
Cash	$ 2,943	$ 5,183,126
Taxes receivable	-	12,707,093
Total assets	2,943	17,890,219
LIABILITIES		
Due to others	-	3,447,185
Uncollected taxes	-	12,707,093
Total liabilities	-	16,154,278
NET POSITION		
Restricted for individuals, organizations, and other governments	$ 2,943	$ 1,735,941

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

MONROE COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Private Purpose Trust Fund	
	Veterans' Memorial	Custodial Funds
ADDITIONS		
Taxes collected	$ -	$ 42,901,574
Fines and fees collected	-	6,702,944
Interest income	2	-
Total additions	2	49,604,518
DEDUCTIONS		
Taxes disbursed	-	42,955,324
Fines and fees disbursed	-	5,903,881
Veterans' memorial	92	-
Total deductions	92	48,859,205
Change in net position	(90)	745,313
Net position, beginning of the year, as restated	3,033	990,628
Net position, end of the year	$ 2,943	$ 1,735,941

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Monroe County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governments. The Governmental Auditing Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. The Reporting Entity

The County was established under the provisions of an act of the General Assembly of Georgia on May 15, 1821. The County operates under a County Commissioner form of government (five commissioners are elected by district with the Chairman elected at large from the county), and provides the following services as authorized by state law: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

As required by GAAP, the financial statements of the reporting entity include the County (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. In conformity with GAAP, as set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements 14 and 34*, the financial statements of the component units are discretely presented in the government-wide financial statements.

Monroe County Board of Health (Discretely Presented Component Unit)

The Monroe County Board of Health (the "Board of Health") has a governing board consisting of seven members. Five of the members are either County officials or members appointed by the County. The two remaining members are appointed by the City of Forsyth. Although the County does not have the authority to approve or modify the budget of the Board of Health, the County is obligated to provide financial support to the Board of Health. The Board of Health has a June 30th year-end. The Board of Health's statements have been prepared separately and can be obtained by writing to the Monroe County Board of Health, 106 Martin Luther King Drive, Forsyth, Georgia 31029.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Development Authority of Monroe County, Georgia (Discretely Presented Component Unit)

The governing board of the Development Authority of Monroe County, Georgia (the "Development Authority") consists of seven members appointed by the Monroe County Board of Commissioners. The Development Authority is responsible for promoting industrial and commercial development within the County. Although the County does not have the authority to approve or modify the budget of the Development Authority, County management believes the Authority should be included in the financial statements due to its close relation and financial integration with the County. There are no separately issued financial statements available for the Development Authority.

Monroe County Public Facilities Authority (Blended Component Unit)

The Monroe County Public Facilities Authority (the "Public Facilities Authority") is governed by the members of the County's Board of Commissioners. Although it is legally separate from the County, the Public Facilities Authority is reported as if it were part of the primary government because its sole purpose is to finance and purchase the County's land and public buildings through debt arrangements. Because capital lease arrangements between a primary government and its blended component unit are not to be reported as capital leases in the financial reporting entity's financial statements, the debt and assets of the Public Facilities Authority are reported as a form of the County's debt and assets. All debt service activity of the Public Facilities Authority will be reported as debt service activity of the County. There are no separately issued financial statements available for the Public Facilities Authority.

Monroe County Law Library (Blended Component Unit)

The Monroe County Law Library, an entity separate from the County, is governed by a Board of Trustees. For financial reporting purposes, the Law Library is reported as if it were part of the County's operations, because it functions primarily for the courts of the County. The Law Library does not issue separate financial statements. All property purchased with funds expended by the Law Library becomes the property of the County.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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 those 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.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and 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 service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following major governmental funds:

The ***General Fund*** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The ***Public Facilities Authority Fund*** is a blended component unit. It accounts for the finance and purchase of County land and public buildings.

The ***E-911 Fund*** is a special revenue fund used to account for the cost of operating and maintaining the Monroe County E-911 System. Financing is provided by a charge to each telephone subscriber served by the Monroe County E-911 system and by a transfer from the General Fund.

The ***2014 Special Purpose Local Option Sales Tax ("SPLOST") Fund*** is a capital projects fund that accounts for SPLOST 2014 revenues received on behalf of the County, the City of Forsyth and the City of Culloden. Financing is provided by a special County 1% sales and use tax.

The ***2020 SPLOST Fund*** is a capital projects fund that accounts for SPLOST 2020 revenues received on behalf of the County, the City of Forsyth and the City of Culloden. Financing is provided by a special County 1% sales and use tax.

The County reports the following major proprietary funds:

The ***Water Fund*** accounts for the provision of water services to the residents of the County.

The ***Landfill Fund*** accounts for the costs of providing solid waste management services to residents of the County through the operation of the Monroe County Landfill, sanitation services and collection centers.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***capital projects funds*** account for the acquisition of capital assets and construction of improvement of major capital assets.

The ***nonmajor enterprise fund*** accounts for activities associated with the Monroe County Conference Center.

The ***custodial funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

The ***private purpose trust fund*** is used to account for resources legally held in trust for use by private organizations or other governments. All resources of the fund, including any interest on invested resources, may be used to support the activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges for services 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. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods 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.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents and Investments

The County and discretely presented component units' 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.

Statutes authorize the County to invest in obligations of the United States and of its agencies and instrumentalities, bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions, certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations, and the Local Government Investment Pool ("Georgia Fund 1"). The investment in Georgia Fund 1 represents the County's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, bankers' acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in Georgia Fund 1 is valued at fair market value.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Short-term interfund loans are classified as "interfund receivables/ payables." Long-term interfund loans are classified as "advances." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

F. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

G. 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. Prepaid expenditures are accounted for using the consumption method.

H. Restricted Assets

Certain proceeds of the Public Facilities Authority and enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County had five items that qualified for reporting in this category. The first two, which relate to the County's defined benefit pension plan, are the difference between expected and actual experience and changes in actuarial assumptions. These differences represent consumptions of resources which are amortized against pension expense. Changes in actuarial assumptions for the County's OPEB plan and the difference between expected and actual experience are also deferred outflows, which are amortized against OPEB expense over the remaining service lives of plan members. Contributions made subsequent to the measurement date are deferred and recognized as OPEB expense in future years.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has five items that qualified for reporting in this category. *Unavailable revenue*, which arises only under a modified accrual basis of accounting qualifies for reporting in this category. Accordingly, this item unavailable revenue, is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from property taxes, emergency services, and intergovernmental revenues and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Two of the other items relate to the County's defined benefit pension plan and are reported in the government-wide Statement of Net Position. The County's net difference between projected investment return on pension investments and the difference between expected and actual experience represent consumptions of resources and are amortized against pension expense, resulting in recognition as a deferred inflow of resources. Changes in actuarial assumptions for the County's OPEB plan and the difference between expected and actual experience are also deferred inflows, which are amortized against OPEB expense over the remaining service lives of plan members.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County 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 retroactively reported major general infrastructure assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

In this case, the County chose to include all items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets of the primary government are depreciated using the straight-line method over the following useful lives:

Asset Category	Years
Buildings	25 – 50
Building improvements	5 – 50
Land improvements	15 – 30
Land (landfill)	4 – 6
Infrastructure	50 – 60
Intangibles	10
Machinery and equipment	5 – 20

K. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amount when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

L. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize the face amount of the debt issued is reported as other financing sources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The County Commission has not delegated the authority to management to assign fund balance and thus has retained the right to assign fund balance.

- ***Unassigned*** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. 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: 1) committed, 2) assigned, and 3) unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

N. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Association County Commissioners of Georgia Monroe County Defined Benefit Plan (the “Plan”), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Tax Abatement Agreements

The Monroe County Board of Commissioners authorizes industries which create new jobs in the County to invest in new facilities. Abatements of real and personal property taxes are provided to companies based on a criteria calculation which includes targeted industries, capital investment and employment. The abatement may reduce the amount of property taxes paid over seven to twenty-five years. The agreements may contain claw back provisions which would result in the repayment of the annual tax abatement for each year that the company fails to meet its job or investment commitment. For the year ended December 31, 2020, the County abated property taxes totaling $453,254.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The Governmental Fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this difference are as follows:

Capital leases payable	$ (2,843,361)
Compensated absences	(2,589,542)
Bonds payable	(42,264,780)
Accrued interest payable	(65,259)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$ (47,762,942)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	$ 6,041,055
Depreciation expense	(3,681,282)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$ 2,359,773

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Issuance of debt:	
Bonds payable	$ (17,430,000)
Premium on bonds payable	(2,874,133)
Capital lease	(2,500,000)
Bond principal repayments	3,430,000
Capital lease repayments	460,043
Amortization of premium	559,276
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$ (18,354,814)

Another element of that reconciliation states that "Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

Change in:	
Compensated absences	$ 137,703
Accrued interest	10,935
Net pension liability and related deferred outflow/inflow of resources	(1,265,555)
Net OPEB obligation and related deferred outflows/inflows of resources	(186,459)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$ (1,303,376)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

Budgetary Data. The annual budget document is the financial plan for the operation of the County. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the County. All budgets are adopted on a basis consistent with GAAP. An annual operating budget is prepared for all governmental funds except capital project funds. Capital Projects Funds use project-length budgets.

Department heads submit to the County Clerk a proposed operating budget for the fiscal year commencing the following January 1. The proposed budgets are then submitted to the Board of Commissioners by the County Clerk for study. Public hearings are conducted to obtain taxpayer comments. Prior to January 1, the budget is legally adopted by the Board of Commissioners.

The legal level of control for each legally adopted annual budget is the department level. Supplemental appropriations out of the County's General Fund contingency account may be made by the Board of Commissioners to fund unforeseen expenditures within the County's governmental funds at any time during the year. The Board of Commissioners must approve any department level changes to a previously adopted budget. Management may amend the budget without seeking the approval of the Board of Commissioners at any level below the departmental level.

All final budget amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budget during the year. The supplementary budgetary appropriations made were not material. All unexpended appropriations provided in the annual budget lapse at year-end.

Excess of Expenditures Over Appropriations

For the year ended December 31, 2020, the E-911 Fund's expenditures exceeded appropriations for debt service payments of $82,853. The General Fund's expenditures exceeded appropriations for public buildings of $661,723, juvenile court of $4, recreation of $1,253, and family connection of $78.

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

Deficit Fund Equity

For the year ended December 31, 2020, the following funds had a deficit fund balance or deficit net position:

	Fund Deficit
Capital Projects Funds:	
Capital Projects Funds	$ 5,519
	Deficit Net Position
Enterprise Fund:	
Landfill	$ 1,016,350

The deficits will be eliminated through future revenues and/or transfers from other funds.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2020, are summarized as follows:

Balances per Statement of Net Position:	
Cash and cash equivalents - Primary Government	$ 22,272,867
Cash and cash equivalents - Development Authority	2,565,143
Investments - Primary Government	2,224,450
Restricted assets:	
Primary Government - cash and cash equivalents	26,755,385
Balances per Statement of Fiduciary Net Position:	
Cash - Custodial funds	5,183,126
Cash - Private purpose trust funds	2,943
	$ 59,003,914
Balances by type:	
Cash deposited with financial institutions	$ 56,779,464
Certificates of deposit	64,926
Georgia Fund 1	2,159,524
	$ 59,003,914

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County has no formal credit risk policy other than to only invest in obligations authorized by the State of Georgia. As of December 31, 2020, the County's investments in the Georgia Fund 1 were rated AAAf by Standard & Poor's.

Interest Rate Risk. 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.

At December 31, 2020, the County's investments, categorized by credit risk and interest rate risk, were as follows:

Investment Type	Maturities	Fair Value
Certificates of deposit	7 months weighted-average	$ 64,926
Georgia Fund 1	54-day weighted-average	2,159,524
		$ 2,224,450

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued).

The County has the following recurring fair value measurements as of December 31, 2020:

Investment Type	Fair Value
Investments not subject to level disclosure:	
Certificates of deposit	$ 64,926
Georgia Fund 1	2,159,524
Total investments	$ 2,224,450

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2020, all of the deposits of the County and the component units were properly insured and collateralized as required by the Official Code of Georgia Annotated ("O.C.G.A.") § 45-8-12(c).

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. The County does not have a formal custodial credit risk policy other than to only invest in obligations authorized by the State of Georgia.

NOTE 5. RECEIVABLES

Receivables at December 31, 2020, consist of the following:

	General Fund	Public Facilities Authority	E-911 Fund	2020 SPLOST Fund	Nonmajor Governmental Funds
Receivables:					
Taxes	$ 11,027,725	$ -	$ -	$ 491,152	$ -
Accounts	1,683,118	-	29,200	-	52,168
Due from other governments	1,237	443,645	91,983	361,456	10,240
Gross receivables	12,712,080	443,645	121,183	852,608	62,408
Less allowance	(1,310,935)	-	-	-	-
Net receivables	$ 11,401,145	$ 443,645	$ 121,183	$ 852,608	$ 62,408

	Water Fund	Landfill Fund	Nonmajor Enterprise Fund	Total
Receivables:				
Taxes	$ -	$ -	$ -	$ 11,518,877
Accounts	451,644	34,328	1,470	2,251,928
Due from other governments	-	-	-	908,561
Gross receivables	451,644	34,328	1,470	14,679,366
Less allowance	(207,198)	(2,296)	-	(1,520,429)
Net receivables	$ 244,446	$ 32,032	$ 1,470	$ 13,158,937

Property taxes were levied on September 21, 2020. Bills are payable on or before December 21, 2020, after which the applicable property is subject to lien and penalties and interest are assessed. The County bills and collects its own property taxes. Property taxes levied for 2020 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the year ended December 31, 2020, and collected by February 28, 2021, are recognized as revenues in the year ended December 31, 2020. Net receivables estimated to be collected subsequent to February 28, 2021, are deferred as of December 31, 2020, and recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Property taxes attached as an enforceable lien on property as of December 22, 2020.

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the fiscal year ended December 31, 2020, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 1,182,043	$ -	$ -	$ -	$ 1,182,043
Construction in progress	2,722,861	2,227,120	(6,109)	(2,739,754)	2,204,118
Total	3,904,904	2,227,120	(6,109)	(2,739,754)	3,386,161
Capital assets, being depreciated:					
Buildings	16,378,524	46,387	-	1,989,617	18,414,528
Building improvements	1,548,087	-	-	750,137	2,298,224
Land improvements	2,388,673	182,758	(143,563)	-	2,427,868
Infrastructure	100,914,572	259,181	-	-	101,173,753
Intangibles	92,012	-	-	-	92,012
Machinery and equipment	20,868,627	3,325,609	(1,277,225)	-	22,917,011
Total	142,190,495	3,813,935	(1,420,788)	2,739,754	147,323,396
Less accumulated depreciation for:					
Buildings	5,325,883	342,567	-	-	5,668,450
Building improvements	341,256	51,855	-	-	393,111
Land improvements	1,976,772	32,617	(84,624)	-	1,924,765
Infrastructure	55,568,955	2,012,934	-	-	57,581,889
Intangibles	80,728	6,107	-	-	86,835
Machinery and equipment	12,958,362	1,235,202	(1,248,963)	-	12,944,601
Total	76,251,956	3,681,282	(1,333,587)	-	78,599,651
Total capital assets, being depreciated, net	65,938,539	132,653	(87,201)	2,739,754	68,723,745
Governmental activities capital assets, net	$ 69,843,443	$ 2,359,773	$ (93,310)	$ -	$ 72,109,906

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 362,734	$ -	$ -	$ -	$ 362,734
Construction in progress	306,969	5,354,705	-	(252,971)	5,408,703
Total	669,703	5,354,705	-	(252,971)	5,771,437
Capital assets, being depreciated:					
Land (landfill)	4,496,440	-	-	-	4,496,440
Buildings	1,802,182	-	-	-	1,802,182
Improvements	1,121,479	-	-	-	1,121,479
Infrastructure	42,718,388	-	-	252,971	42,971,359
Machinery and equipment	3,427,601	307,989	-	-	3,735,590
Total	53,566,090	307,989	-	252,971	54,127,050
Less accumulated depreciation for:					
Land (landfill)	4,194,039	102,320	-	-	4,296,359
Buildings	302,429	39,341	-	-	341,770
Improvements	1,013,667	53,819	-	-	1,067,486
Infrastructure	9,928,432	753,449	-	-	10,681,881
Machinery and equipment	2,539,785	153,208	-	-	2,692,993
Total	17,978,352	1,102,137	-	-	19,080,489
Total capital assets, being depreciated, net	35,587,738	(794,148)	-	252,971	35,046,561
Business-type activities capital assets, net	$ 36,257,441	$ 4,560,557	$ -	$ -	$ 40,817,998

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	$ 190,738
Judicial	2,661
Public safety	1,124,086
Public works	2,229,951
Health and welfare	23,946
Culture and recreation	105,629
Housing and development	4,271
Total depreciation expense - governmental activities	$ 3,681,282
Business-type activities:	
Water Fund	$ 790,812
Landfill Fund	290,300
Conference Center Fund	21,025
Total depreciation expense - business-type activities	$ 1,102,137

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 1,923,949	$ -	$ -	$ -	$ 1,923,949
Total	1,923,949	-	-	-	1,923,949
Capital assets, being depreciated:					
Improvements	774,742	-	-	-	774,742
Total	774,742	-	-	-	774,742
Less accumulated depreciation for:					
Improvements	189,641	38,737	-	-	228,378
Total	189,641	38,737	-	-	228,378
Total capital assets, being depreciated, net	585,101	(38,737)	-	-	546,364
Development Authority capital assets, net	$ 2,509,050	$ (38,737)	$ -	$ -	$ 2,470,313

NOTE 7. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the primary government for the year ended December 31, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 24,315,000	$ 17,430,000	$ (3,430,000)	$ 38,315,000	$ 3,395,000
Plus unamortized premium	1,634,923	2,874,133	(559,276)	3,949,780	-
General obligation bonds, net	25,949,923	20,304,133	(3,989,276)	42,264,780	3,395,000
Capital leases	803,404	2,500,000	(460,043)	2,843,361	713,116
Compensated absences	2,727,245	467,274	(604,977)	2,589,542	624,402
Net pension liability	8,259,866	3,861,286	(5,587,710)	6,533,442	-
Total OPEB liability	2,699,589	1,029,692	(761,589)	2,967,692	-
Governmental activities long-term liabilities	$ 40,440,027	$ 28,162,385	$ (11,403,595)	$ 57,198,817	$ 4,732,518
Business-type activities:					
Notes payable	$ 1,068,627	$ -	$ (52,876)	$ 1,015,751	$ 53,959
Landfill closure and post-closure costs	1,421,319	449,178	-	1,870,497	-
Compensated absences	241,777	51,160	(45,854)	247,083	31,770
Net pension liability	459,512	214,810	(310,855)	363,467	-
Business-type activities long-term liabilities	$ 3,191,235	$ 715,148	$ (409,585)	$ 3,496,798	$ 85,729

For governmental activities, the net pension liability, total OPEB liability and compensated absences are generally liquidated by the General Fund.

For business-type activities, the net pension liability and compensated absences are generally liquidated by the Water, Landfill, and Conference Center Funds.

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

General Obligation Bonds. During the year ended December 31, 2010, the Public Facilities Authority issued bonds in the amount of $6,245,000. The bonds bear interest of 2.0 to 3.0% with final maturity in 2020. Proceeds of the bonds were used for the purpose of financing: 1) improvements and extensions to the County's water system, 2) improvements and equipping of the public safety facilities in the County, 3) the acquisition, construction, renovation, and equipping of a County administrative building, and 4) the acquisition, construction, renovation, additions, or equipping of the existing hospital facilities and land adjacent to the County's hospital. The remaining balance of the general obligation bonds was paid during the year ended December 31, 2020.

During the year ended December 31, 2012, the Public Facilities Authority also issued Revenue Refunding Bonds, Series 2012B in the amount of $9,985,000. The bonds bear interest of 2.0 to 4.0% with final maturity in 2026. Proceeds of the bonds will be used for the purpose of refunding all of the outstanding Development Authority of Monroe County Revenue Refunding and Improvement Bonds (Water and Sewerage Project), Series 2003A. The outstanding balance of the 2012 Series B general obligation bonds as of December 31, 2020, was $6,575,000.

During the year ended December 31, 2019, the Public Facilities Authority issued Revenue Bonds, Series 2019 in the amount of $16,780,000. The bonds bear interest of 3.0 to 4.0% with final maturity in 2025. Proceeds of the bonds will be used for the purpose of financing or refinancing: 1) internet capital outlay projects, 2) road department equipment, 3) Emergency Management Services, 4) water projects, 5) recreation facilities, 6) Sheriff's Office patrol vehicles, 7) future land acquisition and infrastructure, 8) new governmental buildings, and 9) a county conference center; pay the cost of all or a portion of the following capital outlay projects for the City of Forsyth, Georgia: 1) water and sewer upgrades, and 2) public safety; and pay the costs of all or a portion of the following capital outlay projects for the City of Culloden, Georgia: 1) land acquisition and improvements, 2) public safety facilities and improvements, 3) parks and recreation improvements, and 4) water and utilities improvements. The outstanding balance of the 2019 revenue bonds as of December 31, 2020, was $14,310,000.

During the year ended December 31, 2020, the Public Facilities Authority issued Revenue Bonds, Series 2020 in the amount of $17,430,000. The bonds bear interest of 4.0 to 5.0% with final maturity in 2040. Proceeds of the bonds will be used for the purpose of financing certain water projects and a new governmental building to lease to the County. The outstanding balance of the 2020 revenue bonds as of December 31, 2020, was $17,430,000.

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

General Obligation Bonds (Continued)

The 2012 series bonds are limited obligations of the Public Facilities Authority, payable solely from payments to be made by the County pursuant to an intergovernmental contract between the Public Facilities Authority and the County. The County's obligation under the contract to make payments to the Public Facilities Authority at times and in amounts sufficient to enable the Public Facilities Authority to pay the principal of and interest on the bonds is absolute and unconditional, is secured by a pledge of the County's full faith and credit and taxing powers and will not expire so long as any of the bonds remain outstanding and unpaid. These bonds are, therefore, reflected as general obligation bonds of the County within these financial statements. The County intends to make its payments under the contract from its portion of the revenues generated by a 1% special purpose local option sales and use tax (the "SPLOST"); however, the County's portion of the revenues from the SPLOST are not pledged to such payments or to secure the payment of the bonds.

The Series 2019 and Series 2020 Bonds are limited obligations of the Authority and are payable from and are secured by a first lien on the Contract and the Contract Payments. The County's obligation under the contracts to make payments to the Public Facilities Authority at times and in amounts sufficient to enable the Public Facilities Authority to pay the principal of and interest on the bonds is absolute and unconditional. These bonds are, therefore, reflected as general obligation bonds of the County within these financial statements.

General obligation bonds debt service requirements to maturity are as follows at December 31, 2020:

Year Ending December 31,	Principal	Interest	Total
2021	$ 3,395,000	$ 1,482,740	$ 4,877,740
2022	3,515,000	1,354,440	4,869,440
2023	4,210,000	1,210,540	5,420,540
2024	4,365,000	1,050,498	5,415,498
2025	4,540,000	880,308	5,420,308
2026 – 2030	6,180,000	2,979,289	9,159,289
2031 – 2035	4,365,000	1,999,300	6,364,300
2036 – 2040	5,310,000	1,034,600	6,344,600
2041 and 2042	2,435,000	98,300	2,533,300
	$ 38,315,000	$ 12,090,015	$ 50,405,015

Capital Leases. During the current year, the County entered into a lease agreement as lessee for financing the acquisition of various equipment. The lease agreement qualifies as a capital lease for accounting purposes (title transfers at end of lease term) and, therefore, have been recorded at the present values of the future minimum lease payments as of the date of inceptions.

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Capital Leases (Continued).

The cost of assets under capital leases as of December 31, 2020:

	Governmental Activities
Equipment	$ 1,175,940
Less accumulated depreciation	(218,601)
Carrying value	$ 957,339

Current year depreciation expense of assets under capital lease was $115,626.

The County's total capital lease debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	
2021	$ 774,145
2022	691,291
2023	691,292
2024	569,051
2025	264,145
Total minimum lease payments	2,989,924
Less amount representing interest	(146,563)
Present value of future minimum lease payments	$ 2,843,361

Notes Payable. The Water Fund incurred debt of $1,216,860 to the Georgia Environmental Finance Authority for the extension of water mains and all related appurtenances during current and prior years. Beginning in February 2017, payments are due in monthly installments of $6,173, including interest at 2.03% through January 2037. The outstanding balance at December 31, 2020, is $1,015,751.

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Notes Payable (Continued)

Debt service requirements to maturity on the Water Fund note payable is as follows:

Year Ending December 31,	Principal	Interest	Total
2021	$ 53,959	$ 20,120	$ 74,079
2022	55,064	19,014	74,078
2023	56,193	17,886	74,079
2024	57,344	16,734	74,078
2025	58,519	15,559	74,078
2026 – 2030	311,080	59,312	370,392
2031 – 2035	344,283	26,109	370,392
2036 and 2037	79,309	942	80,251
	$ 1,015,751	$ 175,676	$ 1,191,427

Landfill Closure and Post-closure Costs. State and federal laws and regulations require the County to place a final cover on its Strickland Loop Road Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste (2058), the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The amount reported as landfill closure and post-closure care liability of $1,870,497 at December 31, 2020, represents the cumulative amount reported to date based on the use of 29% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post-closure care of $4,082,518 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 1993, adjusted annually for inflation. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Should any problems occur during the closure and post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Development Authority

Conduit Debt Obligations. From time to time, the Development Authority issues revenue bonds to provide financial assistance to private-sector entities or other third parties for the acquisition and construction of industrial and commercial facilities. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans and agreements. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The Development Authority is not obligated in any manner for repayment of the bonds as discussed above. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The original issuance amounts of bonds issued by the Development Authority as of December 31, 2020, for conduit debt are summarized below. The ending outstanding principal balances as of December 31, 2020, were not available.

For the Benefit of	Issuance Date	Original Principal
Oglethorpe Power Corporation	October 24, 2006	$ 9,020,000
Georgia Power Company	December 13, 2006	28,065,000
Industrial Developments International, L.P.	January 23, 2008	11,500,000
Georgia Power Company	October 25, 2008	83,515,000
Georgia Power Company	July 14, 2009	40,000,000
Georgia Power Company	September 17, 2009	89,200,000
Oglethorpe Power Corporation	December 10, 2009	10,940,000
Oglethorpe Power Corporation	December 10, 2009	93,630,000
Oglethorpe Power Corporation	March 30, 2010	43,445,000
Gulf Power Company	May 28, 2010	21,000,000
Oglethorpe Power Corporation	March 31, 2011	47,610,000
Oglethorpe Power Corporation	April 2, 2012	10,055,000
Georgia Power Company	May 21, 2012	48,720,000
Georgia Power Company	March 21 2013	17,500,000
Oglethorpe Power Corporation	April 17, 2013	57,665,000
Encore	August 1, 2017	18,000,000
Royal Seven Corporation	September 27, 2017	187,266
Florida Power & Light Company	November 3, 2017	60,000,000
Oglethorpe Power Corporation	October 12, 2017	23,520,000
Gulf Power Company	October 17, 2019	45,000,000
Florida Power & Light Compnay	June 13, 2019	55,000,000
		$ 813,572,266

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2020, is as follows:

Due to/from other funds:

	Receivable Funds			
Payable Funds	General Fund	E-911 Fund	2020 SPLOST Fund	Total
General Fund	$ -	$ 19,873	$ -	$ 19,873
2014 SPLOST Fund	48,826	-	-	48,826
Water Fund	129,703	-	11,618	141,321
Nonmajor Governmental Funds	13,163	-	-	13,163
Total	$ 191,692	$ 19,873	$ 11,618	$ 223,183

These balances resulted 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.

Interfund transfers:

	Transfers Out				
Transfers In	General Fund	Public Facilities Authority	2014 SPLOST Fund	2020 SPLOST Fund	Total
General Fund	$ -	$ 3,909	$ -	$ -	$ 3,909
Public Facilities Authority	1,229,195	-	-	2,718,945	3,948,140
E-911 Fund	924,377	-	-	-	924,377
2014 SPLOST Fund	-	691,516	-	-	691,516
2020 SPLOST Fund	825,356	8,606,311	-	-	9,431,667
Water Fund	13,849	127,837	24,300	4,651,654	4,817,640
Landfill Fund	986,932	-	-	525,410	1,512,342
Nonmajor Governmental Funds	276,777	-	-	-	276,777
Nonmajor Enterprise Fund	115,819	-	51,326	-	167,145
Total	$ 4,372,305	$ 9,429,573	$ 75,626	$ 7,896,009	$ 21,773,513

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 3) fund SPLOST approved projects.

NOTE 9. JOINT VENTURE

Under Georgia law, the County is a participating member of the Middle Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During its year ended December 31, 2020, the County paid $30,189 in such dues. Membership in an RC is required by the O.C.G.A. § 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. § 50-8-39.1 provides that the member governments are liable for any debts and obligations of an RC. Separate financial statements may be obtained from: Middle Georgia Regional Commission, 175 C Emery Highway, Macon, Georgia 31217.

NOTE 10. DEFINED BENEFIT PENSION PLAN

Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Monroe County Defined Benefit Plan (the "Plan"), covering the majority of all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia ("ACCG"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2019, pension plan membership consisted of the following:

Retirees, beneficiaries and disables receiving benefits	99
Terminated plan participants entitled to but not receiving benefits	138
Active employees participating in the Plan	140
Total number of Plan participants	377

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Board of Commissioners, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the actuarially determined rate. For the year ended December 31, 2020, the County's contribution rate was 17.88% of annual payroll. County contributions to the Plan were $1,169,682 for the year ended December 31, 2020.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2019 with updated procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2019.

Actuarial Assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.50% – 5.50%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Amount weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2019.

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of an actuarial experience study through February 2019.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.33%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Fixed income	30%	25 – 35%
Large cap equity	30%	25 – 35%
International equity	15%	10 – 20%
Other equity	20%	2.5 – 10%
Real estate	5%	2.5 – 10%
	100%	

* Rates shown are net of the 3.00% assumed rate of inflation.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. 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 of the projected benefit payments to determine the total pension liability.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended December 31, 2020 (measurement date of December 31, 2019), were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning balance	$ 31,829,644	$ 23,110,266	$ 8,719,378
Changes for the year:			
Service cost	415,910	-	415,910
Interest	2,178,827	-	2,178,827
Differences between expected and actual experience	(6,604)	-	(6,604)
Assumption changes	1,254,074	-	1,254,074
Contributions - employer	-	1,169,682	(1,169,682)
Net investment income	-	4,722,279	(4,722,279)
Benefit payments, including refunds of employee contributions	(1,407,095)	(1,407,095)	-
Administrative expenses	-	(49,203)	49,203
Other changes	-	(178,082)	178,082
Net changes	2,435,112	4,257,581	(1,822,469)
Ending balance	$ 34,264,756	$ 27,367,847	$ 6,896,909

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, 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:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
County's net pension liability	$ 11,291,823	$ 6,896,909	$ 3,243,973

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

Calculations are based on the substantive plan in effect as of the December 31, 2019 measurement date, and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2020, the County recognized pension expense of $2,505,641. At December 31, 2020, the County reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 1,310,785
Differences between expected and actual experience	70,506	270,780
Changes in actuarial assumptions	1,642,436	-
Total	$ 1,712,942	$ 1,581,565

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

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

The amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,		
2021	$	618,196
2022		138,261
2023		(17,195)
2024		(607,885)
Total	$	131,377

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN

Primary Government

Plan Administration and Benefits

The County provides post-retirement health care benefits, as per the requirements of a resolution, for certain retirees. The provisions and obligations to contribute are established and may be amended by the Monroe County Board of Commissioners. There is no separate, audited GAAP-basis post-employment benefit plan report available for the County's OPEB Plan.

The only requirement is the employee must retire from the County with 20 years of service and at least age 55. The benefits are offered until the retiree turns 65 and is eligible for Medicare. The County pays 75% of the Retiree Tier and 50% of the Family Tier, and the employee must pay the remaining percentage. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, and a separate report was not issued for the OPEB Plan.

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Primary Government (Continued)

Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of the latest actuarial valuation at January 1, 2020:

Inactive plan members or beneficiaries currently receiving benefits	5
Active plan members	250
	255

Contributions

The Monroe County Board of Commissioners has elected to fund the OPEB plan on a "pay as you go" basis. The County contributed $56,075 to the OPEB Plan in fiscal year December 31, 2020. The annual required contribution amount is determined using actuarial methods and assumptions approved by the Board of Commissioners.

Total OPEB Liability of the County

The County's total OPEB liability was measured as of January 1, 2020, and was determined by an actuarial valuation as of January 1, 2020.

Actuarial assumptions. The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate:	3.50%
Salary Increases:	3.50% to 5.00%
Discount Rate:	2.74%
Healthcare Cost Trend Rate:	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030
Participation Rate:	75.00% for members and 20% for spouse coverage

Mortality rates were based on Pub-2010 Amount weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2020.

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Primary Government (Continued)

Total OPEB Liability of the County (Continued)

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the January 1, 2020 valuation were based on the pension valuation prepared by GEBCorp as of January 1, 2020.

Discount rate

The discount rate used to measure the total OPEB liability was 2.74%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was determined by the Bond Buyer 20-Bond GO Index Rate as of the December 31, 2019 measurement date.

Changes in the Total OPEB Liability of the County

The changes in the total OPEB liability of the County for the year ended December 31, 2020 (measurement date of December 31, 2019), were as follows:

	Total OPEB Liability
Balances at December 31, 2019	$ 2,699,589
Changes for the year:	
Service cost	139,957
Interest	110,201
Differences between expected and actual experience	(737,817)
Assumption changes	779,534
Benefit payments	(23,772)
Net changes	268,103
Balances at December 31, 2020	$ 2,967,692

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Primary Government (Continued)

Sensitivity of the Total OPEB Liability to changes in the discount rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.74%) or 1-percentage-point higher (3.74%) than the current discount rate:

	1.00% Decrease (1.74%)	Current Discount Rate (2.74%)	1.00% Increase (3.74%)
Total OPEB liability	$ 3,307,454	$ 2,967,692	$ 2,664,395

Sensitivity of the Total OPEB Liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Increase
Total OPEB liability	$ 2,590,744	$ 2,967,692	$ 3,419,203

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of the December 31, 2019 measurement date, and the current sharing pattern of costs between employer and inactive employees.

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Primary Government (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the County recognized OPEB expense of $24,579. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 16,705	$ 655,822
Other changes in assumptions	725,521	140,784
County contributions subsequent to the measurement date	56,075	-
Total	$ 798,301	$ 796,606

County contributions subsequent to the measurement date of $56,075 are recorded as a deferred outflow of resources and will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2021. The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB benefits will be recognized in OPEB expense as follows:

Year Ending December 31,	
2021	$ (7,579)
2022	(7,579)
2023	(7,579)
2024	(7,579)
2025	(17,295)
Thereafter	(6,769)
Total	$ (54,380)

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which, except as described in the following paragraph, the County carries commercial insurance in amounts deemed prudent by County management.

The County participates in the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk and insurance programs for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, 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 pools' 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 funds are 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 Workers' Compensation law of Georgia. The funds are to pay all costs 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.

There have been no significant reductions of insurance coverage from coverage in the prior year and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The County is partially insured in regard to health insurance claims. The first $75,000 of claims is paid by the County. The County has a reinsurance policy that pays most claims in excess of the $75,000, per covered individual, to reduce the exposure from catastrophic loss. These liabilities are recorded in the General Fund and enterprise funds since payment is expected to be made within one year. A third-party administrator is employed to process claims for the group health program. Settlement claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds participate in the program and make payments to the General Fund. The claims liability at December 31, 2020, is based on requirements of GASB Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

NOTE 12. RISK MANAGEMENT (CONTINUED)

Required disclosure representing the changes in the balances of claims liabilities during the years ended December 31, 2020 and 2019, respectively, are as follows:

	December 31,	
	2020	2019
Unpaid claims, beginning of fiscal year	**$ 170,070**	$ 129,741
Incurred claims	**8,739,291**	8,002,896
Claims Paid	**(8,434,811)**	(7,962,567)
Unpaid claims, end of fiscal year	**$ 474,550**	$ 170,070

NOTE 13. CONTINGENCIES AND COMMITMENTS

Grant Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their representatives. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

Contractual Commitments

In addition to the liabilities enumerated in the balance sheet at December 31, 2020, the County has contractual commitments on uncompleted construction contracts of approximately $830,512.

Litigation

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

NOTE 14. CHANGE IN ACCOUNTING PRINCIPLE

In conjunction with the implementation of GASB Statement No. 84, *Fiduciary Activities*, the County is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the County to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the implementation of GASB Statement No. 84, the following restatement was required to the beginning net position of the Fiduciary Activities to properly report the custodial funds.

	Custodial Funds
Net position, as previously reported	$ -
Adjustment needed to record beginning net position of the agency funds now reported as custodial funds in accordance with GASB Statement No. 84	990,628
Net position, as restated	$ 990,628

REQUIRED SUPPLEMENTARY INFORMATION

MONROE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S
NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

	2020	2019	2018
Total pension liability			
Service cost	**$ 415,910**	$ 373,948	$ 390,140
Interest on total pension liability	**2,178,827**	2,048,004	2,006,388
Differences between expected and actual experience	**(6,604)**	(232,389)	(717,238)
Changes of assumptions	**1,254,074**	2,002,140	54,599
Benefit payments, including refunds of employee contributions	**(1,407,095)**	(1,220,787)	(1,098,959)
Net change in total pension liability	**2,435,112**	2,970,916	634,930
Total pension liability - beginning	**31,829,644**	28,858,728	28,223,798
Total pension liability - ending (a)	**$ 34,264,756**	$ 31,829,644	$ 28,858,728
Plan fiduciary net position			
Contributions - employer	**$ 1,169,682**	$ 873,439	1,167,800
Net investment income	**4,722,279**	(1,097,068)	3,338,566
Benefit payments, including refunds of employee contributions	**(1,407,095)**	(1,220,787)	(1,098,959)
Administrative expenses	**(49,203)**	(38,858)	(36,561)
Other	**(178,082)**	(154,115)	(214,619)
Net change in fiduciary net position	**4,257,581**	(1,637,389)	3,156,227
Plan fiduciary net position - beginning	**23,110,266**	24,747,655	21,591,428
Plan fiduciary net position - ending (b)	**$ 27,367,847**	$ 23,110,266	$ 24,747,655
County's net pension liability - ending (a) - (b)	**$ 6,896,909**	$ 8,719,378	$ 4,111,073
Plan fiduciary net position as a percentage of total pension liability	**79.87%**	72.61%	85.75%
Covered payroll	**$ 6,495,834**	$ 6,920,209	$ 6,983,538
County's net pension liability as a percentage of covered payroll	**106.17%**	126.00%	58.87%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

2017	2016	2015
$ 354,503	$ 357,191	$ 377,611
1,855,132	1,742,195	1,651,403
1,010,598	165,198	-
807,670	779,231	-
(1,078,414)	(998,766)	(818,466)
2,949,489	2,045,049	1,210,548
25,274,309	23,229,260	22,018,712
$ 28,223,798	$ 25,274,309	$ 23,229,260
$ 1,215,850	$ 1,122,951	$ 1,147,758
1,407,318	132,823	1,330,402
(1,078,414)	(962,666)	(788,883)
(40,319)	(39,509)	(37,988)
(181,945)	(196,422)	(201,212)
1,322,490	57,177	1,450,077
20,268,938	20,211,761	18,761,684
$ 21,591,428	$ 20,268,938	$ 20,211,761
$ 6,632,370	$ 5,005,371	$ 3,017,499
76.50%	80.20%	87.01%
$ 7,226,818	$ 7,516,338	$ 7,552,981
91.77%	66.59%	39.95%

MONROE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY PENSION CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31,

	2020	2019	2018	2017
Actuarially determined contribution	**$ 1,169,682**	$ 873,439	$ 1,167,800	$ 1,215,850
Contributions in relation to the actuarially determined contribution	**1,169,682**	873,439	1,167,800	1,215,850
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
Covered payroll	**$ 6,541,710**	$ 6,495,834	$ 6,920,209	$ 6,983,538
Contributions as a percentage of covered payroll	17.88%	13.45%	16.88%	17.41%

Notes to the Schedule:

Valuation Date	January 1, 2019
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	3.50% - 5.50% (including 3.00% inflation)
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

The schedule will present 10 years of information once it is accumulated.

2016	2015	2014
$ 1,122,951	$ 1,147,758	$ 1,399,777
1,122,951	1,147,758	1,399,777
$ -	$ -	$ -
$ 7,226,818	$ 7,516,338	$ 7,552,981
15.54%	15.27%	18.53%

MONROE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31,

Total OPEB liability	**2020**	2019	2018
Service cost	**$ 139,957**	$ 154,531	$ 140,748
Interest on total OPEB liability	**110,201**	92,691	90,747
Differences between expected and actual experience	**(737,817)**	(32,043)	28,042
Changes of assumptions	**779,534**	(192,734)	96,274
Benefit payments, including refunds of employee contributions	**(23,772)**	(34,447)	(89,021)
Net change in total OPEB liability	**268,103**	(12,002)	266,790
Total OPEB liability - beginning	**2,699,589**	2,711,591	2,444,801
Total OPEB liability - ending	**$ 2,967,692**	$ 2,699,589	$ 2,711,591
Covered payroll	**$ 9,763,256**	$ 9,158,940	$ 9,158,940
County's total OPEB liability as a percentage of covered payroll	**30.40%**	29.47%	29.61%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.78% at the December 31, 2016 measurement date to 3.44% at the December 31, 2017 measurement date.

The discount rate changed from 3.44% at the December 31, 2017 measurement date to 4.10% at the December 31, 2018 measurement date.

The discount rate changed from 4.10% at the December 31, 2018 measurement date to 2.74% at the December 31, 2019 measurement date.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of the GASB Statement No. 75 for payment of future OPEB benefits.

MONROE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Library Fund – To account for costs of operating and maintaining the Monroe County Library. Financing is provided from general revenues of the County, fines, and contributions.

Forfeited Funds – To account for monies seized and ordered as forfeited by the courts. Monies are seized in drug related cases. All funds are expended by law enforcement personnel.

Law Library Fund – To account for costs of operating and maintaining the County Law Library. Financing is provided from a charge added to and collected on all costs in civil and criminal cases.

Jail Fines Fund – To account for monies received by the collection of a 10% add-on fine as allowed by state law to be used for construction, operating, and staffing the County jail.

Drug Education Fund – To account for the expenditure of monies from the County Drug Abuse Treatment and Education Fund. Financing is provided by the collection of an add-on fine as allowed by state law.

Child Abuse Reporting Enforcement ("C.A.R.E.") Cottage Fund – To account for the operation of the Monroe County C.A.R.E. Cottage. Financing is provided by fines, grants, and contributions.

Federal Forfeited Funds – To account for monies seized and ordered as forfeited by the federal courts. Monies are seized in drug related cases. All funds are expended by law enforcement personnel.

Community Development Block Grant ("CDBG") Water Grant Fund – To account for the receipt and expenditures of monies received from CDBG for improvements to the County's water system.

Emergency Management Agency ("EMA") Grant Fund – To account for the receipt and expenditures of monies received from various grants and contributions for the EMA.

Sheriff's Safe Driving Fund – To account for the receipt and expenditures of monies received from various grants and contributions for the purpose of the education and promotion of safe driving in the County.

Supervisory Fees Fund – To account for the receipt and expenditures of monies received from supervisory fees related to juvenile court cases.

Capital Projects Fund

Capital Projects Fund – To account for the acquisition of capital assets and construction or improvement of major capital projects.

MONROE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Special Revenue Funds				
	Library	Forfeited Funds	Law Library	Jail Fines	Drug Education
ASSETS					
Cash	$ 33,968	$ 73,207	$ 8,839	$ 272,278	$ 2,423
Investments	58,566	-	6,360	-	-
Accounts receivable	-	52,168	-	-	-
Due from other governments	-	-	-	-	-
Total assets	$ 92,534	$ 125,375	$ 15,199	$ 272,278	$ 2,423
LIABILITIES AND FUND BALANCES (DEFICIT)					
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ 67,370	$ -
Accrued liabilities	-	-	-	-	1,457
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	67,370	1,457
FUND BALANCES (DEFICIT)					
Restricted for:					
Judicial	-	-	15,199	-	-
Public safety	-	125,375	-	204,908	966
Capital projects	-	-	-	-	-
Assigned for:					
Culture and recreation	92,534	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	92,534	125,375	15,199	204,908	966
Total liabilities and fund balances (deficit)	$ 92,534	$ 125,375	$ 15,199	$ 272,278	$ 2,423

Special Revenue Funds							
C.A.R.E. Cottage	Federal Forfeited Funds	CDBG Water Grant	EMA Grant	Sheriff's Safe Driving	Supervisory Fees	Capital Projects Fund	Total Nonmajor Governmental Funds
$ 247,894	$ 48,722	$ 10	$ 12,809	$ 4,543	$ 4,776	$ -	$ 709,469
-	-	-	-	-	-	-	64,926
-	-	-	-	-	-	-	52,168
10,240	-	-	-	-	-	-	10,240
$ 258,134	$ 48,722	$ 10	$ 12,809	$ 4,543	$ 4,776	$ -	$ 836,803
$ 17,838	$ -	$ -	$ -	$ -	$ -	$ 5,519	$ 90,727
4,542	-	-	-	-	-	-	5,999
2,990	-	-	-	-	-	-	2,990
9,946	-	-	-	3,217	-	-	13,163
35,316	-	-	-	3,217	-	5,519	112,879
222,818	-	-	-	-	-	-	238,017
-	48,722	-	12,809	1,326	4,776	-	398,882
-	-	10	-	-	-	-	10
-	-	-	-	-	-	-	92,534
-	-	-	-	-	-	(5,519)	(5,519)
222,818	48,722	10	12,809	1,326	4,776	(5,519)	723,924
$ 258,134	$ 48,722	$ 10	$ 12,809	$ 4,543	$ 4,776	$ -	$ 836,803

MONROE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Revenue Funds				
	Library	Forfeited Funds	Law Library	Jail Fines	Drug Education
Revenues:					
Intergovernmental	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	3,156	103,381	23,126	216,984	24,030
Charges for services	4,313	-	-	-	-
Interest income	447	4	-	17	2
Contributions	50	-	-	-	-
Miscellaneous	-	-	-	-	923
Total revenues	7,966	103,385	23,126	217,001	24,955
Expenditures:					
Current:					
Judicial	-	-	19,407	-	-
Public safety	-	25,606	-	194,302	54,084
Culture and recreation	8,547	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	8,547	25,606	19,407	194,302	54,084
Excess (deficiency) of revenues over (under) expenditures	(581)	77,779	3,719	22,699	(29,129)
Other financing sources:					
Transfers in	-	-	-	-	-
Total other financing sources	-	-	-	-	-
Net change in fund balances	(581)	77,779	3,719	22,699	(29,129)
Fund balances (deficit), beginning of year	93,115	47,596	11,480	182,209	30,095
Fund balances (deficit), end of year	$ 92,534	$ 125,375	$ 15,199	$ 204,908	$ 966

Special Revenue Funds							
C.A.R.E. Cottage	Federal Forfeited Funds	CDBG Water Grant	EMA Grant	Sheriff's Safe Driving	Supervisory Fees	Capital Projects Fund	Total Nonmajor Governmental Funds
$ 117,250	$ -	$ -	$ -	$ -	$ -	$ -	$ 117,250
102,413	-	-	-	-	320	-	473,410
-	-	-	-	-	-	-	4,313
97	5	9	1	-	-	-	582
-	-	-	-	1,460	-	-	1,510
24,820	-	-	-	-	-	-	25,743
244,580	5	9	1	1,460	320	-	622,808
216,912	-	-	-	-	-	-	236,319
-	-	-	-	1,744	140	-	275,876
-	-	-	-	-	-	-	8,547
-	-	-	-	-	-	251,664	251,664
216,912	-	-	-	1,744	140	251,664	772,406
27,668	5	9	1	(284)	180	(251,664)	(149,598)
30,517	-	115	-	-	-	246,145	276,777
30,517	-	115	-	-	-	246,145	276,777
58,185	5	124	1	(284)	180	(5,519)	127,179
164,633	48,717	(114)	12,808	1,610	4,596	-	596,745
$ 222,818	$ 48,722	$ 10	$ 12,809	$ 1,326	$ 4,776	$ (5,519)	$ 723,924

MONROE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2014 ISSUE FOR THE YEAR ENDED DECEMBER 31, 2020

Project Description	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Roads, Streets and Bridges	$ 7,000,000	$ 19,482,267	$ 21,587	$ 19,503,854
Construction of Water and Sewer Lines	7,000,000	5,846,298	24,300	5,870,598
Patrol Vehicles	800,000	938,018	-	938,018
Emergency Services Equipment	1,500,000	519,809	992,231	1,512,040
Recreation Facilities and Equipment	2,500,000	337,171	240,508	577,679
Hospital Capital Improvements	1,000,000	1,270,886	-	1,270,886
Emergency 911 Radio System Upgrade	3,100,000	3,221,285	-	3,221,285
Library Facilities and Equipment	150,000	5,789	-	5,789
Road Department Heavy Equipment	1,250,000	1,062,917	-	1,062,917
Civic Center Facilities and Equipment	1,200,000	1,427,669	51,326	1,478,995
City of Forsyth	4,600,000	4,067,109	124,599	4,191,708
City of Culloden	550,000	308,599	25,959	334,558
Total	$ 30,650,000	$ 38,487,817	$ 1,480,510	$ 39,968,327

Reconciliation of 2014 SPLOST schedule to financial statements:

Total of 2014 SPLOST schedule of expenditures	$ 1,480,510
Expenditures - 2014 SPLOST Fund	$ 1,404,884
Transfers out - 2014 SPLOST Fund	75,626
	$ 1,480,510

Note:

Bonds used to fund SPLOST projects were issued by the Public Facilities Authority ("PFA"). Transfers from SPLOST funds to the PFA are used to pay interest payments on the bonds as they mature.

MONROE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2020 ISSUE FOR THE YEAR ENDED DECEMBER 31, 2020

Project Description	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Internet Capital Outlay Projects	$ 700,000	$ -	$ -	$ -
Future Land Acquisition & Infrastructure	1,865,075	-	525,410	525,410
Patrol Vehicles	746,030	-	-	-
Emergency Services Equipment	2,524,751	451,896	1,436,925	1,888,821
Recreation Facilities and Equipment	500,000	-	25,348	25,348
Roads, Streets, and Bridges	5,895,227	-	3,643,536	3,643,536
Construction of Water and Sewer Lines	6,827,765	614,278	4,736,174	5,350,452
Road Department Heavy Equipment	1,119,045	331,344	204,998	536,342
Government Building	850,986	810,808	2,227,120	3,037,928
Conference Center	186,507	-	-	-
City of Forsyth	3,827,091	-	775,654	775,654
City of Culloden	457,725	-	92,743	92,743
Total	$ 25,500,202	$ 2,208,326	$ 13,667,908	$ 15,876,234

Reconciliation of 2020 SPLOST schedule to financial statements:

Total of 2020 SPLOST schedule of expenditures	$ 13,667,908
Expenditures - 2020 SPLOST Fund	$ 5,771,899
Transfers out - 2020 SPLOST Fund	7,896,009
	$ 13,667,908

Note:

Bonds used to fund SPLOST projects were issued by the Public Facilities Authority ("PFA"). Transfers from SPLOST funds to the PFA are used to pay interest payments on the bonds as they mature.

MONROE COUNTY, GEORGIA

CUSTODIAL FUNDS

Tax Commissioner – To account for the collection and payment to the County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of the County and other taxing units.

Clerk of Superior Court – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Sheriff – To account for all monies received by the Sheriff's Office on behalf of individuals, private organizations, other governmental units, and other funds.

MONROE COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2020

ASSETS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
Cash	$ 3,561,327	$ 285,301	$ 250,692	$ 19,804	$ 1,066,002	$ 5,183,126
Taxes receivable	12,707,093	-	-	-	-	12,707,093
Total assets	$ 16,268,420	$ 285,301	$ 250,692	$ 19,804	$ 1,066,002	$ 17,890,219
LIABILITIES						
Due to others	$ 3,268,198	$ 58,954	$ 98,954	$ 9,920	$ 11,159	$ 3,447,185
Uncollected taxes	12,707,093	-	-	-	-	12,707,093
Total liabilities	$ 15,975,291	$ 58,954	$ 98,954	$ 9,920	$ 11,159	$ 16,154,278
NET POSITION						
Restricted for individuals, organizations, and other governments	$ 293,129	$ 226,347	$ 151,738	$ 9,884	$ 1,054,843	$ 1,735,941

MONROE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

ADDITIONS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
Taxes collected	$ 42,901,574	$ -	$ -	$ -	$ -	$ 42,901,574
Fines and fees collected	-	1,992,197	2,678,715	317,687	1,714,345	6,702,944
Total additions	42,901,574	1,992,197	2,678,715	317,687	1,714,345	49,604,518
DEDUCTIONS						
Taxes disbursed	42,955,324	-	-	-	-	42,955,324
Fines and fees disbursed	-	1,839,484	2,622,879	337,324	1,104,194	5,903,881
Total deductions	42,955,324	1,839,484	2,622,879	337,324	1,104,194	48,859,205
Change in net position	(53,750)	152,713	55,836	(19,637)	610,151	745,313
Net position, beginning of year, as restated	346,879	73,634	95,902	29,521	444,692	990,628
Net position, end of year	$ 293,129	$ 226,347	$ 151,738	$ 9,884	$ 1,054,843	$ 1,735,941

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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
of Monroe County, Georgia
Forsyth, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Monroe County, Georgia (the "County") as of and for the year ended December 31, 2020, 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 23, 2021. Our report includes a reference to other auditors who audited the financial statements of the Monroe County Board of Health (the "Board of Health"), as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Our report also includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, as of January 1, 2020.

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 and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses we consider to be material weaknesses and significant deficiencies. We consider deficiency 2020-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Monroe County, Georgia's Response to Finding

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
June 23, 2021

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Monroe County, Georgia
Forsyth, Georgia

Report on Compliance for Each Major Federal Program

We have audited Monroe County, Georgia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2020. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Mauldin & Jenkins, LLC

Macon, Georgia
June 23, 2021

MONROE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF THE TREASURY:				
Passed through Georgia Governor's Office of Planning and Budget:				
COVID-19 Coronavirus Relief Funds	21.019	14638-CRF	$ 1,217,712	$ -
Total U.S. Department of the Treasury			1,217,712	-
U.S. ELECTION ASSISTANCE COMMISSION:				
Passed through Georgia Secretary of State Office:				
COVID-19 Coronavirus Relief Funds/Help America Vote Act	90.401	N/A	5,713	-
Total U.S. Election Assistance Commission			5,713	-
Total Expenditures of Federal Awards			$ 1,223,425	$ -

MONROE COUNTY, GEORGIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1. BASIS OF PREPARATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Monroe County, Georgia (the "County"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimis cost rate for the year ended December 31, 2020.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended December 31, 2020.

MONROE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	__X__ Yes _____ No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes __X__ No
Noncompliance material to financial statements noted?	_____ Yes __X__ No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	_____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes __X__ 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 the Uniform Guidance?	_____ Yes __X__ No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
21.019	**U.S. Department of the Treasury** Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	_____ Yes __X__ No

MONROE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION II
FINANCIAL STATEMENT FINDINGS

2020-001 Segregation of Duties – Cash Accounts and Other Operational Functions (Repeat Finding of Prior Year 2019-002)

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of these elected officials with no consistent review of the reconciled statements being performed. Specifically, we noted the following:

- Tax Commissioner's Office – one individual with the authority to sign checks also reconciles the bank statement. Further, we noted no independent review of the reconciled bank statements.
- Magistrate Court – one individual with the authority to prepare and sign checks also reconciles the bank statement. Further, we noted no independent review of the reconciled bank statements.
- Probate Court – one individual with the authority to prepare and sign checks and make deposits also reconciles bank statements.
- Superior Court – one individual with the authority to prepare and sign checks also reconciles the bank statement.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: Failure to properly segregate duties can lead to misappropriation of funds that is not detected during the normal course of business.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2020-001 Segregation of Duties – Cash Accounts and Other Operational Functions (Repeat Finding of Prior Year 2019-002) (Continued)

Cause:	The lack of segregation of duties is primarily due to the limited number of individuals in each office available to perform all of the duties.
Recommendation:	We recommend the duties of recording, distributing, and reconciling of accounts be segregated among employees. Also, we recommend greater separation of duties relative to: making deposits, opening the mail, posting receipts, and signing of checks.
Views of Responsible Officials and Planned Corrective Action:	We agree there is a lack of segregation of duties in the offices of the above mentioned areas due to minimum staffing in those departments. Procedures are continuing to be reviewed and implemented. Currently bank statements are being reconciled in these areas and then sent up to finance for review and approval.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Not Applicable.

MONROE COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

2019-001 General Accounting Matters (Repeat Finding of Prior Year 2018-001)

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is also a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operations objectives. Generally accepted accounting principles ("GAAP") require assets, liabilities, revenues and expenditures to be recognized in the accounting period in which they become both measurable and available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: Significant adjustments were determined and required to be recorded in the months that followed December 31, 2019. Additionally, it was noted that some of the County's Funds' activity had not been recorded for months on end. Further, and throughout the course of the audit process, we noted there was an overall lack of proper and adequate accounting on a timely basis during the fiscal year 2019. We noted deficiencies in timeliness, completeness, and accuracy. Specifically, we noted a lack of timely and accurate financial and non-financial information needed:

- to properly maintain general ledgers and subsidiary ledgers, and
- to properly maintain capital asset details and the related activity.

Specifically, we noted several of the County's trial balances did not balance as of the year-end due to system complications. Also, we noted the County's capital assets were not properly maintained to capture all such activity during the year.

We believe it is important to note that we observed a genuine interest by the County's accounting personnel in their desire to learn and assume greater responsibilities for the County's accounting and financial reporting and noticed great improvement from the prior year's audit.

Auditee Response/Status: Resolved.

MONROE COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

2019-002 Segregation of Duties – Cash Accounts and Other Operational Functions (Repeat Finding of Prior Year 2018-002)

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of these elected officials with no consistent review of the reconciled statements being performed. Specifically, we noted the following:

- Tax Commissioner's Office – one individual with the authority to sign checks also reconciles the bank statement. Further, we noted no independent review of the reconciled bank statements.
- Sheriff's Office – individuals that reconcile bank statements also take deposits to the bank and post transactions to the general ledger.
- Magistrate Court – one individual with the authority to prepare and sign checks also reconciles the bank statement. Further, we noted no independent review of the reconciled bank statements.
- Probate Court – one individual with the authority to open mail also posts receipts, balances cash, prepares deposits and prints disbursement reports. Further, we noted no independent review of the reconciled bank statements.
- Superior Court – one individual with the authority to prepare and sign checks also reconciles the bank statement.

Auditee Response/Status: Unresolved. This is included in current finding number 2020-001.

Monroe County
Board of Commissioners
Jim Hedges, County Manager
Ira Watts, Jr., Road Superintendent

Greg Tapley, Chairman
Lamarcus D. Davis, Vice Chairman
Eddie Rowland, District 2
John H. Ambrose District 3
George Emami, District 4

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MONROE COUNTY, GEORGIA

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

2020-001 Segregation of Duties – Cash Accounts and Other Operational Functions

Name of Contact Person Responsible for Corrective Action Plan: Lorri Robinson, Finance Director

Corrective Action Plan: We agree there is a lack of segregation of duties in the offices of the aboved mention areas due to minimum staffing in those departments. Procedures are continuing to be reviewed and implemented. Currently bank statements are being reconciled in those areas and then sent up to finance for review and approval.

Anticipated Completion Date: Fiscal year 2021