

FRANKLIN COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2020

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Franklin County, Georgia
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2020

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Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, 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 Franklin County, Georgia, as of and for the year ended June 30, 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; 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 Franklin County Health Department, a component unit of Franklin County, Georgia, which represents 15.2 percent, 5.06 percent, and 82.14 percent, respectively, of the assets, net position, and 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 Franklin County Health Department, 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 County'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 County'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 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 Franklin County, Georgia, as of June 30, 2020, and the respective changes in the financial position and, where applicable, cash flows, and the budgetary comparison of the General Fund and Emergency 911 Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 63 through 68, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Franklin County, Georgia, has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our 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 Franklin County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the state reporting section with the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 financial statements.

The combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, 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 fund financial statements and schedules, schedule of projects financed with special purpose local option sales tax, and the schedule of

expenditures of federal awards are fairly stated in all material respects in relation to the 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 March 31, 2021, on our consideration of Franklin County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion on the 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 Franklin County, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
March 31, 2021

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BASIC FINANCIAL STATEMENTS

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	\$ 7,851,214	\$ 3,087,458	\$ 10,938,672	\$ 1,290,011
Restricted assets				
Cash and cash equivalents	1,601,682	184,649	1,786,331	0
Receivables (net)				
Accounts	127,818	220,178	347,996	83,302
Intergovernmental	105,910	307,836	413,746	8,197
Taxes	698,212	0	698,212	1,802
Notes	0	94,138	94,138	0
Inventory	0	109,933	109,933	0
Prepaid items	124,406	0	124,406	6,038
Internal balances	3,660,313	(3,660,313)	0	0
Total current assets	14,169,555	343,879	14,513,434	1,389,350
Noncurrent assets				
Investments	0	0	0	4,355,557
Capital assets				
Non-depreciable	5,055,458	3,391,946	8,447,404	0
Depreciable (net)	27,289,359	23,502,086	50,791,445	0
Total noncurrent assets	32,344,817	26,894,032	59,238,849	4,355,557
Total assets	46,514,372	27,237,911	73,752,283	5,744,907
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	1,030,425	25,760	1,056,185	106,950
Deferred outflows of resources - OPEB	0	0	0	42,768
Deferred charge on refunding	456,695	0	456,695	0
Total deferred outflows of resources	1,487,120	25,760	1,512,880	149,718
LIABILITIES				
Current liabilities				
Payables				
Accounts	29,386	176,094	205,480	15,576
Intergovernmental	112,188	0	112,188	0
Interest	0	12,356	12,356	0
Accrued salaries and expenses	424,948	14,314	439,262	0
Compensated absences	327,972	15,730	343,702	24,200
Due to other agencies	400,301	0	400,301	19,500
Notes payable	0	115,616	115,616	0
Bonds payable	258,758	364,004	622,762	0
Total current liabilities	1,553,553	698,114	2,251,667	59,276

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

Exhibit A-1, continued

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	\$ 345,494	\$ 0	\$ 345,494	\$ 32,808
Net pension liability	2,165,059	54,127	2,219,186	0
Proportionate share of net pension liability	0	0	0	439,723
Proportionate share of OPEB liability	0	0	0	75,204
Notes payable	0	3,496,949	3,496,949	0
Bonds payable	9,472,615	2,875,034	12,347,649	0
Post-closure care costs	0	997,731	997,731	0
Total noncurrent liabilities	11,983,168	7,423,841	19,407,009	547,735
Total liabilities	13,536,721	8,121,955	21,658,676	607,011
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	690,525	17,263	707,788	16,877
Deferred inflows of resources - OPEB	0	0	0	166,668
Total deferred inflows of resources	690,525	17,263	707,788	183,545
NET POSITION				
Net investment in capital assets	22,613,444	20,119,243	42,732,687	0
Restricted for:				
Judicial	115,588	0	115,588	0
Public safety	976,407	0	976,407	0
Health and welfare	0	0	0	169,527
Capital outlay	3,781,215	0	3,781,215	0
Unrestricted	6,287,592	(994,790)	5,292,802	4,934,542
Total net position	\$ 33,774,246	\$ 19,124,453	\$ 52,898,699	\$ 5,104,069

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General Government	\$ 3,607,345	\$ 1,758,027	\$ 9,023	\$ 1,826,966	\$ (13,329)
Judicial	1,125,866	228,277	0	0	(897,589)
Public Safety	9,518,255	1,919,166	292,467	1,039,208	(6,267,414)
Public Works	4,975,438	20,973	1,979	1,660,578	(3,291,908)
Health and Welfare	362,067	0	6,043	0	(356,024)
Culture and Recreation	439,882	78,841	0	64,573	(296,468)
Housing and Development	291,616	0	0	117,595	(174,021)
Interest on long-term debt	318,789	0	0	0	(318,789)
Total governmental activities	20,639,258	4,005,284	309,512	4,708,920	(11,615,542)
Business-type activities					
Water and Sewer	2,220,073	2,245,865	0	1,512,128	1,537,920
Solid Waste	59,792	51,240	0	0	(8,552)
Total business-type activities	2,279,865	2,297,105	0	1,512,128	1,529,368
Total primary government	22,919,123	6,302,389	309,512	6,221,048	(10,086,174)
Component Units					
Franklin County Industrial Building Authority					
Housing and Development	160,102	0	8,305	0	(151,797)
Franklin County Health Department					
Health and Welfare	749,346	299,872	483,691	0	34,217
Total component units	909,448	299,872	491,996	0	(117,580)
		Primary Government			
		Governmental Activities	Business-Type Activities	Total	Component Units
Change in net position					
Net (expense) revenue	\$ (11,615,542)	\$ 1,529,368	\$ (10,086,174)	\$ (117,580)	
General revenues					
Taxes					
Property	9,046,675	0	9,046,675	178,953	
Sales	2,572,237	0	2,572,237	0	
Intangible	154,823	0	154,823	0	
Insurance premium	1,084,452	0	1,084,452	0	
Other	126,468	0	126,468	5,177	
Interest and investment earnings	6,689	31,630	38,319	0	
Payments from Franklin County	0	0	0	101,431	
Gain on sale of assets	7,505	0	7,505	0	
Miscellaneous	365,288	11,476	376,764	0	
Total general revenues	13,364,137	43,106	13,407,243	285,561	
Change in net position	1,748,595	1,572,474	3,321,069	167,981	
Net position - beginning (original)	31,163,364	17,504,080	48,667,444	5,184,443	
Prior period adjustments	862,287	47,899	910,186	(248,355)	
Net position - beginning (restated)	32,025,651	17,551,979	49,577,630	4,936,088	
Net position - ending	\$ 33,774,246	\$ 19,124,453	\$ 52,898,699	\$ 5,104,069	

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

FRANKLIN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	<u>General</u>	<u>Emergency 911</u>	<u>SPLOST V</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
ASSETS					
Cash and cash equivalents	\$ 3,513,493	\$ 963,581	\$ 2,625,881	\$ 748,259	\$ 7,851,214
Restricted assets					
Cash and cash equivalents	1,043,500	0	558,182	0	1,601,682
Receivables (net)					
Accounts	127,818	0	0	0	127,818
Intergovernmental	11,429	36,383	0	58,098	105,910
Taxes	310,416	0	387,796	0	698,212
Prepaid items	101,906	0	22,500	0	124,406
Due from other funds	7,077,667	0	0	0	7,077,667
Total assets	<u><u>\$ 12,186,229</u></u>	<u><u>\$ 999,964</u></u>	<u><u>\$ 3,594,359</u></u>	<u><u>\$ 806,357</u></u>	<u><u>\$ 17,586,909</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Payables					
Accounts	\$ 29,386	\$ 0	\$ 0	\$ 0	\$ 29,386
Intergovernmental	8,329	0	103,859	0	112,188
Accrued salaries and expenses	365,814	28,243	0	30,891	424,948
Due to other agencies	226,751	0	0	173,550	400,301
Due to other funds	0	3,403,899	0	13,455	3,417,354
Total liabilities	<u>630,280</u>	<u>3,432,142</u>	<u>103,859</u>	<u>217,896</u>	<u>4,384,177</u>
Deferred inflows of resources					
Unavailable revenue - taxes	51,064	0	0	0	51,064
Fund balances					
Nonspendable:					
Prepaid items	101,906	0	22,500	0	124,406
Restricted for:					
Judicial	0	0	0	115,588	115,588
Public safety	816,749	0	0	159,658	976,407
Capital outlay	0	0	3,468,000	313,215	3,781,215
Unassigned	10,586,230	(2,432,178)	0	0	8,154,052
Total fund balances	<u>11,504,885</u>	<u>(2,432,178)</u>	<u>3,490,500</u>	<u>588,461</u>	<u>13,151,668</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 12,186,229</u></u>	<u><u>\$ 999,964</u></u>	<u><u>\$ 3,594,359</u></u>	<u><u>\$ 806,357</u></u>	<u><u>\$ 17,586,909</u></u>

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

FRANKLIN COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2020

Total fund balance - total governmental funds	\$ 13,151,668
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Amounts reported for governmental activities in the statement of net position are different because:

Some assets are not financial resources and, therefore, are not reported in the funds.

These are:

Capital assets, net of accumulated depreciation	32,344,817
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Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds. These are property taxes.	51,064
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Deferred outflows of resources related to pensions and debt refunding are applicable to future periods and, therefore, are not reported in the funds.	1,487,120
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Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	(690,525)
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Long-term liabilities are not due and payable in the current period and are not reported in the funds.

These are:

Bonds payable	\$	9,731,373	
Compensated absences		673,466	
Net pension liability		2,165,059	(12,569,898)

Net position of governmental activities	\$ 33,774,246
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FRANKLIN COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020

	<u>General</u>	<u>Emergency 911</u>	<u>SPLOST V</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
REVENUES					
Taxes	\$ 12,943,883	\$ 0	\$ 4,091,778	\$ 0	\$ 17,035,661
Licenses and permits	14,323	0	0	0	14,323
Fines, fees and forfeitures	1,019,129	0	0	681,280	1,700,409
Charges for services	1,855,722	444,978	0	52,541	2,353,241
Intergovernmental	926,568	0	0	0	926,568
Investment income	6,396	0	52	325	6,773
Other	365,288	0	0	0	365,288
Total revenues	<u>17,131,309</u>	<u>444,978</u>	<u>4,091,830</u>	<u>734,146</u>	<u>22,402,263</u>
EXPENDITURES					
Current					
General government	3,261,142	0	0	0	3,261,142
Judicial	1,129,825	0	0	9,717	1,139,542
Public safety	7,577,995	835,511	0	786,753	9,200,259
Public works	2,467,482	0	0	0	2,467,482
Health and welfare	333,227	0	0	0	333,227
Culture and recreation	337,200	0	0	0	337,200
Housing and development	233,910	0	0	0	233,910
Capital outlay	0	0	863,254	12,514	875,768
Intergovernmental	0	0	1,005,771	0	1,005,771
Debt service	0	0	1,712,210	0	1,712,210
Total expenditures	<u>15,340,781</u>	<u>835,511</u>	<u>3,581,235</u>	<u>808,984</u>	<u>20,566,511</u>
Excess (deficiency) of revenues over (under) expenditures	1,790,528	(390,533)	510,595	(74,838)	1,835,752
Other financing sources (uses)					
Proceeds from sale of capital assets	7,505	0	0	0	7,505
Net change in fund balance	<u>1,798,033</u>	<u>(390,533)</u>	<u>510,595</u>	<u>(74,838)</u>	<u>1,843,257</u>
Fund balances, July 1 (original)	8,898,175	(2,063,123)	3,242,773	663,299	10,741,124
Prior period adjustment	808,677	21,478	(262,868)	0	567,287
Fund balances, July 1 (restated)	<u>9,706,852</u>	<u>(2,041,645)</u>	<u>2,979,905</u>	<u>663,299</u>	<u>11,308,411</u>
Fund balances, June 30	<u>\$ 11,504,885</u>	<u>\$ (2,432,178)</u>	<u>\$ 3,490,500</u>	<u>\$ 588,461</u>	<u>\$ 13,151,668</u>

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

FRANKLIN COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2020

Net change in fund balances - total governmental funds **\$ 1,843,257**

Amounts reported for governmental activities in the statement of activities are different because:

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.

Capital outlays	\$ 408,898	
Depreciation	<u>(1,625,288)</u>	(1,216,390)

In the statement of activities, the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increase financial resources.

Cost of assets disposed	(412,270)	
Related accumulated depreciation	<u>412,270</u>	0

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable property taxes. 38,910

The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.

Debt principal payments	1,362,435	
Net change in unamortized bond premium	68,759	
Net change in deferred debt refunding	<u>(30,446)</u>	1,400,748

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense.

Pension contributions	710,570	
Cost of benefits earned net of employee contributions	<u>(941,786)</u>	(231,216)

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

Compensated absences		<u>(86,714)</u>
Change in net position of governmental activities		<u><u>\$ 1,748,595</u></u>

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 11,051,540	\$ 11,051,541	\$ 12,943,883	\$ 1,892,342
Licenses and permits	8,200	8,200	14,323	6,123
Fines, fees and forfeitures	1,272,500	1,206,276	1,019,129	(187,147)
Charges for services	1,861,086	1,946,086	1,855,722	(90,364)
Intergovernmental	69,898	848,081	926,568	78,487
Investment income	0	0	6,396	6,396
Other	319,825	216,054	365,288	149,234
Total revenues	14,583,049	15,276,238	17,131,309	1,855,071
EXPENDITURES				
Current				
General Government				
Administration	1,439,242	1,638,090	1,603,191	34,899
Commission Board	189,189	260,362	187,695	72,667
County Manager	314,197	314,197	298,356	15,841
Elections	154,156	228,043	194,191	33,852
Tax Commissioner	465,252	450,364	453,002	(2,638)
Tax Assessor	397,028	397,027	397,368	(341)
Board of Equalization	10,300	10,300	2,881	7,419
County Engineer	128,263	128,263	124,458	3,805
Judicial				
Probate Court	260,849	257,174	253,814	3,360
Magistrate Court	184,403	188,078	149,837	38,241
Clerk of Superior Court	372,214	372,214	401,335	(29,121)
Superior Court	236,435	241,055	153,652	87,403
District Attorney	102,217	102,217	61,041	41,176
Public Defender	113,047	113,047	110,146	2,901
Public Safety				
Fire Departments	327,420	375,552	375,731	(179)
Coroner	106,597	106,597	102,817	3,780
Emergency Medical Service	2,319,404	2,330,530	2,289,927	40,603
Emergency Management	46,177	46,177	29,418	16,759
County Marshall	57,346	76,841	61,973	14,868
Sheriff Department	4,030,155	4,073,412	2,943,145	1,130,267
Detention Center	362,140	362,140	1,774,984	(1,412,844)
Public Works				
Highways and Streets	1,270,989	2,550,048	2,467,482	82,566
Health and Welfare				
Senior Center	219,797	219,797	195,375	24,422
Foster Care Services	31,000	31,000	30,476	524
Health Department	107,578	107,578	107,376	202
Culture and Recreation				
Recreation	389,060	389,060	337,200	51,860
Housing and Development				
County Agent	86,439	86,439	85,763	676
Forestry	7,025	7,025	5,748	1,277
Planning and Zoning	78,506	78,506	36,341	42,165
Economic Development	115,081	115,082	106,058	9,024
Total expenditures	13,921,506	15,656,215	15,340,781	315,434

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

Exhibit A-7, continued

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Final Budget
Excess (deficiency) of revenues over (under) expenditures	\$ 661,543	\$ (379,977)	\$ 1,790,528	\$ 2,170,505
Other financing sources (uses)				
Transfers out	(639,758)	(639,758)	0	(639,758)
Contingency	(21,785)	(21,785)	0	(21,785)
Proceeds from sale of capital assets	0	0	7,505	7,505
Total other financing sources (uses)	(661,543)	(661,543)	7,505	(654,038)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(1,041,520)	1,798,033	2,839,553
Fund balances, July 1 (original)	0	1,041,520	8,898,175	7,856,655
Prior period adjustment	0	0	808,677	808,677
Fund balances, July 1 (restated)	0	1,041,520	9,706,852	8,665,332
Fund balances, June 30	\$ 0	\$ 0	\$ 11,504,885	\$ 11,504,885

FRANKLIN COUNTY, GEORGIA
EMERGENCY E911 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2020

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	\$ 366,251	\$ 366,251	\$ 444,978	\$ 78,727
EXPENDITURES				
Current				
Public Safety				
Emergency E911	879,786	879,786	835,511	44,275
Excess (deficiency) of revenues over (under) expenditures	(513,535)	(513,535)	(390,533)	123,002
Fund balances, July 1 (original)	513,535	513,535	(2,063,123)	(2,576,658)
Prior period adjustment	0	0	21,478	21,478
Fund balances, July 1 (restated)	513,535	513,535	(2,041,645)	(2,555,180)
Fund balances, June 30	\$ 0	\$ 0	\$ (2,432,178)	\$ (2,432,178)

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,819,158	\$ 268,300	\$ 3,087,458
Receivables			
Accounts (net)	220,178	0	220,178
Intergovernmental	307,836	0	307,836
Notes	0	94,138	94,138
Inventories	109,933	0	109,933
Restricted assets			
Cash and cash equivalents	184,649	0	184,649
Total current assets	<u>3,641,754</u>	<u>362,438</u>	<u>4,004,192</u>
Noncurrent assets			
Capital assets			
Non-depreciable	3,012,970	378,976	3,391,946
Depreciable (net)	<u>23,502,086</u>	<u>0</u>	<u>23,502,086</u>
Total noncurrent assets	<u>26,515,056</u>	<u>378,976</u>	<u>26,894,032</u>
Total assets	<u>30,156,810</u>	<u>741,414</u>	<u>30,898,224</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	<u>25,760</u>	<u>0</u>	<u>25,760</u>
LIABILITIES			
Current liabilities			
Payables			
Accounts	176,094	0	176,094
Interest	12,356	0	12,356
Accrued salaries	12,135	2,179	14,314
Compensated absences	15,466	264	15,730
Due to other funds	3,227,239	433,074	3,660,313
Notes payable	115,616	0	115,616
Bonds payable	<u>364,004</u>	<u>0</u>	<u>364,004</u>
Total current liabilities	<u>3,922,910</u>	<u>435,517</u>	<u>4,358,427</u>
Noncurrent liabilities			
Net pension liability	54,127	0	54,127
Notes payable	3,496,949	0	3,496,949
Bonds payable	2,875,034	0	2,875,034
Postclosure care	<u>0</u>	<u>997,731</u>	<u>997,731</u>
Total noncurrent liabilities	<u>6,426,110</u>	<u>997,731</u>	<u>7,423,841</u>
Total liabilities	<u>10,349,020</u>	<u>1,433,248</u>	<u>11,782,268</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	<u>17,263</u>	<u>0</u>	<u>17,263</u>
NET POSITION			
Net investment in capital assets	19,740,267	378,976	20,119,243
Unrestricted	<u>76,020</u>	<u>(1,070,810)</u>	<u>(994,790)</u>
Total net position	<u>\$ 19,816,287</u>	<u>\$ (691,834)</u>	<u>\$ 19,124,453</u>

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
OPERATING REVENUES			
Charges for sales and services	\$ 2,245,865	\$ 51,240	\$ 2,297,105
Other	11,476	0	11,476
Total operating revenues	2,257,341	51,240	2,308,581
OPERATING EXPENSES			
Costs of sales and services	1,157,731	35,328	1,193,059
Personal services	237,951	24,464	262,415
Depreciation	678,375	0	678,375
Total operating expenses	2,074,057	59,792	2,133,849
Operating income (loss)	183,284	(8,552)	174,732
Non-operating revenues (expenses)			
Investment income	543	31,087	31,630
Interest expense	(146,016)	0	(146,016)
Total non-operating revenues (expenses)	(145,473)	31,087	(114,386)
Income (loss) before capital contributions and transfers	37,811	22,535	60,346
Capital contributions			
Intergovernmental revenue	1,512,128	0	1,512,128
Change in net position	1,549,939	22,535	1,572,474
Net position, July 1 (original)	18,218,449	(714,369)	17,504,080
Prior period adjustment	47,899	0	47,899
Net position, July 1 (restated)	18,266,348	(714,369)	17,551,979
Net position, June 30	\$ 19,816,287	\$ (691,834)	\$ 19,124,453

FRANKLIN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
Cash flows from operating activities:			
Receipts from customers	\$ 2,185,454	\$ 51,240	\$ 2,236,694
Payments to suppliers	(1,587,741)	(35,328)	(1,623,069)
Payments to employees	(242,527)	(23,304)	(265,831)
Other receipts	11,476	0	11,476
Net cash provided (used) by operating activities	366,662	(7,392)	359,270
Cash flows from non-capital financing activities:			
Receipts from other funds	1,508,872	105,154	1,614,026
Payment for post-closure landfill costs	0	(46,587)	(46,587)
Net cash provided (used) by non-capital financing activities	1,508,872	58,567	1,567,439
Cash flows from capital and related financing activities:			
Receipts from other governments	1,204,292	0	1,204,292
Acquisition of capital assets	(1,788,352)	0	(1,788,352)
Proceeds from notes payable	1,071,746	0	1,071,746
Principal payments - notes payable	(230,040)	0	(230,040)
Principal payments - bonds payable	(353,230)	0	(353,230)
Interest paid	(153,075)	0	(153,075)
Net cash provided (used) by capital and related financing activities	(248,659)	0	(248,659)
Cash flows from investing activities:			
Interest received	543	276	819
Net increase (decrease) in cash and cash equivalents	1,627,418	51,451	1,678,869
Cash and cash equivalents, July 1	1,376,389	216,849	1,593,238
Cash and cash equivalents, June 30	\$ 3,003,807	\$ 268,300	\$ 3,272,107

FRANKLIN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2020

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 183,284	\$ (8,552)	\$ 174,732
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	678,375	0	678,375
(Increase) decrease in accounts receivable	(60,411)	0	(60,411)
(Increase) decrease in inventories	69,440	0	69,440
(Increase) decrease in deferred outflows of resources - pension	15,606	0	15,606
Increase (decrease) in accounts payable	(499,450)	0	(499,450)
Increase (decrease) in accrued payroll liabilities	605	1,160	1,765
Increase (decrease) in deferred inflows of resources - pension	16,915	0	16,915
Increase (decrease) in net pension liability	(37,702)	0	(37,702)
Total adjustments	183,378	1,160	184,538
Net cash provided (used) by operating activities	\$ 366,662	\$ (7,392)	\$ 359,270
Cash and cash equivalents reconciliation:			
Cash and cash equivalents	\$ 2,819,158	\$ 268,300	\$ 3,087,458
Restricted cash and cash equivalents	184,649	0	184,649
Total cash and cash equivalents	\$ 3,003,807	\$ 268,300	\$ 3,272,107
Noncash capital and related financing activities:			
Acquisition of capital assets through accounts payable totaled \$107,836.			

FRANKLIN COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2020

	Agency Funds
ASSETS	
Cash	\$ 879,348
Taxes receivable, net	<u>174,225</u>
Total assets	<u><u>\$ 1,053,573</u></u>
LIABILITIES	
Due to other agencies	<u><u>\$ 1,053,573</u></u>

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2020

	Franklin County Industrial Building Authority	Franklin County Health Department	Totals
ASSETS			
Current assets			
Cash and cash equivalents	\$ 475,765	\$ 814,246	\$ 1,290,011
Receivable (net)			
Accounts	23,630	59,672	83,302
Taxes	1,802	0	1,802
Intergovernmental	8,197	0	8,197
Prepaid items	6,038	0	6,038
Total current assets	515,432	873,918	1,389,350
Noncurrent assets			
Investments	4,355,557	0	4,355,557
Total assets	4,870,989	873,918	5,744,907
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	0	106,950	106,950
Deferred outflows of resources - OPEB	0	42,768	42,768
Total deferred outflows of resources	0	149,718	149,718
LIABILITIES			
Current liabilities			
Accounts payable	5,712	9,864	15,576
Due to others	19,500	0	19,500
Compensated absences	0	24,200	24,200
Total current liabilities	25,212	34,064	59,276
Noncurrent liabilities			
Compensated absences	0	32,808	32,808
Proportionate share of net pension liability	0	439,723	439,723
Proportionate share of net OPEB liability	0	75,204	75,204
Total noncurrent liabilities	0	547,735	547,735
Total liabilities	25,212	581,799	607,011
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	0	16,877	16,877
Deferred inflows of resources - OPEB	0	166,668	166,668
Total deferred inflows of resources	0	183,545	183,545
NET POSITION			
Restricted for health and welfare	0	169,527	169,527
Unrestricted	4,845,777	88,765	4,934,542
Total net position	\$ 4,845,777	\$ 258,292	\$ 5,104,069

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

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2020

	Franklin County Industrial Building Authority	Franklin County Health Department	Totals
Expenses			
Health and Welfare	\$ 0	\$ 749,346	\$ 749,346
Housing and Development	160,102	0	160,102
Total expenses	160,102	749,346	909,448
Program revenues			
Charges for services	0	299,872	299,872
Operating grants and contributions	8,305	483,691	491,996
Total program revenues	8,305	783,563	791,868
Net (expense) revenue	(151,797)	34,217	(117,580)
General revenues			
Property taxes	178,953	0	178,953
Payments from Franklin County	0	101,431	101,431
Other	5,177	0	5,177
Total general revenues	184,130	101,431	285,561
Change in net position	32,333	135,648	167,981
Net position - July 1 (original)	5,061,799	122,644	5,184,443
Prior period adjustments	(248,355)	0	(248,355)
Net position, July 1 (restated)	4,813,444	122,644	4,936,088
Net position, June 30	<u>\$ 4,845,777</u>	<u>\$ 258,292</u>	<u>\$ 5,104,069</u>

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

1. Description of Government Unit

Franklin County, Georgia (the County) is located in the Northeastern area of Georgia about 80 miles northeast of Atlanta and about 60 miles southwest of Greenville, South Carolina, along Interstate 85.

The County provides a full range of governmental services, including public safety, health and welfare services, recreational programs and economic development as well as water and sewer service and solid waste services.

The government is governed by an elected Chairman and four Commissioners.

2. Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of Franklin County, Georgia, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the County are discussed below.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Franklin County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of its operational and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Blended Component Units – Blended component units, although legally separate entities, are, in substance, part of the Government's operations.

Solid Waste Management Authority – On October 23, 1995, Franklin County created the Solid Waste Management Authority of Franklin County, Georgia, under the provisions of the Official Code of Georgia Annotated Section 12-8-50. The Authority consists of five directors who are appointed by the Franklin County Board of Commissioners. The Authority is blended with the Solid Waste Enterprise Fund since all services benefit Franklin County. Separate financial statements are not issued for the Authority.

Water and Sewer Authority – On April 1, 1980, Franklin County created the Water and Sewer Authority of Franklin County, Georgia, under the provisions of 1980 Georgia Law page 4388. The Authority consists of nine directors, five are each Mayor of the five municipalities in the County and the remaining four are appointed by the Franklin County Board of Commissioners. The Authority is blended with the Water Enterprise Fund since all services benefit Franklin County. Separate financial statements are not issued for the Authority.

Public Building Authority - On April 29, 1997, Franklin County created the Public Building Authority of Franklin County, Georgia, under the provisions of 1997 Georgia Law act 229 (H.B. 904). The Authority consists of five directors, which are appointed by the Franklin County Board of Commissioners. The Authority is blended with the General Fund since all services benefit Franklin County. Separate financial statements are not issued for the Authority.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

Franklin County Industrial Building Authority – The Franklin County Industrial Building Authority was established as a legally separate entity and operates pursuant to the Official Code of Georgia Annotated Section 36-62-4. The Board consists of seven members. Two members are appointed by the Board of Commissioners. The remaining five members are the mayors of the five cities located in Franklin County. The Industrial Building Authority facilitates economic development in the County. Individual financial statements may be obtained by contacting the Franklin County Industrial Building Authority, PO Box 151, Carnesville, Georgia 30521.

Franklin County Health Department – The Franklin County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Franklin County Health Department and is responsible for the overall coordination of the local health activities. Franklin County appoints members (a voting majority) to the Franklin County Health Department Board. The Franklin County Health Department is funded by the State and County under the Grant-in-Aid provisions and operated under the supervision of the local Board of Health. A copy of the Franklin County Health Department financial statements can be obtained from the Franklin County Health Department, P.O. Box 546, Carnesville, Georgia 30521.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

C. 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 primary government and its component units. 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. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds 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.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

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

The County's government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Accordingly, all the County's assets and liabilities, including capital assets, as well as current year infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function.

Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities that 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.

Governmental Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. The County considers property taxes as available in the period for which they were levied if they are collected within 60 days subsequent to year-end. A 60-day availability period is also used for revenue recognition for all other governmental fund revenue.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The County reports the following major governmental funds:

General Fund – The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

Emergency 911 Special Revenue Fund – This fund is used to account for the collection of user fees and the operation of the County's Emergency 911 dispatch center.

SPLOST V Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes passed by the 2015 referendum.

The County reports the following major proprietary funds:

Water and Sewer Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of water and sewer services in Franklin County.

Solid Waste Enterprise Fund – This fund is used to account for activities connected with the disposal of residential and commercial solid waste at the County's solid waste transfer station.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds - Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Fiduciary Fund Types

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the County or for others.

Component Units

The Franklin County Industrial Building Authority and the Franklin County Health Department are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they both become measurable and available).

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. Budgets and Budgetary Accounting

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to June 30, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting. The County did not adopt a budget for the Drug Enforcement Special Revenue Fund, Inmate Welfare Special Revenue Fund, and Law Library Special Revenue Fund for the current fiscal year.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

E. Budgets and Budgetary Accounting, continued

Each year in April, each department submits a proposed budget to the Board of Commissioners for their review. Each department will have scheduled meetings with the Board of Commissioners to review the proposed budget and to ratify any adjustments to the budget. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Franklin County. These hearings are publicized in the local newspaper at least one week before the first hearing, and the budget document is made available for public inspection during this week.

The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to June 30.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses, personnel benefits, or capital purchases must be approved by the Board of Commissioners.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end.

The County does not use the encumbrance system of accounting.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

F. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair market value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

G. Intergovernmental Receivables

Receivables from other governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

H. Inventories

Inventories in the Water and Sewer Enterprise Fund are valued at cost on the first-in, first-out method.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year are recorded as prepaid items. Prepaid items in the governmental funds are recorded as expenditures when consumed.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are among the largest asset classes of the County. Prior to July 1, 2006, neither their historical costs, nor related depreciation, had been reported in the financial statements. The County implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007. The County elected to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	\$ 1
Land Improvements	15	\$ 5,000
Buildings	40	\$ 5,000
Machinery and Equipment	5-10	\$ 5,000
Furniture and Fixtures	5	\$ 5,000
Vehicles	5-10	\$ 5,000
Computer Hardware and Software	3-5	\$ 5,000
Infrastructure	15-50	\$20,000 - \$100,000

The costs of normal maintenance and repairs that do not add value or materiality extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

K. Fund Balances – Governmental Funds

Franklin County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Commissioners, Franklin County's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 90 days of fiscal year-end.

Assigned – includes amounts that the County intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the County's adopted policy, amounts may be assigned by the County Manager, under the authorization of the Board of Commissioners, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the County's annual operating budget. Equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

K. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance.

For the purposes of fund balance classification, the County considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred outflow of resource for deferred charges on bond refunding and their defined benefit pension plan. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

L. Deferred Outflows/Inflows of Resources, continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to their defined benefit pension plans.

M. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

N. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

O. Restricted Assets and Restricted Net Position

Restricted assets represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

P. Compensation for Future Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and compensation benefits. These will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

Q. 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, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

2. Summary of Significant Accounting Policies (continued)

Q. Long-Term Obligations, continued

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

R. Capital Contributions

Federal, state, and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

3. Deposit and Investment Risk

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the County's deposits may not be returned. The City has no formal policy but follows State of Georgia requirements that all deposits be federally insured or fully collateralized.

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.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

3. Deposit and Investment Risk (continued)

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices. Investments are reported at fair value.

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issuer.

Foreign Currency Risk

The County has no investments denominated in a foreign currency.

Investments

The County measures and records its investments using fair value hierarchy measurement guidelines established by generally accepted accounting principles. The hierarchy is based on 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 other than quoted market prices. Level 3 inputs are significant unobservable inputs.

Industrial Building Authority

At the end of the current fiscal year component unit investments consist of "Property held for resale" in the amount of \$4,355,557. The "Properties held for resale" are included under the caption "Investments". The properties are classified as a Level 3 of the hierarchy. The investments are valued using unobservable inputs and assumptions such as costs, appraisals, rental revenues, growth assumptions, and discount rates.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

4. Accounts Receivable

Net accounts receivable consist of the following at end of the current fiscal year:

Primary Government:

Major Funds

General Fund	\$ 270,006	
Less: Allowance for Uncollectibles	<u>(142,188)</u>	\$ 127,818

Enterprise Funds

Water and Sewer	277,765	
Less: Allowance for Uncollectibles	<u>(57,587)</u>	<u>220,178</u>

Total primary government		<u><u>\$ 347,996</u></u>
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Component Units

Franklin County Industrial Building Authority	\$ 23,630	
Franklin County Health Department	<u>59,672</u>	<u><u>\$ 83,302</u></u>

5. Intergovernmental Receivables

Intergovernmental receivables consist of the following at the end of the current fiscal year:

Major Funds

General Fund	\$ 11,429
Emergency 911 Special Revenue Fund	36,383
Water and Sewer Enterprise Fund	307,836

Nonmajor Funds

Probation Service	<u>58,098</u>
Total primary government	<u><u>\$ 413,746</u></u>

Component Unit

Franklin County Industrial Building Authority	<u><u>\$ 8,197</u></u>
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6. Notes Receivable

In fiscal year 2010, the County entered into a contract with Earth Resources of Franklin County, LLC which operates a construction and demolition landfill in the County. State law requires private landfill hosts to collect and remit host fees to the local host government. Earth Resources has collected, but not remitted, the fees owed to the County. Earth Resources had agreed to remit the fees to the County in installment payments. The balance at the end of the current fiscal year is \$94,138. The balance was paid in full in July 2020.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

7. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for fiscal year 2020, based upon the assessments of January 1, 2019, were levied on August 22, 2019, billed on August 26, 2019, and due on November 15, 2019. Tax liens may be issued 90 days after the due date.

8. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables at the end of the current fiscal year:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Emergency 911	\$ 3,403,899
	Water and Sewer	3,227,239
	Solid Waste	433,074
	Nonmajor Governmental	13,455
Subtotal		<u>\$ 7,077,667</u>

The balances reported as Due to/Due from represent loans between the borrower funds and the lender funds. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

9. Capital Assets

Capital asset activity for the primary government for the current fiscal year follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Nondepreciable assets				
Land	\$ 4,975,458	\$ 80,000	\$ 0	\$ 5,055,458
Depreciable assets				
Land improvements	1,230,560	0		1,230,560
Infrastructure	43,562,488	0	0	43,562,488
Buildings	11,681,880	15,605	0	11,697,485
Machinery and equipment	2,977,904	124,977	0	3,102,881
Vehicles	7,016,340	188,316	(412,270)	6,792,386
Total depreciable assets	66,469,172	328,898	(412,270)	66,385,800
Accumulated Depreciation				
Land improvements	(961,430)	(38,424)		(999,854)
Infrastructure	(2,701,549)	(879,783)	0	(3,581,332)
Buildings	(22,825,038)	(292,659)	0	(23,117,697)
Machinery and equipment	(5,317,113)	(160,763)	0	(5,477,876)
Vehicles	(6,078,293)	(253,659)	412,270	(5,919,682)
Total accumulated depreciation	(37,883,423)	(1,625,288)	412,270	(39,096,441)
Total depreciable assets, net	28,585,749	(1,296,390)	0	27,289,359
Governmental Activities capital assets, net	<u>\$ 33,561,207</u>	<u>\$ (1,216,390)</u>	<u>\$ 0</u>	<u>\$ 32,344,817</u>
Business-type Activities				
Nondepreciable assets				
Land	\$ 492,923	\$ 0	\$ 0	\$ 492,923
Construction in progress	7,989,205	1,896,188	(6,986,370)	2,899,023
Total non-depreciable assets	8,482,128	1,896,188	(6,986,370)	3,391,946
Depreciable assets				
Land improvements	29,382	0	0	29,382
Distribution system	24,029,815	6,986,370	0	31,016,185
Buildings	40,380	0	0	40,380
Machinery and equipment	384,263	0	0	384,263
Vehicles	335,210	0	0	335,210
Total depreciable assets	24,819,050	6,986,370	0	31,805,420
Accumulated Depreciation				
Land improvements	(29,382)	0	0	(29,382)
Distribution system	(6,991,152)	(651,229)	0	(7,642,381)
Buildings	(13,398)	(1,210)	0	(14,608)
Machinery and equipment	(307,355)	(8,625)	0	(315,980)
Vehicles	(283,672)	(17,311)	0	(300,983)
Total accumulated depreciation	(7,624,959)	(678,375)	0	(8,303,334)
Total depreciable assets, net	17,194,091	6,307,995	0	23,502,086
Business-type Activities capital assets, net	<u>\$ 25,676,219</u>	<u>\$ 8,204,183</u>	<u>\$ (6,986,370)</u>	<u>\$ 26,894,032</u>

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

9. Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

Primary Government

Governmental activities

General Government	\$ 166,220
Public Safety	316,293
Public Works	1,015,962
Health and Welfare	28,284
Housing and Development	<u>98,529</u>

Total depreciation expense for governmental activities	<u><u>\$ 1,625,288</u></u>
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Business-type activities

Water and Sewer	<u><u>\$ 678,375</u></u>
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Business-type Activities

During the current fiscal year, the County corrected the classification of capital assets previously reported in the incorrect capital asset category. The net effect of the reclassification is \$0.

A prior period adjustment was booked in the current year to add capital assets that were not previously recorded. This adjustment increased net capital assets by a total of \$614,366. The adjustment increased construction in progress by \$520,766 and land by \$93,600. See note 23 for additional details.

10. Long-Term Debt

General Obligation Bonds

General obligations bonds issued by the County are comprised of the following:

In 2016, Franklin County issued the Franklin County General Obligation Bonds Series 2016A and the Franklin County Taxable General Obligation Bonds, Series 2016B. The Bonds are being issued provide funds to finance the cost of advance refunding the outstanding Hospital Authority of the City of Lavonia Revenue Anticipation Certificates (Ty Cobb Regional Medical Center Project), Series 2010 and all related issue costs.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

10. Long-Term Debt (continued)

General Obligation Bonds, continued

\$8,510,000 2016 series A bonds due in annual installments of \$33,023 to \$827,400 through July 1, 2035; interest at 2% to 4% (\$8,510,000 outstanding). The proceeds were used to advance refund the Hospital Authority of the City of Lavonia Revenue Anticipation Certificates (Ty Cobb Regional Medical Center Project), Series 2010 bonds.

\$1,075,000 2016 series B bonds due in annual installments of \$2,210 to \$311,500 through July 1, 2035; interest at 1.4% to 2.08% (\$190,000 outstanding). The proceeds were used to advance refund the Hospital Authority of the City of Lavonia Revenue Anticipation Certificates (Ty Cobb Regional Medical Center Project), Series 2010 bonds.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 190,000	\$ 328,100	\$ 518,100
2022	120,000	321,400	441,400
2023	315,000	314,550	629,550
2024	320,000	308,200	628,200
2025	520,000	297,200	817,200
2026-2030	2,905,000	1,165,500	4,070,500
2031-2035	3,535,000	523,900	4,058,900
2036	795,000	15,900	810,900
Totals	<u>\$ 8,700,000</u>	<u>\$ 3,274,750</u>	<u>\$ 11,974,750</u>

Bonds from Direct Placements

Governmental Activities

\$3,135,000 General Obligation Sales Tax Bonds Series 2015 (SPLOST V Capital Projects Advance Funding Bonds) direct placement bonds due in annual installments of principal and interest of \$1,025,000 to \$1,065,000 through July 1 2020; interest at 1.99% (\$0). The principal and interest of the bonds are secured by SPLOST V sales tax revenues. The bonds were paid in full during the current fiscal year.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

10. Long-Term Debt (continued)

Bonds from Direct Placements

Business-type Activities

\$2,242,268 2019 Franklin County Water and Sewer Revenue series revenue bonds due in monthly installments of \$7,409 of principal and interest through May 31, 2059; interest at 2.51% (\$2,209,038 outstanding), to finance a portion of the County's wastewater treatment project with the United States Department of Agriculture. The bonds are secured by a pledge of first lien on the revenues derived from the system.

Annual debt service requirements to maturity for revenue bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 34,004	\$ 54,837	\$ 88,841
2022	34,932	53,975	88,907
2023	35,815	53,092	88,907
2024	36,721	52,187	88,908
2025	37,650	51,258	88,908
2026-2030	203,023	241,517	444,540
2031-2035	230,025	214,515	444,540
2036-2040	260,618	183,922	444,540
2041-2045	295,281	149,259	444,540
2046-2050	334,554	109,986	444,540
2051-2055	379,049	65,490	444,539
2056-2059	327,366	16,413	343,779
Totals	<u>\$ 2,209,038</u>	<u>\$ 1,246,451</u>	<u>\$ 3,455,489</u>

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

10. Long-Term Debt (continued)

Revenue Bonds

Business-type Activities

Revenue bonds have been issued for business-type activities and are comprised of the following individual issues at the end of the current year:

\$4,190,000 2008 Franklin County Water and Sewerage Authority series revenue bonds due in annual installments of \$250,000 to \$355,000 through March 1, 2023; interest at 3.599% (\$1,030,000 outstanding), for expansion of the County's water and sewerage system and retirement of promissory notes with the United States Department of Agriculture. The principal and interest payments of the bonds are secured by a lien on all revenues of the County.

Annual debt service requirements to maturity for revenue bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 330,000	\$ 37,070	\$ 367,070
2022	345,000	25,193	370,193
2023	355,000	12,776	367,776
Totals	<u>\$ 1,030,000</u>	<u>\$ 75,039</u>	<u>\$ 1,105,039</u>

Notes from Direct Borrowings

Business-type Activities

The County has entered into a lending agreement with the Georgia Environmental Facility Authority for expansion of the water and sewer system in the original amount of \$2,166,217. At the end of the current fiscal year, the balance of this note is \$355,649. Quarterly installments of \$32,332 principal are due through March 1, 2023; interest at 0% Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities, continued

The County has entered into a lending agreement with the Georgia Environmental Facility Authority for expansion of the water and sewer system in the original amount of \$1,600,000. At the end of the current fiscal year, the balance of this note is \$1,213,500. Monthly installments of \$8,193 principal are due through October 1, 2034; interest at 2.13%. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

The County has entered into a lending agreement with the Georgia Environmental Facility Authority for expansion of the water and sewer system in the original amount of \$582,290. At the end of the current year, the balance of this note is \$351,800. Quarterly installments of \$2,426 principal are due through July 1, 2033; interest at 0%. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

The County has entered into a lending agreement with the Georgia Environmental Facility Authority for expansion of the water and sewer system in the original amount of \$3,500,000. GEFA agrees to forgive \$500,000 of the loan if all funds are drawn. Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 239 months; interest at 2.25%. The County has drawn \$1,973,597 on this agreement and recognized \$281,981 in principal forgiveness. As of the end of the current fiscal year, this note is still in the drawdown phase (\$1,691,616 outstanding) and is not included in the amortization schedule on the next page. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities, continued

Annual debt service requirements for notes from direct borrowings are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 115,616	\$ 12,763	128,379
2022	232,404	24,353	256,757
2023	233,995	22,762	256,757
2024	138,625	21,137	159,762
2025	107,954	19,477	127,431
2026-2030	565,946	71,207	637,153
2031-2034	526,409	24,025	550,434
Totals	<u>\$ 1,920,949</u>	<u>\$ 195,724</u>	<u>\$ 2,116,673</u>

11. Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the County for the current fiscal year:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 9,000,000	\$ 0	\$ (300,000)	\$ 8,700,000	\$ 190,000
Unamortized bond premium	1,100,132	0	(68,759)	1,031,373	68,758
Bonds from direct placements	1,062,435	0	(1,062,435)	0	0
Compensated absences	586,753	372,456	(285,743)	673,466	327,972
Total Governmental activities	<u>\$ 11,749,320</u>	<u>\$ 372,456</u>	<u>\$ (1,716,937)</u>	<u>\$ 10,404,839</u>	<u>\$ 586,730</u>
Business-type activities					
Notes payable	\$ 2,770,859	\$ 1,071,746	\$ (230,040)	\$ 3,612,565	\$ 115,616
Bonds payable	1,350,000	0	(320,000)	1,030,000	330,000
Bonds from direct placements	2,242,268	0	(33,230)	2,209,038	34,004
Post-closure care costs	1,044,318	0	(46,587)	997,731	0
Compensated absences	14,261	15,730	(14,261)	15,730	15,730
Total business-type activities	<u>\$ 7,421,706</u>	<u>\$ 1,087,476</u>	<u>\$ (644,118)</u>	<u>\$ 7,865,064</u>	<u>\$ 495,350</u>

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

11. Long-Term Liabilities (continued)

The beginning balance of bonds from direct placements was restated to correct the outstanding balance at the beginning of the fiscal year. The net effect of this adjustment decreased the beginning balance of bonds from direct placements by \$295,000. See note 23 for additional details.

Compensated absences are liquidated by those governmental funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund and Emergency 911 Special Revenue Fund.

The total interest incurred and charged to expense for the fiscal year ended June 30, 2020 was \$318,789 for governmental activities and \$146,016 for business-type activities.

12. Conduit Debt

From time to time, the County issues Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, nor the State, or any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At the end of the current fiscal year, there is one series of Revenue Bonds outstanding. The current principal amount outstanding is \$3,000,910. The original issue amounts totaled \$4,200,000.

13. Landfill Post-Closure Care Costs

The County closed its solid waste landfill in 2002. State and federal laws and regulations require the County to perform certain maintenance and monitoring operations at the landfill site for 30 years after official closure. The estimated cost of all post closure care activities is \$997,731 and is reflected as a long-term liability in the Solid Waste Enterprise Fund. Because of future changes in technology, laws, or regulations, these costs may change.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

14. Deficit Equity Balances

Governmental Activities

At the end of the current fiscal year, the Emergency 911 Special Revenue Fund has a negative fund balance of \$2,432,178. The County plans to liquidate the negative fund balance through payment of the fund's interfund balance "Due to General Fund".

Business-type Activities

At the end of the current fiscal year, the Solid Waste Enterprise Fund has negative net position of \$691,834. This is due to the estimated cost of post closure care activities. The County plans to liquidate the negative unrestricted net position through payment of post closure care costs.

15. Pension Plan

County Defined Benefit Plan

Plan Description. The County is a participating member of the Association of County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer retirement system, administered by the Association of County Commissioners of Georgia. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The Commission has established provisions, which assign the authority to the Commission council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with ACCG along with custody of the plan assets. The plan provides that the County has no liability with respect to payments or benefits or otherwise under the plan except to pay over to ACCG such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

15. Pension Plans (continued)

Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the County but shall be allocated to employees. All full-time County employees are eligible to participate in the Plan after completing one year of service and having reached their 21st birthday. These benefit provisions and powers to amend the plan were established by a resolution executed by the County Board of Commissioners. The plan is closed to new participants. Employees with a hire date or rehire date on or after March 7, 2011 are ineligible to participate in the plan.

There are no loans to any of the County officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in Franklin County. The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained by writing to Pension Service Company, 1100 Circle 75 Parkway, Suite 320, Atlanta, GA 30339.

At January 1, 2019, the date of the most recent actuarial valuation, participants consisted of the following:

Retirees, beneficiaries and disables currently receiving benefits	55
Terminated vested participants entitled to but not yet receiving benefits	105
Active participants	<u>82</u>
Total number of participants	<u><u>242</u></u>

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Benefits vest evenly over five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 5 years of plan participation. The amount of monthly retirement benefits to be provided for each participant at their normal retirement date is equal to two percent of the participant's average annual compensation multiplied by the participant's total number of years of service. The Plan also provides benefits in the event of death or disability.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

15. Pension Plans (continued)

Contributions. Employees make no contributions to the plan. The County is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The current rate is 19.84% of annual covered payroll. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the County reported a net pension liability of \$2,219,186. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. For the fiscal year ended June 30, 2020, the County recognized pension expense of \$938,466. For governmental activities, the net pension liability is liquidated in the General Fund and the Emergency 911 Fund Special Revenue Fund.

At the end of the current year, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 431,975	\$ (48,130)
Net difference between projected and actual earnings on pension plan investments	0	(605,924)
Changes of assumptions	624,210	(53,734)
	<u>\$ 1,056,185</u>	<u>\$ (707,788)</u>

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

15. Pension Plans (continued)

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2021	\$ 374,755
2022	237,964
2023	9,371
2024	<u>(273,693)</u>
Totals	<u><u>\$ 348,397</u></u>

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%
Projected salary increases	3.00% plus service based merit increases
Cost of living adjustments	N/A
Net investment rate of return	7.00%
Actuarial cost method	Entry age normal
Amortization method	Closed level dollar
Remaining amortization period	15 years

Healthy mortality rates were based on the Pub-2010 Amount weighted Mortality Table. Disabled mortality rates were based on the 1985 CIDA Table Class 1 sex-distinct rates.

The mortality and economic actuarial assumptions used in the December 31, 2019 valuation were based on the results of a February 2019 experience study.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

15. Pension Plans (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real 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 weighing 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:

	<u>Target Allocation</u>	<u>Range</u>
Fixed Income	30%	25%-35%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

15. Pension Plans (continued)

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at 12/31/18	\$ 13,034,881	\$ 10,065,748	\$ 2,969,133
Changes for the year:			
Service cost	189,934	0	189,934
Interest	893,759	0	893,759
Differences between expected and actual experience	203,321	0	203,321
Changes of assumptions	681,396	0	681,396
Contributions—employer	0	710,570	(710,570)
Net investment income	0	2,108,160	(2,108,160)
Benefit payments, including refunds of employee contributions	(533,787)	(533,787)	0
Administrative expense	0	(34,291)	34,291
Other changes	0	(66,082)	66,082
Net changes	1,434,623	2,184,570	(749,947)
Balances at 12/31/19	\$ 14,469,504	\$ 12,250,318	\$ 2,219,186
Plan's fiduciary net position as a percentage of the total pension liability			84.66%
Covered payroll			\$ 3,685,654
Net pension liability as a percentage of covered payroll			60.21%

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

15. Pension Plans (continued)

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00 percent) or one percentage-point higher (8.00 percent) than the current rate:

	Discount Rate	Net Pension Liability (Asset)
1% decrease	6.00%	\$ 4,394,640
Current discount rate	7.00%	2,219,186
1% increase	8.00%	436,352

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia Benefit System financial report.

Other Plans

In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

Franklin County Department of Public Health Retirement Plan

Eligible employees of the Franklin County Department of Public Health participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the current fiscal year, the Department contributed \$65,013. At the end of the current fiscal year, the Department reported a liability in the amount of \$439,723 for its proportionate share (0.01%) of the net pension liability. The Department recognized pension expense of \$88,191 during the current fiscal year. Further information regarding the plan can be obtained from Department's annual audit report by contacting District 2, Public Health, 1280 Athens Street, Gainesville, GA 30507.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

16. Deferred Compensation Plans

The County provides retirement benefits for its employees through two deferred compensation, defined contribution plans. The Plans were created under Internal Revenue Code Sections 457 and 401(a), and are administered by the Variable Annuity Life Insurance Company (VALIC) and the Government Employees Benefits Corporation (GEBCorp) of Georgia, independent third parties. Under the terms of the Plans, employees may defer a portion of their salary through voluntary contributions to the Plans. Employees may defer a maximum of 25% of their salary, up to the maximum allowed by federal law. Employees may choose to contribute to one or both of the Plans.

The County will contribute 1% for each year of service of the employee's contribution per year. There is a cap of 12% for this additional match and an overall cap of \$1,000 for County contributions. County contributions are paid into the Plans at the end of each calendar year.

Funds are vested 100% at the time of contribution. Amounts held in the Plans are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the current fiscal year, the County contributed \$100,711 to the Plans, based on covered salaries of \$5,718,278. Total payroll was \$7,902,830. Plan members made voluntary contributions of \$232,536.

The County has no fiduciary relationship with the Plans, and Plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrators for the exclusive benefit of the participants of the Plans.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

17. Other Post-Employment Benefits

Franklin County Health Department

Eligible employees of the Franklin County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the Department contributed \$16,481. At the end of the current fiscal year, the Department reported a net liability in the amount of \$75,204 for its proportionate share (0.00946% for the State of Georgia OPEB Fund and 0.000606% for the SEAD-OPEB Fund) of the net OPEB liability. The Department recognized OPEB income of \$40,446 for the current fiscal year. Further information regarding the plans can be obtained from Department's annual audit report by contacting District 2 Public Health, 1280 Athens Street, Gainesville, Georgia 30507.

18. Joint Ventures

Franklin County participates jointly with Hart County, Georgia in the Franklin-Hart Airport. Both Franklin and Hart County have agreed to allocate funds as part of their respective budget toward the venture. The Airport is a separate entity that maintains and accumulates assets of its individual ownership. The Airport entity will apply for grants and seek other outside revenue needed to supplement the entity's budget. Franklin County contributed \$55,014 to the Airport during the current fiscal year. A copy of the Airport financial statements can be obtained from Franklin-Hart Airport, 710 Hartwell Street, Royston, Georgia 30662.

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current fiscal year, the County paid \$17,837 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

18. Joint Ventures (continued)

Franklin County has entered into an intergovernmental agreement with the Joint Development Authority of Hart, Franklin, and Stephens Counties, Georgia, in the creation of the Gateway Business Park, an industrial park development located jointly in Hart and Franklin Counties. The County spent \$47,150 on this project during the current fiscal year. Separate financial statements may be obtained from Joint Development Authority of Hart, Franklin, and Stephens Counties, Georgia, PO Box 793, Hartwell, Georgia 30643.

19. Risk Financing Activities

- ◇ Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated capital assets. Management has used a conservative approach on these estimates.
- ◇ The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's 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 pool's agent 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.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

19. Risk Financing Activities (continued)

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 worker's compensation law of Georgia. The funds are to pay all cost taxed against the members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the past three years have not exceeded the coverages.

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the County, its performance, and its financial results.

20. Commitments and Contingencies

Contingencies

- ◇ The County is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The County's legal counsel has stated that the outcome of these lawsuits is not presently determinable.
- ◇ Franklin County participates in a number of Revenue Sharing Grants. Expenditures financed by Revenue Sharing Grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

21. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the current fiscal year follows:

Lodging tax receipts	\$	677	
Disbursements for tourism	\$	677	100% of tax receipts

22. Excess of Expenditures over Appropriations in Individual Governmental Funds for which Budgets are Adopted

During the current fiscal year, the County incurred expenditures in the following General Fund departments that were materially in excess of the amounts appropriated.

<u>Department</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund			
Detention Center	\$ 362,140	\$ 1,774,984	\$(1,412,844)
Clerk of Court	372,214	401,335	(29,121)

The County did not adopt a budget for the Drug Enforcement Special Revenue Fund, Inmate Welfare Special Revenue Fund, and Law Library Special Revenue Fund for the current fiscal year.

Management concurs with these findings. The County Clerk will be reviewing the comparative financial statements to budget and recommend any necessary budget revisions to the Board of Commissioners.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

23. Changes in Beginning Balances

Governmental Activities

General Fund

A prior period adjustment has been made to correct the recording of accounts receivable and accounts payable. This adjustment increased beginning fund balance by \$618,157.

A prior period adjustment has been made to correct the balance of cash and cash equivalents. This adjustment increased beginning fund balance by \$188,527.

A prior period adjustment has been made to consolidate the Hotel Motel Special Revenue Fund into the General Fund. Hotel Motel Tax activity is considered immaterial to the financial statements. This adjustment increased beginning fund balance by \$1,993.

The net effect of these adjustments increased beginning fund balance in the General Fund by \$808,677.

Emergency 911 Special Revenue Fund

A prior period adjustment has been made to correct the balance of accounts payable. This adjustment increased beginning fund balance by \$21,478.

SPLOST V Capital Projects Fund

A prior period adjustment has been made to record accounts payable in the correct period. This adjustment decreased beginning fund balance by \$262,868.

Governmental Activities

A prior period adjustment has been made to correct the beginning balance of bonds payable. This adjustment increased beginning net position by \$295,000.

The net effect of these adjustments increased beginning net position in the Governmental Activities by \$862,287.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

23. Changes in Beginning Balances (continued)

Business-type Activities

Water and Sewer Enterprise Fund

A prior period adjustment has been made to record construction in progress and accounts payable in the correct period. This adjustment increased construction in progress and accounts payable by \$520,766. This adjustment had no effect on net position.

A prior period adjustment has been made to record accounts payable in the correct period. This adjustment decreased net position by \$45,701.

A prior period adjustment has been made to record land contributed to the County in a prior period. This adjustment increased land and net position by \$93,600.

The net effect of these adjustments increased beginning net position in the Water and Sewer Enterprise Fund by \$47,899.

Component Unit

Franklin County Industrial Building Authority

A prior period adjustment has been made to reclassify beginning investments incorrectly recorded as capital assets in a prior period in the amount of \$4,355,557. This adjustment had no effect on net position.

A prior period adjustment has been made to record accounts receivables and accounts payable in the correct period. The net effect of this adjustment decreased net position by \$248,355.

Fiduciary Activities

Tax Commissioner Agency Fund

A prior period adjustment has been made to correct beginning cash and taxes receivable recorded in the Tax Commissioner Agency Fund. This adjustment increased taxes receivable by \$100,000 and cash and cash equivalents in the amount of \$126,502.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

This section contains required supplementary information provided by Franklin County.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2020
(Unaudited)

	Fiscal Year End		
	2020	2019	2018
Total pension liability			
Service cost	\$ 189,934	\$ 240,421	\$ 262,592
Interest	893,759	859,976	800,312
Differences between expected and actual expenses	203,321	578,860	105,406
Changes of assumptions	681,396	(116,950)	28,077
Benefit payments, including refunds of employee contributions	(533,787)	(389,168)	(373,431)
Net change in total pension liability	1,434,623	1,173,139	822,956
Total pension liability - beginning	13,034,881	11,861,742	11,038,786
Total pension liability - ending (a)	\$ 14,469,504	\$ 13,034,881	\$ 11,861,742
Plan fiduciary net position			
Contributions - employer	\$ 710,570	\$ 693,691	\$ 660,216
Net investment income	2,108,160	(491,068)	1,383,884
Benefit payments, including refunds of employee contributions	(533,787)	(375,554)	(360,368)
Administrative expense	(34,291)	(25,309)	(22,933)
Other	(66,082)	(71,180)	(78,555)
Net change in total pension liability	2,184,570	(269,420)	1,582,244
Plan fiduciary net position - beginning	10,065,748	10,335,168	8,752,924
Plan fiduciary net position - ending (b)	\$ 12,250,318	\$ 10,065,748	\$ 10,335,168
Net pension liability (asset) - ending: (a) - (b)	\$ 2,219,186	\$ 2,969,133	\$ 1,526,574
Plan's fiduciary net position as a percentage of the total pension liability	84.66%	77.22%	87.13%
Covered payroll	\$ 3,685,654	\$ 4,160,058	\$ 4,101,353
Net pension liability as a percentage of covered payroll	60.21%	71.37%	37.22%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only six years are reported.

Fiscal Year End		
2017	2016	2015
\$ 262,245	\$ 260,613	\$ 280,360
750,611	691,116	640,744
(56,481)	(272,691)	0
396,254	426,313	0
(321,996)	(312,075)	(249,481)
1,030,633	793,276	671,623
10,008,153	9,214,877	8,543,254
<u>\$ 11,038,786</u>	<u>\$ 10,008,153</u>	<u>\$ 9,214,877</u>
\$ 615,713	\$ 608,046	\$ 682,504
557,257	66,325	496,502
(310,358)	(300,795)	(240,464)
(27,342)	(25,282)	(25,509)
(72,403)	(57,322)	(71,539)
762,867	290,972	841,494
7,990,057	7,699,085	6,857,591
<u>\$ 8,752,924</u>	<u>\$ 7,990,057</u>	<u>\$ 7,699,085</u>
<u>\$ 2,285,862</u>	<u>\$ 2,018,096</u>	<u>\$ 1,515,792</u>
79.29%	79.84%	83.55%
\$ 4,285,613	\$ 4,484,980	\$ 4,779,734
53.34%	45.00%	31.71%

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

Exhibit B-1, continued

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2020
(Unaudited)

	Fiscal Year End		
	2020	2019	2018
Actuarially determined contribution	\$ 643,596	\$ 642,399	\$ 638,474
Contributions in relation to the actuarially determined contribution	<u>(710,570)</u>	<u>(693,691)</u>	<u>(660,216)</u>
Contribution deficiency (excess)	<u>\$ (66,974)</u>	<u>\$ (51,292)</u>	<u>\$ (21,742)</u>
Covered payroll	\$ 3,581,698	\$ 3,780,707	\$ 3,976,158
Contributions as a percentage of covered payroll	19.84%	18.35%	16.60%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only six years are reported.

Fiscal Year End		
2017	2016	2015
\$ 579,622	\$ 584,000	\$ 681,542
(615,713)	(608,046)	(681,542)
<u>\$ (36,091)</u>	<u>\$ (24,046)</u>	<u>\$ 0</u>
\$ 4,285,613	\$ 4,484,980	\$ 4,779,734
14.37%	13.56%	14.26%

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

Exhibit B-2, continued

FRANKLIN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

1. Valuation Date

The actuarially determined contribution rate was determined as of December 31, 2019, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2021.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset valuation method = Smoothed market value with a 5-year smoothing period.

Net investment rate of return = 7.00%

Projected salary increases = 3.00% plus service based merit increases

Cost of living adjustments = N/A

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the Pub-2010 Amount weighted Mortality Table.
Disabled mortality rates were based on the 1985 CIDA Table Class 1 sex-distinct rates.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

3. Changes in Benefits

There have been no substantive changes since the last actuarial valuation.

4. Changes of Assumptions

There have been no substantive changes since the last actuarial valuation.

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COMBINING STATEMENTS

Nonmajor Governmental Funds

FRANKLIN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Special Revenue				Capital Projects	Total Nonmajor Governmental Funds
	Drug Enforcement	Inmate Welfare	Law Library	Probation Service	SPLOST IV	
ASSETS						
Cash and cash equivalents	\$ 209,769	\$ 109,687	\$ 115,588	\$ 0	\$ 313,215	\$ 748,259
Intergovernmental receivable	0	0	0	58,098	0	58,098
	<u>\$ 209,769</u>	<u>\$ 109,687</u>	<u>\$ 115,588</u>	<u>\$ 58,098</u>	<u>\$ 313,215</u>	<u>\$ 806,357</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Due to other agencies	\$ 173,550	\$ 0	\$ 0	\$ 0	\$ 0	\$ 173,550
Accrued payroll liabilities	0	0	0	30,891	0	30,891
Due to other funds	0	0	0	13,455	0	13,455
Total liabilities	<u>173,550</u>	<u>0</u>	<u>0</u>	<u>44,346</u>	<u>0</u>	<u>217,896</u>
Fund balances						
Restricted for:						
Judicial	0	0	115,588	0	0	115,588
Public safety	36,219	109,687	0	13,752	0	159,658
Capital outlay	0	0	0	0	313,215	313,215
Total fund balances	<u>36,219</u>	<u>109,687</u>	<u>115,588</u>	<u>13,752</u>	<u>313,215</u>	<u>588,461</u>
Total liabilities and fund balances	<u>\$ 209,769</u>	<u>\$ 109,687</u>	<u>\$ 115,588</u>	<u>\$ 58,098</u>	<u>\$ 313,215</u>	<u>\$ 806,357</u>

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2020

	Special Revenue				Capital Projects	Total Nonmajor Governmental Funds
	Drug Enforcement	Inmate Welfare	Law Library	Probation Service	SPLOST IV	
REVENUES						
Fines, fees, and forfeitures	\$ 46,810	\$ 0	\$ 15,879	\$ 618,591	\$ 0	\$ 681,280
Charges for services	0	52,541	0	0	0	52,541
Investment income	217	0	76	0	32	325
Total revenues	47,027	52,541	15,955	618,591	32	734,146
EXPENDITURES						
Current						
Judicial	0	0	9,717	0	0	9,717
Public safety	39,790	29,867	0	717,096	0	786,753
Capital outlay	0	0	0	0	12,514	12,514
Total expenditures	39,790	29,867	9,717	717,096	12,514	808,984
Net change in fund balance	7,237	22,674	6,238	(98,505)	(12,482)	(74,838)
Fund balances, July 1	28,982	87,013	109,350	112,257	325,697	663,299
Fund balances, June 30	\$ 36,219	\$ 109,687	\$ 115,588	\$ 13,752	\$ 313,215	\$ 588,461

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GENERAL FUND

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	\$ 3,513,493
Receivables (net)	
Accounts	127,818
Intergovernmental	11,429
Taxes	310,416
Prepaid items	101,906
Due from other funds	7,077,667
Restricted assets	
Cash and cash equivalents	<u>1,043,500</u>
Total assets	<u>\$ 12,186,229</u>

LIABILITIES AND FUND BALANCES

Liabilities

Payables	
Accounts	\$ 29,386
Intergovernmental	8,329
Accrued salaries and expenditures	365,814
Due to others	<u>226,751</u>
Total liabilities	<u>630,280</u>

Deferred inflows of resources

Unavailable revenue - property taxes	<u>51,064</u>
--------------------------------------	---------------

Fund balances

Nonspendable for prepaid items	101,906
Restricted for Public Safety	816,749
Unassigned	<u>10,586,230</u>
Total fund balances	<u>11,504,885</u>

Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,186,229</u>
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FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2020

REVENUES

Taxes	\$ 12,943,883
Licenses and permits	14,323
Fines, fees and forfeitures	1,019,129
Charges for services	1,855,722
Intergovernmental	926,568
Investment income	6,396
Other	365,288

Total revenues	17,131,309
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EXPENDITURES

Current	
General Government	3,261,142
Judicial	1,129,825
Public Safety	7,577,995
Public Works	2,467,482
Health and Welfare	333,227
Culture and Recreation	337,200
Housing and Development	233,910

Total expenditures	15,340,781
---------------------------	------------

Excess (deficiency) of revenues over (under) expenditures	1,790,528
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Other financing sources (uses)	
Proceeds from sale of assets	7,505

Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,798,033
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Fund balances, July 1 (original)	8,898,175
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Prior period adjustment	808,677
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Fund balances, July 1 (restated)	9,706,852
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Fund balances, June 30	\$ 11,504,885
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FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	Final Budget	Actual	Variance
REVENUES			
Taxes			
General property taxes			
Current and prior year levies	\$ 6,511,753	\$ 7,554,067	\$ 1,042,314
Motor vehicle tax	784,114	1,315,546	531,432
Mobile home tax	25,000	52,852	27,852
Timber tax	1,000	1,464	464
Cost, penalties, and interest	20,083	81,974	61,891
Total general property taxes	7,341,950	9,005,903	1,663,953
Intangibles tax	115,000	154,823	39,823
Real estate transfer tax	25,000	66,115	41,115
Local option sales tax	2,491,059	2,572,237	81,178
Franchise tax	48,000	48,368	368
Insurance premium tax	1,012,782	1,084,452	71,670
Occupational tax	17,750	11,985	(5,765)
Total taxes	11,051,541	12,943,883	1,892,342
Licenses and permits			
Building permits	8,200	14,323	6,123
Fines, fees and forfeitures	1,206,276	1,019,129	(187,147)
Charges for Services			
Sheriff services	50,000	40,683	(9,317)
Ambulance charges	1,365,000	1,292,354	(72,646)
Tax collection commissions	370,223	339,738	(30,485)
Prisoner board	91,900	88,611	(3,289)
Recreation fees	65,963	78,841	12,878
Other charges for services	3,000	15,495	12,495
Total charges for services	1,946,086	1,855,722	(90,364)
Intergovernmental	848,081	926,568	78,487
Investment income	0	6,396	6,396
Other			
Rental Income	31,320	36,220	4,900
Miscellaneous	184,734	329,068	144,334
Total other	216,054	365,288	149,234
Total revenues	<u>\$ 15,276,238</u>	<u>\$ 17,131,309</u>	<u>\$ 1,855,071</u>

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	Final Budget	Actual	Variance
EXPENDITURES			
Current			
General Government			
Administration			
Personal services	\$ 215,193	\$ 211,091	\$ 4,102
Contract services	1,321,048	1,372,145	(51,097)
Materials and supplies	7,118	4,920	2,198
Payments to other agencies	94,731	15,035	79,696
Total Administration	<u>1,638,090</u>	<u>1,603,191</u>	<u>34,899</u>
Commission Board			
Personal services	201,908	150,087	51,821
Contract services	38,898	24,624	14,274
Materials and supplies	19,556	10,774	8,782
Capital outlay	0	2,210	(2,210)
Total Commission Board	<u>260,362</u>	<u>187,695</u>	<u>72,667</u>
County Manager			
Personal services	280,402	255,418	24,984
Contract services	22,865	21,169	1,696
Materials and supplies	10,930	21,769	(10,839)
Total County Manager	<u>314,197</u>	<u>298,356</u>	<u>15,841</u>
Elections			
Personal services	117,179	120,333	(3,154)
Contract services	72,406	36,762	35,644
Materials and supplies	27,633	22,575	5,058
Capital outlay	10,825	14,521	(3,696)
Total Elections	<u>228,043</u>	<u>194,191</u>	<u>33,852</u>
Tax Commissioner			
Personal services	372,675	360,733	11,942
Contract services	26,188	12,475	13,713
Materials and supplies	37,132	40,699	(3,567)
Capital outlay	7,814	39,095	(31,281)
Payments to other agencies	6,555	0	6,555
Total Tax Commissioner	<u>450,364</u>	<u>453,002</u>	<u>(2,638)</u>
Tax Assessor			
Personal services	322,080	314,918	7,162
Contract services	59,883	40,106	19,777
Materials and supplies	14,064	27,410	(13,346)
Capital outlay	1,000	14,934	(13,934)
Total Tax Assessor	<u>397,027</u>	<u>397,368</u>	<u>(341)</u>
Board of Equalization			
Contract services	<u>10,300</u>	<u>2,881</u>	<u>7,419</u>
County Engineer			
Personal services	120,595	121,327	(732)
Contract services	4,668	1,631	3,037
Materials and supplies	3,000	1,500	1,500
Total County Engineer	<u>128,263</u>	<u>124,458</u>	<u>3,805</u>
Total General Government	<u>3,426,646</u>	<u>3,261,142</u>	<u>165,504</u>

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	Final Budget	Actual	Variance
Judicial			
Probate Court			
Personal services	\$ 221,514	\$ 221,406	\$ 108
Contract services	22,932	16,098	6,834
Materials and supplies	10,253	16,310	(6,057)
Capital outlay	2,475	0	2,475
Total Probate Court	<u>257,174</u>	<u>253,814</u>	<u>3,360</u>
Magistrate Court			
Personal services	157,439	133,153	24,286
Contract services	17,381	7,624	9,757
Materials and supplies	12,258	9,060	3,198
Capital outlay	1,000	0	1,000
Total Magistrate Court	<u>188,078</u>	<u>149,837</u>	<u>38,241</u>
Clerk of Superior Court			
Personal services	332,576	361,154	(28,578)
Contract services	23,270	23,317	(47)
Materials and supplies	16,368	16,864	(496)
Total Clerk of Superior Court	<u>372,214</u>	<u>401,335</u>	<u>(29,121)</u>
Superior Court			
Personal services	65,191	60,416	4,775
Contract services	156,492	73,730	82,762
Materials and supplies	19,372	19,506	(134)
Total Superior Court	<u>241,055</u>	<u>153,652</u>	<u>87,403</u>
District Attorney			
Contract services	29,639	12,882	16,757
Materials and supplies	2,761	2,765	(4)
Payments to other agencies	69,817	45,394	24,423
Total District Attorney	<u>102,217</u>	<u>61,041</u>	<u>41,176</u>
Public Defender			
Contract services	12,600	9,699	2,901
Payments to other agencies	100,447	100,447	0
Total Public Defender	<u>113,047</u>	<u>110,146</u>	<u>2,901</u>
Total Judicial	<u>1,273,785</u>	<u>1,129,825</u>	<u>143,960</u>
Public Safety			
Fire Departments			
Contract services	31,700	32,600	(900)
Materials and supplies	0	8,637	(8,637)
Capital outlay	45,232	0	45,232
Payments to other agencies	298,620	334,494	(35,874)
Total Fire Departments	<u>375,552</u>	<u>375,731</u>	<u>(179)</u>
Coroner Services			
Personal services	20,317	23,841	(3,524)
Contract services	13,000	8,576	4,424
Materials and supplies	2,400	0	2,400
Payments to other agencies	70,880	70,400	480
Total Coroner Services	<u>106,597</u>	<u>102,817</u>	<u>3,780</u>

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	Final Budget	Actual	Variance
Public Safety, continued			
Emergency Medical Service			
Personal services	\$ 1,925,638	\$ 1,938,221	\$ (12,583)
Contract services	192,611	165,892	26,719
Materials and supplies	189,781	185,814	3,967
Capital outlay	22,500	0	22,500
Total Emergency Medical Service	<u>2,330,530</u>	<u>2,289,927</u>	<u>40,603</u>
Emergency Management			
Personal services	27,639	28,188	(549)
Contract services	14,800	0	14,800
Materials and supplies	1,938	1,230	708
Capital outlay	1,800	0	1,800
Total Emergency Management	<u>46,177</u>	<u>29,418</u>	<u>16,759</u>
County Marshall			
Personal services	48,480	33,937	14,543
Contract services	19,366	24,026	(4,660)
Materials and supplies	4,824	4,010	814
Capital outlay	4,171	0	4,171
Total County Marshall	<u>76,841</u>	<u>61,973</u>	<u>14,868</u>
Sheriff Department			
Personal services	3,256,737	2,439,633	817,104
Contract services	230,391	142,414	87,977
Materials and supplies	495,951	332,366	163,585
Capital outlay	85,000	28,732	56,268
Payments to others	5,333	0	5,333
Total Sheriff Department	<u>4,073,412</u>	<u>2,943,145</u>	<u>1,130,267</u>
Detention Center			
Personal services	0	1,006,855	(1,006,855)
Contract services	0	40,819	(40,819)
Materials and supplies	362,140	713,460	(351,320)
Capital outlay	0	13,850	(13,850)
Total Detention Center	<u>362,140</u>	<u>1,774,984</u>	<u>(1,412,844)</u>
Total Public Safety	<u>7,371,249</u>	<u>7,577,995</u>	<u>(206,746)</u>
Public Works			
Highways and Streets			
Personal services	629,908	580,356	49,552
Contract services	1,480,246	1,523,005	(42,759)
Materials and supplies	439,894	364,121	75,773
Total Public Works	<u>2,550,048</u>	<u>2,467,482</u>	<u>82,566</u>
Health and Welfare			
Senior Center			
Personal services	118,423	116,680	1,743
Contract services	11,529	22,816	(11,287)
Materials and supplies	78,395	44,429	33,966
Payments to other agencies	11,450	11,450	0
Total Senior Center	<u>219,797</u>	<u>195,375</u>	<u>24,422</u>
Foster Care Services			
Payments to other agencies	<u>31,000</u>	<u>30,476</u>	<u>524</u>

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Health and Welfare, continued			
Health Department			
Contract services	\$ 1,428	\$ 3,349	\$ (1,921)
Materials and supplies	4,719	2,596	2,123
Payments to other agencies	101,431	101,431	0
Total Health Department	<u>107,578</u>	<u>107,376</u>	<u>202</u>
Total Health and Welfare	<u>358,375</u>	<u>333,227</u>	<u>25,148</u>
Culture and Recreation			
Recreation			
Personal services	186,982	142,792	44,190
Contract services	47,931	45,437	2,494
Materials and supplies	93,869	90,786	3,083
Capital outlay	2,093	0	2,093
Payments to other agencies	58,185	58,185	0
Total Culture and Recreation	<u>389,060</u>	<u>337,200</u>	<u>51,860</u>
Housing and Development			
County Agent			
Personal services	59,251	63,015	(3,764)
Contract services	24,584	21,560	3,024
Materials and supplies	2,604	1,188	1,416
Total County Agent	<u>86,439</u>	<u>85,763</u>	<u>676</u>
Forestry			
Payments to other agencies	<u>7,025</u>	<u>5,748</u>	<u>1,277</u>
Planning and Zoning			
Personal services	72,757	19,330	53,427
Contract services	5,749	5,991	(242)
Materials and supplies	0	9,743	(9,743)
Payments to other agencies	0	1,277	(1,277)
Total Planning and Zoning	<u>78,506</u>	<u>36,341</u>	<u>42,165</u>
Economic Development			
Personal services	<u>115,082</u>	<u>106,058</u>	<u>9,024</u>
Total Housing and Development	<u>287,052</u>	<u>233,910</u>	<u>53,142</u>
Total Expenditures	<u>\$ 15,656,215</u>	<u>\$ 15,340,781</u>	<u>\$ 315,434</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees for the operation of their 911 emergency system.

Drug Enforcement Fund – This fund is used to account for monies confiscated during drug arrests by the Sheriff's Department. These monies are held for evidence and then disbursed by court order to the appropriate agencies. This fund also includes monies paid to the County that are restricted for law enforcement against drugs.

Inmate Welfare Fund – This fund is used to account for monies legally restricted for the benefit of detainees in the County jail.

Law Library Fund – This fund is used to account for the funds court office fines and fees legally restricted for operation of a County Law Library.

Probation Service Fund – This fund is used to account for funds legally restricted for the operation of Probation Services.

FRANKLIN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	\$ 963,581
Intergovernmental receivable	<u>36,383</u>
Total assets	<u>\$ 999,964</u>

LIABILITIES AND FUND BALANCES

Liabilities

Accrued salaries and other payroll liabilities	\$ 28,243
Due to other funds	<u>3,403,899</u>

Total liabilities	3,432,142
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Fund balances

Unassigned	<u>(2,432,178)</u>
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Total liabilities and fund balances	<u>\$ 999,964</u>
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FRANKLIN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 366,251	\$ 444,978	\$ 78,727
Total revenues	<u>366,251</u>	<u>444,978</u>	<u>78,727</u>
EXPENDITURES			
Current			
Public Safety			
Personal services	655,636	612,411	43,225
Contract services	174,062	182,098	(8,036)
Materials and supplies	41,088	41,002	86
Capital outlay	9,000	0	9,000
Total expenditures	<u>879,786</u>	<u>835,511</u>	<u>44,275</u>
Excess (deficiency) of revenues over (under) expenditures	(513,535)	(390,533)	123,002
Other financing sources (uses)			
Transfers in	513,535	0	513,535
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>(390,533)</u>	<u>(390,533)</u>
Fund balances, July 1 (original)	0	(2,063,123)	(2,063,123)
Prior period adjustment	0	21,478	21,478
Fund balances, July 1 (restated)	<u>0</u>	<u>(2,041,645)</u>	<u>(2,041,645)</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ (2,432,178)</u></u>	<u><u>\$ (2,432,178)</u></u>

FRANKLIN COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	\$ 209,769
---------------------------	------------

LIABILITIES AND FUND BALANCES

Liabilities

Due to others	\$ 173,550
---------------	------------

Fund balances

Restricted for Public Safety	<u>36,219</u>
------------------------------	---------------

Total liabilities and fund balances	<u><u>\$ 209,769</u></u>
--	--------------------------

FRANKLIN COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines, fees, and forfeitures	\$ 0	\$ 46,810	\$ 46,810
Investment revenue	<u>0</u>	<u>217</u>	<u>217</u>
Total revenues	<u>0</u>	<u>47,027</u>	<u>47,027</u>
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	<u>0</u>	<u>39,790</u>	<u>(39,790)</u>
Total expenditures	<u>0</u>	<u>39,790</u>	<u>(39,790)</u>
Excess (deficiency) of revenues over (under) expenditures	0	7,237	7,237
Fund balances, July 1	<u>0</u>	<u>28,982</u>	<u>28,982</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 36,219</u></u>	<u><u>\$ 36,219</u></u>

FRANKLIN COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	<u>\$ 109,687</u>
---------------------------	-------------------

FUND BALANCE

Restricted for Public Safety	<u>\$ 109,687</u>
------------------------------	-------------------

FRANKLIN COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Charges for service	\$ 0	\$ 52,541	\$ 52,541
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	0	29,867	(29,867)
Total expenditures	0	29,867	(29,867)
Excess (deficiency) of revenues over (under) expenditures	0	22,674	22,674
Fund balances, July 1	0	87,013	87,013
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 109,687</u>	<u>\$ 109,687</u>

FRANKLIN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	<u>\$ 115,588</u>
---------------------------	-------------------

FUND BALANCE

Fund balance	
Restricted for Judicial	<u>\$ 115,588</u>

FRANKLIN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines, fees, and forfeitures	\$ 0	\$ 15,879	\$ 15,879
Investment revenue	<u>0</u>	<u>76</u>	<u>76</u>
Total revenues	<u>0</u>	<u>15,955</u>	<u>15,955</u>
EXPENDITURES			
Current			
Judicial			
Personal services	0	140	(140)
Materials and supplies	<u>0</u>	<u>9,577</u>	<u>(9,577)</u>
Total expenditures	<u>0</u>	<u>9,717</u>	<u>(9,717)</u>
Excess (deficiency) of revenues over (under) expenditures	0	6,238	6,238
Fund balances, July 1	<u>0</u>	<u>109,350</u>	<u>109,350</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 115,588</u></u>	<u><u>\$ 115,588</u></u>

FRANKLIN COUNTY, GEORGIA
PROBATION SERVICES SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2020

ASSETS

Intergovernmental receivable	\$ 58,098
------------------------------	-----------

LIABILITIES AND FUND BALANCES

Liabilities

Accrued salaries and other payroll liabilities	\$ 30,891
Due to other funds	13,455

Total liabilities	44,346
--------------------------	--------

Fund balances

Restricted for Judicial	13,752
-------------------------	--------

Total liabilities and fund balances	\$ 58,098
--	------------------

FRANKLIN COUNTY, GEORGIA
PROBATION SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines, fees, and forfeitures	\$ 791,376	\$ 618,591	\$ (172,785)
Total revenues	<u>791,376</u>	<u>618,591</u>	<u>(172,785)</u>
EXPENDITURES			
Current			
Public Safety			
Personal services	748,876	682,631	66,245
Contract services	25,500	25,390	110
Materials and supplies	12,000	9,075	2,925
Capital outlay	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Total expenditures	<u>791,376</u>	<u>717,096</u>	<u>74,280</u>
Excess (deficiency) of revenues over (under) expenditures	0	(98,505)	(98,505)
Fund balances, July 1	<u>0</u>	<u>112,257</u>	<u>112,257</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 13,752</u></u>	<u><u>\$ 13,752</u></u>

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CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Special Purpose Local Option Sales Tax IV Fund – This fund is used to account for long-term projects financed by the passage of the 2010 special purpose local option sales tax.

Special Purpose Local Option Sales Tax V Fund – This fund is used to account for long-term projects financed by the passage of the 2015 special purpose local option sales tax.

FRANKLIN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX IV
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	<u>\$ 313,215</u>
---------------------------	-------------------

FUND BALANCE

Restricted for capital outlay	<u>\$ 313,215</u>
-------------------------------	-------------------

FRANKLIN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX IV
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal year ended June 30, 2020

REVENUES

Investment revenue	\$	32
--------------------	----	----

EXPENDITURES

Capital outlay		
General Government		5,985
Public Safety		
Fire		3,559
Recreation		2,970

Total expenditures		12,514
---------------------------	--	--------

Excess (deficiency) of revenues over (under) expenditures		(12,482)
---	--	----------

Fund balances, July 1		325,697
-----------------------	--	---------

Fund balances, June 30	\$	313,215
-------------------------------	-----------	----------------

FRANKLIN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX V
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2020

ASSETS

Cash and cash equivalents	\$ 2,625,881
Restricted cash and cash equivalents	558,182
Receivables	
Taxes	387,796
Prepaid items	<u>22,500</u>
Total assets	<u>\$ 3,594,359</u>

LIABILITIES AND FUND BALANCES

Liabilities

Intergovernmental payable	<u>\$ 103,859</u>
---------------------------	-------------------

Fund balances

Nonspendable prepaid items	22,500
Restricted for capital outlay	<u>3,468,000</u>

Total fund balances	<u>3,490,500</u>
----------------------------	-------------------------

Total liabilities and fund balances	<u>\$ 3,594,359</u>
--	----------------------------

FRANKLIN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX V
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal year ended June 30, 2020

REVENUES

Taxes	\$ 4,091,778
Investment income	<u>52</u>
Total revenues	<u>4,091,830</u>

EXPENDITURES

Capital outlay	
General Government	58,871
Public Safety	
Fire	174,575
Public Works	
Roads and Bridges	492,171
Airport	55,014
Housing and Development	
Economic Development	82,623
Intergovernmental	1,005,771
Debt service	<u>1,712,210</u>
Total expenditures	<u>3,581,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>510,595</u>
Fund balances, July 1 (original)	3,242,773
Prior period adjustment	<u>(262,868)</u>
Fund balances, July 1 (restated)	<u>2,979,905</u>
Fund balances, June 30	<u><u>\$ 3,490,500</u></u>

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Water and Sewer Fund - Used to account for activities connected with the development, operation and maintenance of water and sewer services in Franklin County.

Solid Waste Fund - Used to account for activities connected with the disposal of residential and commercial solid waste at the County's solid waste transfer station.

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
STATEMENT OF NET POSITION
June 30, 2020

ASSETS

Current assets

Cash and cash equivalents	\$ 2,819,158
Accounts receivable (net)	220,178
Intergovernmental receivable	307,836
Inventories	109,933
Restricted assets	
Cash and cash equivalents	184,649
Total current assets	<u>3,641,754</u>

Capital assets

Land	113,947
Construction in progress	2,899,023
Infrastructure	31,016,185
Building	40,380
Vehicles	121,350
Machinery and equipment	341,549
Accumulated depreciation	<u>(8,017,378)</u>
Total capital assets (net of accumulated depreciation)	<u>26,515,056</u>
Total assets	<u>30,156,810</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - pension	<u>25,760</u>
--	---------------

LIABILITIES

Current liabilities

Payables	
Accounts	176,094
Interest	12,356
Accrued salaries	12,135
Compensated absences	15,466
Due to other funds	3,227,239
Notes payable	115,616
Bonds payable	<u>364,004</u>
Total current liabilities	<u>3,922,910</u>

Noncurrent liabilities

Net pension liability	54,127
Notes payable	3,496,949
Bonds payable	<u>2,875,034</u>
Total noncurrent liabilities	<u>6,426,110</u>
Total liabilities	<u>10,349,020</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources - pension	<u>17,263</u>
---	---------------

NET POSITION

Net investment in capital assets	19,740,267
Unrestricted	<u>76,020</u>
Total net position	<u>\$ 19,816,287</u>

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal year ended June 30, 2020

OPERATING REVENUES

Charges for sales and services	
Water sales	\$ 1,977,205
Sewer sales	183,910
Tap fees	84,750
Other	11,476

Total operating revenues	<u>2,257,341</u>
---------------------------------	------------------

OPERATING EXPENSES

Costs of sales and services	1,157,731
Personal services	237,951
Depreciation	678,375

Total operating expenses	<u>2,074,057</u>
---------------------------------	------------------

Operating income (loss)	<u>183,284</u>
-------------------------	----------------

Non-operating revenues (expenses)

Investment income	543
Interest expense	(146,016)

Total non-operating revenues (expenses)	<u>(145,473)</u>
--	------------------

Income (loss) before capital contributions and transfers	37,811
--	--------

Capital contributions

Intergovernmental revenue	<u>1,512,128</u>
---------------------------	------------------

Change in net position	<u>1,549,939</u>
------------------------	------------------

Net position, July 1 (original)	18,218,449
---------------------------------	------------

Prior period adjustment	<u>47,899</u>
-------------------------	---------------

Net position, July 1 (restated)	<u>18,266,348</u>
---------------------------------	-------------------

Net position, June 30	<u><u>\$ 19,816,287</u></u>
------------------------------	-----------------------------

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2020

Cash flows from operating activities:	
Receipts from customers	\$ 2,185,454
Payments to suppliers	(1,587,741)
Payments to employees	(242,527)
Other receipts	11,476
	<hr/>
Net cash provided (used) by operating activities	366,662
Cash flows from non-capital financing activities:	
Receipts from other funds	1,508,872
	<hr/>
Cash flows from capital and related financing activities:	
Receipts from other governments	1,204,292
Interest paid	(153,075)
Proceeds - notes payable	1,071,746
Principal payments - notes payable	(230,040)
Principal payments - bonds payable	(353,230)
Acquisition of capital assets	(1,788,352)
	<hr/>
Net cash provided (used) by capital and related financing activities	(248,659)
Cash flows from investing activities:	
Interest received	543
	<hr/>
Net increase (decrease) in cash and cash equivalents	1,627,418
Cash and cash equivalents, July 1	1,376,389
	<hr/>
Cash and cash equivalents, June 30	\$ 3,003,807
	<hr/>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 183,284
	<hr/>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	678,375
(Increase) decrease in accounts receivable	(60,411)
(Increase) decrease in inventories	69,440
(Increase) decrease in deferred outflows of resources - pension	15,606
Increase (decrease) in accounts payable	(499,450)
Increase (decrease) in accrued payroll liabilities	605
Increase (decrease) in net pension liability	(37,702)
Increase (decrease) in deferred inflows of resources	16,915
	<hr/>
Total adjustments	183,378
	<hr/>
Net cash provided (used) by operating activities	\$ 366,662
	<hr/>
Cash and cash equivalents reconciliation:	
Cash and cash equivalents	\$ 2,819,158
Restricted cash and cash equivalents	184,649
	<hr/>
Total cash and cash equivalents	\$ 3,003,807
	<hr/>
Noncash capital and related financing activities:	
Acquisition of capital assets through accounts payable totaled \$107,836 during the current fiscal year.	

**FRANKLIN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
STATEMENT OF NET POSITION
June 30, 2020**

ASSETS

Current assets

Cash and cash equivalents	\$ 268,300
Notes receivable	94,138
Total current assets	<u>362,438</u>

Capital assets

Land	378,976
Land improvements	29,382
Machinery and equipment	42,714
Vehicles	213,860
Accumulated depreciation	<u>(285,956)</u>
Total capital assets (net of accumulated depreciation)	<u>378,976</u>
Total assets	<u><u>741,414</u></u>

LIABILITIES

Current liabilities

Accrued salaries	2,179
Compensated absences	264
Due to other funds	<u>433,074</u>
Total current liabilities	435,517

Noncurrent liabilities

Post-closure care	<u>997,731</u>
Total liabilities	<u><u>1,433,248</u></u>

NET POSITION

Investment in capital assets	378,976
Unrestricted	<u>(1,070,810)</u>
Total net position	<u><u>\$ (691,834)</u></u>

FRANKLIN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal year ended June 30, 2020

OPERATING REVENUES

Charges for sales and services	\$ 51,240
--------------------------------	-----------

OPERATING EXPENSES

Costs of sales and services	35,328
Personal services	24,464

Total operating expenses	<u>59,792</u>
---------------------------------	---------------

Operating income (loss)	(8,552)
-------------------------	---------

Non-operating revenues (expenses)	
Investment income	<u>31,087</u>

Change in net position	22,535
------------------------	--------

Net position, July 1	<u>(714,369)</u>
----------------------	------------------

Net position, June 30	<u><u>\$ (691,834)</u></u>
------------------------------	----------------------------

FRANKLIN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2020

Cash flows from operating activities:

Receipts from customers	\$ 51,240
Payments to suppliers	(35,328)
Payments to employees	<u>(23,304)</u>
Net cash provided (used) by operating activities	<u>(7,392)</u>

Cash flows from non-capital financing activities:

Receipts from other funds	105,154
Payments for post-closure costs of landfill	<u>(46,587)</u>
Net cash provided (used) by non-capital financing activities	<u>58,567</u>

Cash flows from investing activities:

Interest received	<u>276</u>
-------------------	------------

Net increase (decrease) in cash and cash equivalents	51,451
--	--------

Cash and cash equivalents, July 1	<u>216,849</u>
-----------------------------------	----------------

Cash and cash equivalents, June 30	<u><u>\$ 268,300</u></u>
---	---------------------------------

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)	\$ (8,552)
-------------------------	------------

Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:

Increase (decrease) in accrued payroll liabilities	<u>1,160</u>
--	--------------

Net cash provided (used) by operating activities	<u><u>\$ (7,392)</u></u>
--	---------------------------------

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AGENCY FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Magistrate Court, Probate Court, and Clerk of Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

FRANKLIN COUNTY, GEORGIA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2020

	<u>Tax Commissioner</u>	<u>Magistrate Court</u>	<u>Probate Court</u>
ASSETS			
Cash	\$ 47,752	\$ 16,472	\$ 146,782
Taxes receivable, net	<u>174,225</u>	<u>0</u>	<u>0</u>
Total assets	<u><u>\$ 221,977</u></u>	<u><u>\$ 16,472</u></u>	<u><u>\$ 146,782</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Due to other agencies	<u><u>\$ 221,977</u></u>	<u><u>\$ 16,472</u></u>	<u><u>\$ 146,782</u></u>

<u>Clerk of Court</u>	<u>Sheriff Department</u>	<u>Totals</u>
\$ 606,415 0	\$ 61,927 0	\$ 879,348 174,225
<u>\$ 606,415</u>	<u>\$ 61,927</u>	<u>\$ 1,053,573</u>
<u>\$ 606,415</u>	<u>\$ 61,927</u>	<u>\$ 1,053,573</u>

FRANKLIN COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2020

	Balance July 1	Additions	Deletions	Balance June 30
TAX COMMISSIONER				
ASSETS				
Cash	\$ 47,266	\$ 15,805,245	\$ 15,804,759	\$ 47,752
Taxes receivable, net	100,000	183,087	108,862	174,225
Total assets	<u>\$ 147,266</u>	<u>\$ 15,988,332</u>	<u>\$ 15,913,621</u>	<u>\$ 221,977</u>
LIABILITIES				
Due to other agencies	<u>\$ 147,266</u>	<u>\$ 15,988,332</u>	<u>\$ 15,913,621</u>	<u>\$ 221,977</u>
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	<u>\$ 18,001</u>	<u>\$ 156,092</u>	<u>\$ 157,621</u>	<u>\$ 16,472</u>
LIABILITIES				
Due to others	<u>\$ 18,001</u>	<u>\$ 156,092</u>	<u>\$ 157,621</u>	<u>\$ 16,472</u>
PROBATE COURT				
ASSETS				
Cash	<u>\$ 137,886</u>	<u>\$ 1,179,265</u>	<u>\$ 1,170,369</u>	<u>\$ 146,782</u>
LIABILITIES				
Due to other agencies	<u>\$ 137,886</u>	<u>\$ 1,179,265</u>	<u>\$ 1,170,369</u>	<u>\$ 146,782</u>
CLERK OF COURT				
ASSETS				
Cash	<u>\$ 534,331</u>	<u>\$ 1,038,784</u>	<u>\$ 966,700</u>	<u>\$ 606,415</u>
LIABILITIES				
Due to other agencies	<u>\$ 534,331</u>	<u>\$ 1,038,784</u>	<u>\$ 966,700</u>	<u>\$ 606,415</u>
SHERIFF DEPARTMENT				
ASSETS				
Cash	<u>\$ 58,868</u>	<u>\$ 558,663</u>	<u>\$ 555,604</u>	<u>\$ 61,927</u>
LIABILITIES				
Due to other agencies	<u>\$ 58,868</u>	<u>\$ 558,663</u>	<u>\$ 555,604</u>	<u>\$ 61,927</u>
TOTALS				
ASSETS				
Cash	<u>\$ 896,352</u>	<u>\$ 18,921,136</u>	<u>\$ 18,763,915</u>	<u>\$ 1,053,573</u>
LIABILITIES				
Due to other agencies	<u>\$ 896,352</u>	<u>\$ 18,921,136</u>	<u>\$ 18,763,915</u>	<u>\$ 1,053,573</u>

Note: Beginning balances have been restated, see notes to the financial statements for additional details.

SINGLE AUDIT SECTION

This section contains reports required by Uniform Guidance and grantor agencies.

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**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance with *Government Auditing Standards***

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin County, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Franklin County, Georgia's basic financial statements and have issued our report thereon dated March 31, 2021. Our report includes a reference to other auditors who audited the financial statements of the Franklin County Health Department, as described in our report on Franklin County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider deficiency 2020-001 described in the accompanying schedule of findings and questioned costs to be a material weakness.

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. We consider deficiencies 2020-002 through 2020-009 described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2020-010.

Franklin County, Georgia's Response to Findings

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

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
March 31, 2021

**Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Franklin County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Franklin County, Georgia's major federal programs for the year ended June 30, 2020. Franklin County, Georgia's major federal programs are 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 the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Franklin County, Georgia's major federal programs 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and 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 Franklin County, Georgia'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 each major federal program. However, our audit does not provide a legal determination on Franklin County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Franklin County, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of Franklin County, Georgia 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 Franklin County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with 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 Franklin County, Georgia'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 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.

Purpose of this Report

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.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
March 31, 2021

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2020

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass- Through Number	Total Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Water and Waste Disposal Systems for Rural Communities	10.760	N/A	<u>\$ 669,264</u>
<u>Appalachian Regional Commission</u>			
Passed through the Georgia Environmental Finance Authority: Appalachian Regional Development	23.001	GA-19314-2018	<u>464,241</u>
<u>U.S. Environmental Protection Agency</u>			
<u>Drinking Water State Revolving Fund Cluster</u>			
Passed through the Georgia Environmental Finance Authority: Capitalization Grants for Drinking Water State Revolving Funds	66.468	DW2018005	<u>1,012,424</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Aging Cluster</u>			
Passed through Legacy Link, Inc.: Title III, Part C, Nutrition Services	93.045	FY2020	30,644
COVID-19 Provider Relief Program	93.498	N/A	46,137
Passed through Legacy Link, Inc.: Social Services Block Grant	93.667	FY2020	<u>17,685</u>
Total Department of Health and Human Services			<u>94,466</u>
Total Federal Awards			<u><u>\$ 2,240,395</u></u>

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Franklin County, Georgia, under programs for the federal government for the fiscal year ended June 30, 2020. The information in this schedule is presented in accordance with the 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). Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Indirect Cost Rate

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

4. Passed Through to Subrecipients

Franklin County, Georgia did not pass through to subrecipients any federal funds during the fiscal year.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? Yes

Significant Deficiencie(s) identified
not considered material weaknesses? Yes

Noncompliance material to
financial statements noted? Yes

B. Federal Awards

Internal control over major programs:

Material weakness(es) identified? None reported

Significant Deficiencie(s) identified
not considered material weaknesses? 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? None reported

Identification of major programs:

66.468 Capitalization Grants for Drinking Water State Revolving Funds

Dollar threshold used to distinguish
Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? No

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

2. Financial Statement Findings

A. Current Year Audit Findings

2020-001

Condition: The 2019 financial statements were restated for errors and incorrectly reported amounts in the Governmental Activities, General Fund, Emergency 911 Special Revenue Fund, Hotel Motel Special Revenue Fund, SPLOST V Capital Projects Fund, Water and Sewer Enterprise Fund, and Tax Commissioner Agency Fund.

Criteria: Generally accepted accounting principles require that accruals be properly calculated and recorded.

Effect: Failure to properly apply generally accepted accounting principles led to financial statements that were materially misstated.

Cause: County staff lack the proper training to ensure accruals are properly calculated and recorded.

Recommendation: Management should review their year-end procedures for recording assets and liabilities.

Management Response: Management concurs with this finding. Accounting staff will receive training to properly calculate and record year-end accruals and adjustments. This action was taken immediately upon receipt of the comment from our auditors.

2020-002

Condition: While performing audit procedures at the Magistrate Court, we noted that there is no approval process for voided transactions.

Criteria: Proper internal controls require that all voided transactions are properly approved.

Effect: Failure to maintain proper supporting documentation with evidence of approval for voided transactions subjects the assets of the County to greater risk of misappropriation.

Cause: Evidence of the approval process was not maintained by the Court.

Recommendation: Supporting documentation with evidence of approval should be retained at the Court's office.

Management Response: Management has provided a copy of this finding to the appropriate Elected Official and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

2020-003

Condition: While performing audit procedures at the Clerk of Court, we noted that there is no approval process for voided transactions.

Criteria: Proper internal controls require that all voided transactions are properly approved.

Effect: Failure to maintain proper supporting documentation with evidence of approval for voided transactions subjects the assets of the County to greater risk of misappropriation.

Cause: Evidence that documents approval is not maintained by the Court.

Recommendation: Supporting documentation with evidence of approval should be retained at the Court's office.

Management Response: Management has provided a copy of this finding to the appropriate Elected Official and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

2020-004

Condition: While performing audit procedures at the Industrial Building Authority, we noted that there is a lack of segregation of duties. The Executive Secretary performs all receipting, daily balancing, prepares all checks, and delivers the deposits to the bank.

Criteria: Proper internal controls require adequate segregation of duties.

Effect: Failure to maintain adequate segregation of duties subjects the assets of the County to greater risk of misappropriation.

Cause: The Industrial Building Authority does not have adequate number of staff to properly segregate duties.

Recommendation: To ensure that sufficient internal controls are in place, the Industrial Building Authority should properly segregate duties.

Management Response: Management has provided a copy of this finding to the Industrial Building Authority and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

2020-005

Condition: While performing audit procedures at the Park and Recreation Department, we noted instances where deposits were not made timely. We noted 15 of 23 (65%) receipts tested were held for more than seven days before depositing.

Criteria: Proper internal controls require that cash receipts be deposited and transactions recorded in a timely manner.

Effect: Failure to deposit cash receipts in a timely manner exposes the County's assets to a greater risk of loss due to fraud.

Cause: Deposits were not made on a weekly basis.

Recommendation: At a minimum, deposits should be made weekly.

Management Response: Management concurs with this finding. This action was taken immediately upon receipt of the comment from our auditors.

2020-006

Condition: While performing audit procedures on the County's pension census data, we noted that incorrect salary information was submitted to the actuary. The data submitted was corrected by the actuary.

Criteria: Accurate pension reporting requires that correct information be submitted to the actuary.

Effect: Failure to submit accurate pension census data increases the County's risk of material misstatement.

Cause: Incorrect information was provided to the actuary.

Recommendation: We recommend the County implement a policy to reconcile census data before submitting the information to the County's actuary.

Management Response: Management concurs with this finding. Action was taken immediately upon receipt of the comment from our auditors.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

2020-007

Condition: While performing audit procedures on disbursements, we noted that the County does not utilize a purchase order system.

Criteria: Proper internal controls require approval of purchases before requisition of supplies and materials.

Effect: Failure to approve purchases before requisition increases the County's risk of loss due to fraud.

Cause: The County is not utilizing a purchase order system.

Recommendation: We recommend the County implement a purchasing system that utilizes a purchase order system.

Management Response: Management concurs with this finding. Action was taken immediately upon receipt of the comment from our auditors.

2020-008

Condition: During audit procedures on journal entries, we noted that journal entries did not have evidence of approval. All journal entries reviewed during audit procedures appeared appropriate.

Criteria: Proper internal controls require that journal entries have supporting documentation with evidence of proper approval.

Effect: Failure to approve journal entries increases the County's risk of loss due to fraud.

Cause: The County does not have a policy that requires the approval of journal entries.

Recommendation: We recommend the County implement a policy that requires approval of all journal entries and supporting documentation evidencing approval be retained.

Management Response: Management concurs with this finding. Action was taken immediately upon receipt of the comment from our auditors.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

2020-009

Condition: Vendor payments are paid out of the General Fund for all other funds and charged to the appropriate fund through interfund activity. Residual activity is maintained in interfund balances throughout the year. While performing audit procedures at the Commissioner's Office, we noted that interfund balances are not reconciled and not reimbursed to the General Fund during the year-end financial closing process.

Criteria: Proper internal controls require that interfund activity be reconciled and outstanding balances between funds be liquidated.

Effect: Failure to reconcile interfund activity and liquidate outstanding interfund balances throughout the year increases the County's risk of loss due to fraud.

Cause: The County does not reconcile interfund activity or settle outstanding interfund balances.

Recommendation: The County should reconcile interfund activity and liquidate balances due back to the General Fund at least annually.

Management Response: Management concurs with this finding. Action was taken immediately upon receipt of the comment from our auditors.

2020-010

Condition: The County experienced a material excess of expenditures over appropriations in the General Fund. Also, an annual budget was not adopted for the Law Library Special Revenue Fund, Drug Enforcement Special Revenue Fund, Inmate Welfare Special Revenue Fund, as required by state law.

Criteria: OCGA Code Section 36-81-3 requires local governments to operate under an approved annual budget for the General Fund, each Special Revenue Fund, and each Debt Service Fund.

Effect: Failure to maintain expenditures within the balanced budgets and failure to adopt annual budgets as required by OCGA Code Section 36-81-3 will place the County in violation of state law.

Cause: The County did not amend the General Fund budget to ensure resources were available for the material overbudget expenditures. Further, the County did not adopt a budget the Law Library Special Revenue Fund, Drug Enforcement Special Revenue Fund, Inmate Welfare Special Revenue Fund, as required by state law.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

2020-010, continued

Recommendation: County management should ensure that annual operating budgets are adopted for the General Fund, each Special Revenue Fund, and each Debt Service Fund as required by state law. Budget to actual comparisons should be periodically reviewed by County management and budgets amended as needed to ensure that the County remains in compliance with state law.

Management Response: Management concurs with this finding. The County Manager will ensure that an annual budget is adopted for the General Fund, each Special Revenue Fund, and each Debt Service Fund, and will review the budget to actual comparisons and recommend any necessary budget revisions to the Board of Commissioners. Further, the County plans to adopt a budget for the Law Library Special Revenue Fund, Drug Enforcement Special Revenue Fund, Inmate Welfare Special Revenue Fund, as required by state law. This action was taken immediately upon receipt of the comment from our auditors.

B. Prior Year Audit Findings Follow-Ups

None reported.

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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STATE REPORTING SECTION

This section contains additional reports required by the State of Georgia.

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FRANKLIN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2020

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Periods	Current Periods	Total
SPLOST IV					
Water and Sewer	\$ 3,000,000	\$ 3,000,000	\$ 2,919,762	\$ 0	\$ 2,919,762
Industrial Development	4,000,000	4,000,000	4,000,000	0	4,000,000
Public Safety	2,250,000	2,250,000	2,507,668	3,559	2,511,227
Roads, Streets, Bridges	3,550,000	3,550,000	3,939,970	0	3,939,970
Airport	100,000	100,000	83,322	0	83,322
Courthouse/Public Facilities	200,000	200,000	165,814	5,985	171,799
Recreation	500,000	500,000	220,457	2,970	223,427
City of Lavonia	1,402,140	1,402,140	1,464,460	0	1,464,460
City of Royston	1,402,140	1,402,140	1,455,725	0	1,455,725
City of Canon	778,570	778,570	810,748	0	810,748
City of Carnesville	778,570	778,570	810,749	0	810,749
City of Franklin Springs	778,570	778,570	810,748	0	810,748
Total SPLOST IV	<u>\$ 18,739,990</u>	<u>\$ 18,739,990</u>	<u>\$ 19,189,423</u>	<u>\$ 12,514</u>	<u>\$ 19,201,937</u>

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST V					
General Obligation Debt	\$ 3,800,000	\$ 3,800,000	\$ 3,049,232	\$ 1,712,210	\$ 4,761,442
Roads, Streets, Bridges	3,550,000	3,550,000	1,572,384	492,171	2,064,555
Public Safety	2,510,000	2,510,000	624,546	174,575	799,121
Water, Sewer, Utilities	1,800,000	1,800,000	885,256	0	885,256
Courthouse Renovation/ Public Facilities Improvements	1,443,000	1,443,000	91,067	58,871	149,938
Industrial Development	750,000	750,000	0	82,623	82,623
Recreation	400,000	400,000	0	0	0
Airport Improvements	100,000	100,000	0	55,014	55,014
City of Lavonia	1,440,000	1,440,000	643,100	300,745	943,845
City of Royston	1,440,000	1,440,000	643,100	300,745	943,845
City of Canon	789,000	789,000	352,610	164,899	517,509
City of Carnesville	789,000	789,000	429,984	74,483	504,467
City of Franklin Springs	789,000	789,000	352,610	164,899	517,509
	<u>\$ 19,600,000</u>	<u>\$ 19,600,000</u>	<u>\$ 8,643,889</u>	<u>\$ 3,581,235</u>	<u>\$ 12,225,124</u>

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

Note: The "Prior Years" column has been restated to correct balances to include all SPLOST expenditures to date.

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