

**MARION COUNTY, GEORGIA  
FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2019  
AND  
INDEPENDENT AUDITOR'S REPORT**

**HERBERT E. ALLEN  
CERTIFIED PUBLIC ACCOUNTANT  
AMERICUS, GEORGIA**

**MARION COUNTY, GEORGIA  
FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2019  
AND  
INDEPENDENT AUDITOR'S REPORT**

**MARION COUNTY OFFICIALS**

**GEORGE NEAL JR.  
CHAIRMAN**

**STEVE YOUNG  
COMMISSION AT LARGE**

**NORMAN ROYAL  
COMMISSIONER**

**JODY GRIMSLEY  
COMMISSIONER**

**MATT GUNNELS  
COMMISSIONER**

**JUSTIN STRICKLAND  
COUNTY MANAGER**

## TABLE OF CONTENTS

	<u>PAGE</u>
List of Elected and Appointed Officials	i
<b><u>FINANCIAL SECTION</u></b>	
<b>Independent Auditor's Report</b>	1 - 3
<b>Basic Financial Statements</b>	
Government-Wide Financial Statements:	
Statement of Net Position	4
Component Units	5
Statement of Activities	6
Component Units	7
<b>Fund Financial Statements</b>	
Balance Sheet - Governmental Funds	8
Reconciliation of the Government Funds Balance To the Government-Wide Statement of Net Position	9
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	11
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	12
Statement of Net Position - Fiduciary Funds	13
Statement of Net Position - Proprietary Funds	14
Statement of Revenues, Expenses, and Changes in Net Fund Position - Proprietary Funds	15
Statement of Cash Flows - Proprietary Funds	16 - 17
<b>Notes to Financial Statements</b>	18 - 48

## TABLE OF CONTENTS

	<u>PAGE</u>
Report on Internal Control and Compliance	49 - 50
Schedule of Findings and Response	51
 <b><u>SUPPLEMENTAL INFORMATION</u></b>	
Financial Statements of Individual Funds	
Combining Balance Sheet - Other Governmental Fund	52
Other Governmental Funds - Combining Schedule of Revenue and Expenditures and Changes to Fund Balance	53
Balance Sheet - Capital Projects Fund	54
Capital Projects Fund - Combining Schedule of Revenue and Expenditures and Changes to Fund Balance - SPLOST	55
Agency Funds - Combining Balance Sheet	56
Agency Funds - Combining Statement of Changes in Assets and Liabilities	57
Agency Funds - Statements of Changes in Assets and Liabilities	58 - 59
Independent Auditor's Report - Special 1% Sales Tax	60
Schedule of Expenditures of Special Purpose Local Options Sales Tax Proceeds	61
Balance Sheet - Other Governmental Funds - LMIG	62
Other Governmental Funds-Schedule of Revenues, Expenditures, and Changes to Fund Balances - LMIG	63
Balance Sheet - Other Governmental Funds - T-SPLOST	64
Other Governmental Funds-Schedule of Revenues, Expenditures, and Changes to Fund Balances - T-SPLOST	65

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July 30, 2020

## INDEPENDENT AUDITOR'S REPORT

Marion County Board of Commissioners  
Marion County, Georgia  
Buena Vista, Georgia

### ***Report on the Financial Statements***

We have audited the accompanying basic 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 Marion County, Georgia, as of and for the year then ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Marion County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Marion County Department of Public Health. The Health Department has assets of \$ 259,557 and revenue of \$ 288,386. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it is related to the amounts included for the Marion County, Georgia, is based solely on the report of their auditors.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair

presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Marion County, Georgia as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. We also prepared a budget comparison presented on page nine.

### ***Other Reporting Required by Governmental Auditing Standards***

In accordance with Government Auditing Standards, we have also issued a report dated July 30, 2020 on our consideration of the Marion County, Georgia internal control over financial reporting and on tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with the auditor's report on financial statements.

### ***Other Matters***

#### ***Required Supplementary Information***

The combining, individual major and nonmajor fund financial statements and the schedules listed in the table of contents 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 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, individual major and nonmajor fund financial statements the schedules listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We did not audit the financial statements of Marion County Health Department, a component unit of Marion County, Georgia, which statements reflect total assets and total revenues for the year then ended. Those financial statements were audited by other auditors whose report had been furnished to us, and our opinion, insofar as it related to the amounts included for the Health Department, is based on the report of the other auditors.

Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

***Other Information***

***Supplementary Information***

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Marion County, Georgia, financial statements. The combining and individual major and non-major fund financial statements, and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements, and the supplemental information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

The supplementary information is the responsibility of management and was derived from, and relates directly to the underlying accounting and other record used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States.

A handwritten signature in black ink that reads "HERBERT E ALLEN CPA". The signature is written in a cursive, slightly slanted style.

HERBERT E. ALLEN, CPA



**MARION COUNTY, GEORGIA**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Cash	\$ 1,487,726	\$ 172,176	\$ 1,659,902
Restricted Cash	2,555,530	217,346	2,772,876
Restricted Receivable General Fund	18,472	-	18,472
Receivable Agencies	50,179	-	50,179
Receivable (Net Where Applicable of Allowance for Uncollectibles)	355,491	69,342	355,491
Taxes, Interest and Penalties			-
Interfund Receivable	310,333	(310,333)	-
Receivable LMIG	812,120		812,120
Payable LMIG	(812,120)		(812,120)
Capital Assets:			
Land	126,006	12,264	138,270
Infrastructure	2,106,783	14,548,437	16,655,220
Buildings	1,068,208		1,068,208
Vehicles	752,043		752,043
Heavy Equipment	1,107,259	147,695	1,254,954
Airport	1,666,353		
Plant	-		-
Accumulated Depreciation	(1,474,635)	(5,852,784)	(7,327,419)
<b>TOTAL ASSETS</b>	<b>\$ 10,129,748</b>	<b>\$ 9,004,143</b>	<b>\$ 17,398,196</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Cost	\$ 122,870		\$ 122,870
<b>LIABILITIES AND NET POSITION</b>			
Accounts Payable	\$ 51,677	\$ 8,847	\$ 60,524
Accrued Expenses	51,829		51,829
Accrued Payroll Taxes	53,665		53,665
Unearned Revenue	176,396		176,396
Customer Deposits	267,108		267,108
Revenue Bond Payable	-	99,653	99,653
Note Payable - Ameris Bank Current	-	50,652	50,652
Note Payable - GEFA & Caterpillar Current		45,739	45,739
<b>Total Current Liabilities</b>	<b>\$ 600,675</b>	<b>\$ 204,891</b>	<b>\$ 805,566</b>
<b>Long Term Liabilities</b>			
Revenue Bond Payable		\$ 3,629,898	\$ 3,629,898
Caterpillar Financial			-
Note Payable - GEFA		453,486	453,486
Note Payable - Ameris Bank	-	30,072	30,072
Net Pension Liability	-		-
<b>Total Long Term Liabilities</b>	<b>\$ -</b>	<b>\$ 4,113,456</b>	<b>\$ 4,113,456</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 600,675</b>	<b>\$ 4,318,347</b>	<b>\$ 4,919,022</b>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Pension Liability	\$ 140,680	-	140,680
<b>NET POSITION</b>			
Net Invested in Capital Assets	\$ 5,352,017	\$ 4,546,112	9,898,129
Restricted for Bond Debt Ser.		217,346	217,346
Restricted - SPLOST 2015	410,940		410,940
Restricted - T SPLOST	2,060,152		2,060,152
Restricted - Other Governmental Funds	84,438		84,438
Unrestricted	1,603,716	(77,662)	1,526,054
<b>TOTAL NET POSITION</b>	<b>\$ 9,511,263</b>	<b>\$ 4,685,796</b>	<b>\$ 14,197,059</b>

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

**MARION COUNTY, GEORGIA**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	Component Units			
	Health Department	Development Authority	Hospital Authority	Total
<b>ASSETS</b>				
Cash	\$ 193,747	\$ 53,066	\$ 893,896	\$ 1,140,709
Restricted Cash	-		5,311	5,311
Receivable (Net Where Applicable of Allowance for Uncollectibles):	14,376		164	14,540
Taxes, Interest and Penalties	-	-	-	-
Capital Assets:				
Land	-	489,704	7,655	497,359
Infrastructure	-	-	-	-
Buildings	-		1,329,121	1,329,121
Vehicles	-	-	-	-
Heavy Equipment	-		360,723	360,723
Plant	-	-	-	-
Accumulated Depreciation	-	-	(1,568,712)	(1,568,712)
<b>TOTAL ASSETS</b>	<b>\$ 208,123</b>	<b>\$ 542,770</b>	<b>\$ 1,028,158</b>	<b>\$ 1,779,051</b>
<b>Total Deferred Outflows of Resources</b>	<b>51,434</b>	<b>-</b>	<b>-</b>	<b>51,434</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 259,557</b>	<b>\$ 542,770</b>	<b>\$ 1,028,158</b>	<b>\$ 1,830,485</b>
<b>LIABILITIES AND NET POSITION</b>				
Accounts Payable	\$ 15,473	\$ -	\$ -	\$ 15,473
<b>Total Current Liabilities</b>	<b>\$ 15,473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,473</b>
<b>Noncurrent Liabilities</b>				
Payables	21,330	-	-	21,330
Net Pension & OPEB Liabilities	200,190	-	-	200,190
<b>Total Long Term Liabilities</b>	<b>\$ 221,520</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,520</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 236,993</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 236,993</b>
<b>Deferred Inflows of Resources</b>	<b>\$ 44,349</b>		<b>\$</b>	<b>44,349</b>
<b>NET POSITION</b>				
Net Investments in Capital Assets	\$ -	\$ 489,704	\$ 128,787	\$ 618,491
Restricted - Prior Year Program Income	-	-	-	-
Restricted- Other	-	-	5,311	5,311
Unrestricted	(21,785)	53,066	894,060	925,341
<b>TOTAL NET POSITION</b>	<b>\$ (21,785)</b>	<b>\$ 542,770</b>	<b>\$ 1,028,158</b>	<b>\$ 1,549,143</b>

**MARION COUNTY, GEORGIA**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2019**

	<b>Expenses</b>	<b>Program Revenues Charges for Services</b>	<b>Capital Grant</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
General Government	\$ 1,251,158	\$ 55,859	\$ 450,210	\$ (745,089)		
Judicial	336,558			\$ (336,558)		
Public Safety	1,578,703	493,147	14,776	\$ (1,070,780)		
Health and Welfare	510,930	314,267	18,000	\$ (178,663)		
Public Works	682,098		578,440	\$ (103,658)		
Airport	67,904		1,164,036	\$ 1,096,132		
Cultural and Recreation	96,029	18,999		\$ (77,030)		
<b>Total Government Activities</b>	<b>\$ 4,523,380</b>	<b>\$ 882,272</b>	<b>\$ 2,225,462</b>	<b>\$ (1,415,646)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Business-type Activities</b>						
Water	\$ 1,122,825	\$ 1,070,998			\$ (51,827)	(51,827)
<b>Total Government</b>	<b>\$ 5,646,205</b>	<b>\$ 1,953,270</b>	<b>\$ 2,225,462</b>	<b>\$ (1,415,646)</b>	<b>\$ (51,827)</b>	<b>\$ (51,827)</b>
<b>General Revenues:</b>						
<b>Taxes:</b>						
Property Tax				\$ 2,423,290		\$ 2,423,290
Local Option Taxes				292,648		292,648
Insurance Premium Taxes				451,987		451,987
Interest Earned				9,752		9,752
Miscellaneous & Other				90,725		90,725
<b>Total General Revenues</b>				<b>\$ 3,268,402</b>	<b>\$ -</b>	<b>\$ 3,268,402</b>
<b>Transfers</b>						<b>-</b>
<b>Change in Net Position</b>				<b>1,852,756</b>	<b>\$ (51,827)</b>	<b>1,800,929</b>
<b>Net Position at Beginning of Year as Adjusted</b>				<b>7,658,507</b>	<b>4,737,623</b>	<b>12,396,130</b>
<b>Net Position at End Of Year</b>				<b>\$ 9,511,263</b>	<b>\$ 4,685,796</b>	<b>\$ 14,197,059</b>

**MARION COUNTY, GEORGIA**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**DECEMBER 31, 2019**

	Component Units			
	Health Department	Development Authority	Hospital Authority	Total
<b>General Government</b>		\$ -	\$ -	-
Judicial		-	-	-
Public Safety				
Ambulance	-	-	-	-
Sheriff	-	-	-	-
Fines	-	-	-	-
Superior Court	-	-	-	-
Health and Welfare	237,382	2,000	977,176	1,216,558
Public Works	-	-	-	-
Cultural and Recreation	-	-	-	-
<b>Total Government Activities</b>	-	-	-	-
	<u>\$ 237,382</u>	<u>\$ 2,000</u>	<u>\$ 977,176</u>	<u>\$ 1,216,558</u>
<b>Business-type Activities</b>				
<b>Water</b>				
<b>Total Government</b>				
<b>General Revenues:</b>				
<b>Taxes:</b>				
Property Tax	\$ -	\$ -	\$ -	\$ -
Splost Taxes	-	-	-	-
Local Option Taxes	-	-	-	-
Alcohol Beverage Taxes	-	-	-	-
Insurance Premium Taxes	-	-	-	-
Interest Earned	-	-	-	-
Miscellaneous & Other	288,386	898	964,821	1,254,105
<b>Total General Revenues</b>	<u>\$ 288,386</u>	<u>\$ 898</u>	<u>\$ 964,821</u>	<u>\$ 1,254,105</u>
<b>Transfers</b>	-	-	-	-
<b>Change in Net Position</b>	<u>\$ 51,004</u>	<u>\$ 1,102</u>	<u>\$ (12,355)</u>	<u>\$ 39,751</u>
<b>Net Position at beginning of     Year as Adjusted</b>	<u>(72,789)</u>	<u>541,668</u>	<u>1,040,513</u>	<u>1,509,392</u>
<b>Net Position at End of Year</b>	<u>\$ (21,785)</u>	<u>\$ 542,770</u>	<u>\$ 1,028,158</u>	<u>\$ 1,549,143</u>

MARION COUNTY, GEORGIA  
BALANCE SHEET - GOVERNMENTAL FUNDS  
December 31, 2019

	General Fund	Special 1% Sales Tax For Road, Water & Emergency Medical 4/1/2009	T SPLOST	Sheriff Other Governmental Funds	LMIG	Total Government Funds
<b>ASSETS AND OTHER DEBIT</b>						
<b>ASSETS</b>						
Cash	\$1,487,726					\$1,487,726
Restricted Cash		410,940	2,060,152	84,438	0	\$2,555,530
Restricted Receivable General Fund			0		812,120	812,120
Receivable Agencies	18,472					18,472
Receivable(Net Where Applicable of Allowance for Uncollectibles):	50,179					50,179
Taxes, including Interest & Penalties	355,491					355,491
Interfund Receivable	310,333					310,333
<b>TOTAL ASSETS</b>	<b>\$2,222,201</b>	<b>\$410,940</b>	<b>\$2,060,152</b>	<b>\$84,438</b>	<b>\$812,120</b>	<b>\$5,589,851</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$51,677					51,677
Accrued Expenses	51,829					51,829
Accrued Payroll Taxes	53,665					53,665
Due to LMIG Fund	812,120					812,120
Unearned Revenue	176,396					176,396
<b>TOTAL LIABILITIES</b>	<b>\$1,145,687</b>				<b>\$0</b>	<b>\$1,145,687</b>
<b>FUND BALANCE</b>						
- Restricted for Road & Bridge Maintenance		410,940	2,060,153		812,120	3,283,213
- Restricted-Drug Education				21,982		21,982
- Restricted-County Jail Construction				62,456		62,456
- Unrestricted	1,076,514					1,076,514
<b>TOTAL FUND BALANCE</b>	<b>1,076,514</b>	<b>410,940</b>	<b>2,060,153</b>	<b>84,438</b>	<b>812,120</b>	<b>4,444,165</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$2,222,201</b>	<b>\$410,940</b>	<b>\$2,060,153</b>	<b>\$84,438</b>	<b>\$812,120</b>	<b>\$5,589,852</b>

MARION COUNTY, GEORGIA  
**RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET TO THE GOVERNMENT  
 WIDE STATEMENT OF NET POSITION**  
**For Fiscal Year Ended December 31, 2019**

Total Fund balances - total governmental funds	\$	4,444,164
Amounts reported for Governmental Activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not current in the Governmental Funds Balance Sheet		5,352,017
Accrued Pension Cost		(17,810)
Accrued Pension Liability		(267,108)
Long-term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet		
Caterpillar	-	
GEFA	-	-
Prior Period Adjustment for Pension Cost		-
Net Position of Governmental Activities	\$	<u>9,511,263</u>

MARION COUNTY, GEORGIA  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund	Special 1% Sales Tax for Road, Water & Emergency Medical 4/1/2009	T-Splost	Sheriff Other Governmental Funds	LMIG	Total Government Funds
<b>REVENUES</b>						
Taxes & Special Assessments	\$ 2,743,950					\$ 2,743,950
License and Permits	36,359					36,359
Intergovernmental	19,500	450,210	578,440	14,776		1,062,926
Charges for Service-Garbage	314,267					314,267
Judicial	132,731					132,731
Public Safety						0
Ambulance	309,363					309,363
Sheriff	37,013					37,013
Fines	8,320					8,320
Public Works	65,649					65,649
DOT Airport Reimbursement			1,164,036			1,164,036
Interest Earned	9,752					9,752
Miscellaneous and Other	109,334					109,334
<b>TOTAL REVENUES</b>	<b>\$ 3,786,238</b>	<b>\$ 450,210</b>	<b>\$ 1,742,476</b>	<b>\$ 14,776</b>	<b>\$ -</b>	<b>\$ 5,993,700</b>
<b>EXPENDITURES</b>						
<b>Current:</b>						
General Government	1,239,968					1,239,968
Judicial	336,558			799		337,357
Public Safety	1,563,648					1,563,648
Health and Welfare	480,294					480,294
Public Works	641,530					641,530
Cultural and Recreation	94,986					94,986
SPLOST Distribution:						0
City of Buena Vista		143,754				143,754
Capital Outlay:						0
Infrastructure		3,423				3,423
Public Safety						0
Public Works		34,071	193,340			227,411
EMS- Amulance						0
Airport			1,553,435			1,553,435
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,356,984</b>	<b>\$ 181,248</b>	<b>\$ 1,746,775</b>	<b>\$ 799</b>	<b>\$ -</b>	<b>\$ 6,285,806</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXP.</b>	<b>(570,746)</b>	<b>268,962</b>	<b>(4,299)</b>	<b>13,977</b>	<b>0</b>	<b>(292,106)</b>
<b>OTHER FINANCING SOURCES</b>						
Deferred Income-LMIG					409,455	
Transfers- Water Department	-		(4,159)	-	-	(4,159)
<b>EXCESS OF EXPENDITURES OVER REVENUES AND OTHER SOURCES</b>	<b>(570,746)</b>	<b>268,962</b>	<b>(8,458)</b>	<b>13,977</b>	<b>409,455</b>	<b>113,190</b>
<b>FUND BALANCE-1/1/19</b>	<b>1,647,260</b>	<b>141,978</b>	<b>2,068,611</b>	<b>70,461</b>	<b>402,665</b>	<b>4,330,975</b>
<b>FUND BALANCE-12/31/19</b>	<b>\$ 1,076,514</b>	<b>\$ 410,940</b>	<b>\$ 2,060,153</b>	<b>\$ 84,438</b>	<b>\$ 812,120</b>	<b>\$ 4,444,165</b>

**Marion County, Georgia**  
**Reconciliation of the Government -Funds**  
**Statement of Revenues, Expenditures and Changes in Fund**  
**Balances to the Government-Wide Statement of Activities and**  
**Changes in Net Position**  
**For Fiscal Year Ended December 31, 2019**

Net change in fund balances – total government funds	\$	113,189
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Governmental Funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

		1,806,998
--	--	-----------

Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they do not require the use of current financial resources. Therefore, depreciation expense on capital is not reported as deferred revenue

		(166,396)
--	--	-----------

Municipalities Payable		143,754
Debt-Caterpillar moved to water fund		(44,789)

Changes in Net Position of Governmental Activities	\$	<u>1,852,756</u>
--	----	------------------



**MARION COUNTY, GEORGIA**  
**GENERAL FUND TYPE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND TYPE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>BUDGET</b>			<b>Variance</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Favorable Unfavorable</b>
<b>REVENUES</b>				
Taxes	\$ 3,010,641	\$ 3,010,641	\$ 2,743,950	\$ (266,691)
License and Permits	29,850	29,850	36,359	6,509
Intergovernmental	-	-	19,500	19,500
Charges for Service	330,000	330,000	314,267	(15,733)
Fines and Forfeitures	106,950	106,950	178,064	71,114
Public Safety	280,000	280,000	309,363	29,363
Interest Earned	42,000	42,000	9,752	(32,248)
Grants	409,000	409,000	65,649	(343,351)
Miscellaneous and Other	68,350	68,350	109,334	40,984
<b>TOTAL REVENUES</b>	<b>\$ 4,276,791</b>	<b>\$ 4,276,791</b>	<b>\$ 3,786,238</b>	<b>\$ (490,553)</b>
<b>EXPENDITURES</b>				
General Government	\$ 1,225,235	\$ 1,225,235	\$ 1,239,968	\$ (14,733)
Judicial	365,861	365,861	336,558	29,303
Public Safety	1,506,695	1,506,695	1,563,648	(56,953)
Health & Welfare	380,750	380,750	484,735	(103,985)
Public Works	683,357	683,357	641,530	41,827
Cultural and Recreation	101,393	101,393	90,545	10,848
Debt Services	-	-	-	-
Capital Outlay	13,500	13,500	-	13,500
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,276,791</b>	<b>\$ 4,276,791</b>	<b>\$ 4,356,984</b>	<b>\$ (80,193)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>\$ -</b>	<b>\$ (570,746)</b>	<b>\$ (570,746)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>		<b>\$ -</b>	<b>\$ (570,746)</b>	<b>\$ (570,746)</b>
<b>FUND BALANCE BEGINNING PRIOR PERIOD ADJUSTMENT</b>			<b>1,647,260</b>	
			<b>0</b>	
<b>FUND BALANCE ENDING</b>			<b>\$ 1,076,514</b>	

**MARION COUNTY, GEORGIA  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
DECEMBER 31, 2019**

**ASSETS**

Cash \$ 522,999

Total Assets \$ 522,999

**LIABILITIES**

Fund Equity

Accounts Payable \$ 522,999

Total Liabilities and Fund Equity \$ 522,999

**MARION COUNTY, GEORGIA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2019**

<b>ASSETS</b>	<b>Water Fund 2019</b>	<b>Water Fund 2018</b>
	<hr/>	<hr/>
<b>Current Assets:</b>		
Cash on Hand & In Banks	\$ 172,176	\$ 72,721
Restricted Cash	217,346	198,722
Accounts Receivable (Net of Allowances)	69,342	71,195
	<hr/>	<hr/>
<b>Total Current Assets</b>	<b>\$ 458,864</b>	<b>\$ 342,638</b>
<b>Noncurrent Assets:</b>		
Land	\$ 12,264	\$ 12,264
Plant	14,548,437	14,470,347
Equipment	147,695	121,196
Accumulated Depreciation	(5,852,784)	(5,451,064)
	<hr/>	<hr/>
<b>Total Noncurrent Assets</b>	<b>\$ 8,855,612</b>	<b>\$ 9,152,743</b>
<b>TOTAL ASSETS</b>	<b>\$ 9,314,476</b>	<b>\$ 9,495,381</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 8,847	\$ 2,156
Payable General Fund (payroll and other expenses)	264,140	264,140
Payroll General Fund GEFA Hwy 41 N	46,193	
Deferred Liability	-	-
Customer Deposits	-	2,544
Revenue Bonds Payable - Current	99,653	92,326
Note Payable - GEFA Current	45,739	28,609
Ameris Current	50,652	48,156
	<hr/>	<hr/>
<b>Total Current Liabilities</b>	<b>\$ 515,224</b>	<b>\$ 437,931</b>
<b>Noncurrent Liabilities:</b>		
Revenue Bonds Payable	\$ 3,629,898	\$ 3,733,426
Notes Payable Ameris Bank	30,072	81,908
Notes Payable-GEFA	453,486	379,853
	<hr/>	<hr/>
<b>Total Noncurrent Liabilities</b>	<b>\$ 4,113,456</b>	<b>\$ 4,195,187</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 4,628,680</b>	<b>\$ 4,633,118</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Net Position</b>		
Net Investment in Capital Assets	\$ 4,546,112	\$ 4,788,465
Restricted for Bond Debt -GEFA & Ameris	217,346	198,722
Unassigned	(77,662)	(124,924)
	<hr/>	<hr/>
<b>Total Net Position</b>	<b>\$ 4,685,796</b>	<b>\$ 4,862,263</b>
	<hr/> <hr/>	<hr/> <hr/>

**MARION COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**ALL PROPRIETARY FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Water Revenue Fund 2019</u>	<u>Water Revenue Fund 2018</u>
<b>OPERATING REVENUE</b>		
Sales and Charges	\$ 1,034,268	\$ 951,471
<b>TOTAL OPERATING REVENUE</b>	<u>\$ 1,034,268</u>	<u>\$ 951,471</u>
<b>OPERATING EXPENSES</b>		
Salaries and Benefits	\$ -	\$ 71,811
Management	\$ 392,379	\$ 258,992
Supplies	10,068	40,714
Repairs and Maintenance	-	2,008
Depreciation	401,720	360,177
Office Administrative	17,249	20,538
Utilities & Telephone	93,501	125,704
Insurance	35,466	36,885
Auto Travel	12,325	16,180
Contract Labor	<u>0</u>	<u>0</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 962,709</u>	<u>\$ 933,009</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ 71,559</u>	<u>\$ 18,462</u>
<b>NON-OPERATING REVENUE (EXPENSES)</b>		
Interest	(160,116)	(165,662)
	<u>-</u>	<u>-</u>
<b>TOTAL NON-OPERATING REVENUE (EXPENSE)</b>	<u>\$ (160,116)</u>	<u>\$ (165,662)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(88,557)	(147,200)
TRANSFERS-FUNDS-SPLOST	36,730	146,815
<b>CHANGE IN NET POSITION</b>	\$ (51,827)	\$ (385)
<b>NET POSITION AT BEGINNING OF YEAR (adjusted)</b>	<u>\$ 4,737,623</u>	<u>\$ 4,862,648</u>
<b>NET POSITION AT END OF YEAR</b>	<u><u>\$ 4,685,796</u></u>	<u><u>\$ 4,862,263</u></u>

**MARION COUNTY, GEORGIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Water Fund</b>	
	<b>2019</b>	<b>2018</b>
Cash Flow From Operating Activity		
Cash Received from Customers	\$ 1,032,415	\$ 947,684
Cash Payment to Suppliers for Materials & Supplies	(6,691)	(42,722)
Cash Payments to Employees for Services	-	(71,811)
Maintenance, Operating & Contract Services	(500,252)	(478,314)
	\$ 525,472	\$ 354,837
Cash Flows from Capital and related Financing Activities		
Transfer Funds- General Fund	\$ -	\$ 19,356
Special Option Sales Tax	36,730	146,815
	\$ 36,730	\$ 166,171
Cash Flows From Capital & Related Financing Activities		
Additions to Plant, Net	\$ (229,229)	\$ (146,815)
Principal Paid on Bonds, Notes	(174,585)	(169,042)
Interest Paid on Bonds, Notes	(160,116)	(165,662)
Loan Proceeds	119,807	
	\$ (444,123)	\$ (481,519)
Cash Flows from Investing Activities:		
Investment Income	\$ -	\$ -
	\$ -	\$ -
Net Increase (Decrease in Cash & Cash Equivalents)	\$ 118,079	\$ 39,489
Cash & Cash Equivalents at December 31, 2018	\$ 271,443	\$ 231,954
Cash & Cash Equivalents at December 31, 2019	\$ 389,522	\$ 271,443

For purposes of the statement of cash flows, cash and cash equivalents include any cash or investments with an original maturity of three months or less.

investments with an original maturity of three months or less.

**MARION COUNTY, GEORGIA  
STATEMENT OF CASH FLOW  
PROPRIETARY FUNDS  
DECEMBER 31, 2019**

	<b>Water Fund</b>	
	<b>2019</b>	<b>2018</b>
Reconciliation of Operating Income to Net Cash Provided (Used) for operating Activities:	\$ 71,559	\$ 18,462
Operating Income (Loss)		
Adjustments to Reconcile Operating Income (Loss)		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	\$ 401,720	\$ 360,177
Changes in Assets and Liabilities		
Increase in Accounts Receivable	1,853	(3,787)
(Increase) Decrease in other Assets	-	-
Increase (Decrease) in Accounts Payable & Accrued Expenses	50,340	(20,015)
Total Adjustments	\$ 453,913	\$ 336,375
Net Cash Provided (Used) by Operating Activities	\$ 525,472	\$ 354,837

For purposes of the statement of cash flows, cash and cash equivalents include any cash or investments with an original maturity of three months or less.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**A. Reporting Entity**

Marion County, Georgia (hereinafter the County) a political subdivision of the state of Georgia, is governed by a five-member elected board of commissioners.

The accompanying financial statements report on the financial activity for Marion County, Georgia for the year ended December 31, 2019. The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units.

The reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting of Marion County's financial statements to be misleading and incomplete.

For financial reporting purposes, in accordance with the criteria set forth in GASB 14, the County includes all funds over which the County exercises financial accountability. The Criteria used to determine financial accountability is evidenced by the following:

1. Ability to impose will on an organization by being able to significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization.
2. Financial benefit to or burden on primary government including responsibility for financing debts, entitlements to surpluses and guarantees or moral responsibility for debt.
3. Fiscal dependency for matters including authority over funds and budgetary appropriations.
4. Ability of primary government to appoint a voting majority of an organization's governing body.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 34. This Statement establishes new financial reporting requirements for state and local governments throughout the United States. Its implementation creates new information and restructures much of the information that governments have presented in the past.

The GASB's intent is to make annual reports more comprehensive and easier to understand.

GASB 34 takes effect for entities the size of Marion County, Georgia during the fiscal year ending December 31, 2004. Some of the more significant changes in GASB Statement 34 incurred:

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**A. Reporting Entity (Continued)**

1. The presentation of a government-wide statement of net assets that includes infrastructure (roads, bridges, etc.) and all debt.
2. The presentation of current and accumulated depreciation by activity.
3. The presentation of a government-wide statement of activities using full accrual accounting.
4. The presentation of the original adopted budget as well as the final amended budget in the budgetary comparison statements.

Legally separate entities, over which the County exercises financial accountability, whose operations are, in substance, part of the County's operations are blended or combined with data from the County.

Entities, over which the County exercises financial accountability, whose operations are distinct from those of the County are discretely presented in a separate column in the government-wide financial statements.

Included for financial reporting purposes using these criteria are:

**COMPONENT UNITS**

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The criteria set forth in GAAP and GASB number 14 are used to determine any potential component units. The basic, but not the only, criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise financial accountability is the appointment of a voting majority of the component unit's board (simple accountability). Other criteria used to evaluate potential component units for including or exclusion from the reporting entity is ability to impose its will, the existence of financial benefit or burden, the fiscal dependency and designation of management.

In accordance with the above criteria the County has determined that the Marion County Board of Health and the Marion County Hospital Authority should be included as a discretely presented component unit. It is presented in a separate column to emphasize that it is legally separate from the County and has a fiscal year end of June 30, 2019. Separately audited basic financial statements may be obtained from the County Commissioners office or the Health Department and the Marion County Hospital Authority.

In accordance with the above criteria the County has determined that the Marion County Development Authority should be included as a discretely presented component unit. It is presented in a separate column to emphasize that it is legally separate from the County and has a fiscal year end of December 31, 2019. Separately audited basic financial statements may be obtained from the County Commissioners office or the Marion County Development Authority.

Excluded from financial reporting using these criteria are:

1. River Valley Regional Commission
2. There are various other related organizations for which the County appoints board members but has no further accountability.

**MARION COUNTY, GEORGIA**



**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**B. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

On the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus. However, in the fund financial statements, the measurement focus differs by fund types as follows:

All governmental funds are accounted for using a current financial resource measurement focus. Within this measurement focus, only current assets and liabilities generally are included on the balance sheet. Operating statements of these funds present sources/increases (i.e., revenues and other financing sources) and uses/decreases (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. These funds used fund balances as their measurement of available spendable financial resources at the end of the period.

Agency funds are not involved in the measurement of results of operations; therefore no measurement focus is applied to agency funds.

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized as soon as they are earned, and expenses are recognized when the liability is incurred or the economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange occurs.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they become “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year-end and available to pay obligations of the current period. Expenditures, including capital outlay, are recognized in the accounting period in which the related fund liability is incurred.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary and fiduciary funds are accounted for on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**MARION COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**B. Measurement Focus and Basis of Accounting (Continued)**

Differences exist between the governmental activities' columns reported in the government-wide statements and the corresponding total columns reported in the fund financial statement. The differences are the result of the use of the two different measurement focuses between these statements. As stated above, the government-wide statements present governmental activities on the economic resources' measurement focus while the fund financial statements present governmental funds on the current financial resources' measurement focus. Additional detailed information about the reconciling items can be found on pages 6 and 8.

**C. Basis of Presentation**

The government-wide financial statements (i.e., the statement of net assets and statement of activities) display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

On the Government wide statement of activities (page 6) a prior period adjustment was made because of overstatement of pension cost for prior period.

The fund financial statements reflect the activities of the County's individual funds. Funds are organized into three categories: governmental, special revenue and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County (i.e., the general fund) or meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 in the government-wide financial statements unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

As a general rule, the effects of internal activity have been eliminated from the government-wide statements. Exceptions to this general rule are administrative charges between the County's general fund and special revenue funds. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**C. Basis of Presentation (Continued)**

Program revenues are derived directly from a particular program or from parties outside the County's taxpayers or citizenry. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions. All taxes are included in general revenues.

Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses include costs 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 and typically include interest revenue and expense.

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

Columnar Headings and Description of Funds

The County uses funds to report financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The County reports the following major governmental funds:

General Fund- The general fund is the County's primary operating fund and is always classified as a major fund. It accounts for all financial resources of the general governmental, except those required to be accounted for in another fund.

Special Sales Tax 2015- On June 25, 2014 voters in Marion County approved an additional special 1% sales tax provision for a special sales tax to be imposed for the purpose of being used for roads, streets and bridges, water and sewer projects and emergency medical services. It is to be imposed for six years. The total is not to exceed \$8,000,000. The tax was imposed in April 2015. For the Year Ended December 31, 2019, \$445,726 was collected; \$148,550 was transferred to the City of Buena Vista.

Transportation Investment Act (TIA) -

Special Local Option Sales Tax Fund - to account for revenues derived from specific taxes, grants and other sources which are designated to finance activities of the County. The Capital Project funds consist of the Special Use Local Option Tax Fund.

LMIG - to account for revenues derived from specific taxes, grants and other sources which are designated to finance activities of the County. The Capital Project funds consist of the LMIG Fund.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**C. Basis of Presentation (Continued)**

The County reports non-major governmental funds:

Other Governmental Funds- Proceeds received from additional fines for certain activities regarding marijuana, controlled substances, and non-controlled substances are restricted for expenditures for drug treatment and education. During 2018, \$12,478 was collected and deposited in an interest-bearing account from such fines. These funds are being expended as required by law.

The County reports the following major proprietary fund:

The *Public System Fund* accounts for the water and sewage services provided by the County. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, and 2) operating grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The proprietary fund distinguishes *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for the enterprises fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are report as non-operating revenues and expenses.

Additional funds were received from a 10% penalty imposed under the Jail Construction and Staffing Act which authorizes counties to impose a penalty for all fines and forfeited bail or bond for any offense against a state criminal or traffic law. These funds are required to be placed in a jail fund for use in staffing and jail repair as required. During 2018, \$12,478 was collected from these funds and placed in an interest-bearing account. These funds could be accounted for in the general fund, but the County has elected to account for these funds separately to assure that they are properly expended.

**C. Basis of Presentation (Continued)**

Proprietary Fund Type- Proprietary funds are accounted for using the economic resources measurement focus; the accounting objectives are determination of net income, financial position, and cash flows. All assets and liabilities associated with

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

a proprietary fund's activities are included on its balance sheets. Proprietary fund equity is segregated into contributed capital and retained earnings.

Additionally, the County reports the following fund types:

Fiduciary Funds - Account for assets held, as an agent, for individuals, private organizations, other governments and other funds.

**D. Budget and Law Practice**

The County Manager submits an annual budget to the Commissioners prior to the beginning of each fiscal year. The Commissioners adopt annual fiscal year appropriated budgets for County operating funds. These include the General and Special Revenue Funds. Once approved, the Commissioners may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

The level of budgetary control is the department level.

The budgets for the operating funds are prepared on the modified accrual basis.

Revenues are budgeted in the year receipt is expected; and expenditures, which include accounts payable are budgeted in the year that the applicable purchase orders are expected to be issued. The budget and actual financial statements are reported on this basis.

**Budgetary Control**

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues and expenditures are budgeted by source. All budget revisions are subject to final review by the Commissioners.

The budget is incorporated into the accounting system and it is used and compared to actual receipts and disbursements to insure fiscal responsibility.

There were areas where expenditures were in excess of appropriated budgeted amounts. There are various reasons for this, all of which the County is aware of. The general fund expenditures were above budgeted amounts by \$175,671. See Financial Statements (page 9).

General	(14,733)
Public Safety	(56,953)
Health & Welfare	(103,985)
	<u>(175,671)</u>

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**D. Budget and Law Practice (Continued)**

The nature of these funds lends itself to budget variances. The excess expenditures were funded with prior year's cash. See page 24.

County Commissioners are aware and have approved the variances; however, the budget was not formally amended.

**E. Encumbrances**

Encumbrance accounting is not used by Marion County. As December 31, 2019, there were no material encumbrance type items outstanding.

**F. Inventory**

Expendable supplies are recorded as expenditures at the time items are purchased. The County does not record inventories of supplies on the books due to immateriality.

**G. Accounts Receivable**

These are amounts paid by Marion County which are to be reimbursed during the next fiscal year. The amount is considered fully collectible.

**H. Property Taxes Receivable and Property Tax Calendar**

Property taxes receivable are uncollected property taxes as of December 31, 2019 but were collected by February 28, 2020. Total amount collected from January 1, 2020 to February 29, 2020 is \$179,095.

Property taxes attach as an enforceable lien on property. The tax lien date is January 1, taxes are levied on October 1, and payable on December 20. The County bills and collects its own property taxes as well as taxes for the State and County School District. Collections of the county taxes and remittance of them to the County are accounted for in the Tax Commissioners Agency Fund.

**I. Accumulated Unpaid Vacation, Sick Pay, and other Employee Benefit Amounts**

Accumulated unpaid sick pay and other employee benefit amounts are not accrued in governmental funds (using the modified accrual basis for accounting.) At December 31, 2019, unrecorded liabilities included approximately \$-0- in vacation pay.

**J. Accounts Payable and Accrued Expense**

These are amounts due or accrued as of December 31, 2019.

**MARION COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**K. Cash and Investments**

At December 31, 2019, the bank account balances totaled \$4,432,778 includes both general and proprietary funds. Cash and time deposits include amounts in demand deposits, passbook savings as well as certificates of deposits. All cash is separately held and reflected in its respective fund. Cash equivalents are short term, highly liquid investments with a maturity date of three months or less that can be converted to known amounts of cash.

County's deposits policy limits deposit choices to checking accounts, money market accounts and certificates of deposits with local banks. All deposits are to be secured as required by state statutes. The state statutes require the deposits to be secured at an amount equal to the total deposits less FDIC insurance, and then multiplied by 110 percent.

The County's investment policy limits investment choices to investments complying with state statutes. These investments are limited to obligations of states, obligations issued by the U.S. government, obligations fully insured or guaranteed by the U.S. government, or by a government, the local government investment pool established by state law and obligations of other political subdivisions of the State of Georgia.

The Georgia Fund one state investment pool is managed under the policies included in Georgia Law (O.C.G.A 36-83-4). The entire portfolio, including the Government's pro-rata portion, consists of collateralized certificates of deposit and government or governmental agency securities owned outright and under agreement to resell. The title to all investments, including collateral pledged to secure certificates of deposit, is held in the custody of the Directors Fiscal Division, Office of Treasury and Financial Services, State of Georgia in accordance with Georgia law. This is not a SEC-registered investment pool; the fair value, 28 day weighted average method, of the position in the pool is the same as the value of pool shares. At December 31, 2019, the County had \$963,243 invested in Georgia Fund One. Standard & Poor's assigns its 'AAA' money market rating to Georgia Fund 1.

Deposits: Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County has a deposit policy for custodial risk.

**L. 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 column in government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of \$5,000 or more and an estimated life of more than one year. All capital assets (governmental and proprietary) are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are valued at their fair market value when donated. Interest costs on debt incurred for the construction of capital assets are capitalized net of interest earned on the invested proceeds of construction debt over the same period. Major improvements that extend the life of an asset are capitalized.

**MARION COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2019**

Summary of Significant Accounting Policies

**L. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2018 was as follows:

	<b>Balance Jan. 1</b>	<b>Additions Completions</b>	<b>Retirements Adjustments</b>	<b>Balance December</b>
<b>Governmental Activities;</b>				
Capital assets not being deprec.				
Land	\$ 126,006	\$ -	\$ -	\$ 126,006
Total Capital assets not being Depreciated	\$ 126,006	\$ -	\$ -	\$ 126,006
Capital assets being depreciated				
Infrastructure	\$ 1,911,943	\$ 194,840	\$ -	\$ 2,106,783
Building	1,064,785	3,423	-	1,068,208
Vehicles	714,543	37,500	-	752,043
Equipment	1,089,459	17,800	-	1,107,259
Airport	112,918	1,553,435	-	1,666,353
Total Capital Assets being Depreciated	\$ 4,893,648	\$ 1,806,998	\$ -	\$ 6,700,646
Less accumulated depreciation for:				
Infrastructure	\$ 66,128	\$ 16,532	\$ -	\$ 82,660
Buildings	423,509	8,820	-	432,329
Vehicles	665,973	46,876	-	712,849
Equipment	152,629	10,970	-	163,599
Airport		83,198		83,198
Total Accumulated Deprec.	\$ 1,308,239	\$ 166,396	\$ -	\$ 1,474,635
Total Cap. Assets being depreciated, net	\$ 3,585,409	\$ 1,640,602	\$ -	\$ 5,226,011
Governmental activities capital assets, net	\$ 3,711,415	\$ 1,640,602	\$ -	\$ 5,352,017
<b>Business-type Activities:</b>				
Capital assets not being deprec.				
Land	\$ 12,264	\$ -	\$ -	\$ 12,264
Total Capital Assets not being depreciated	\$ 12,264	\$ -	\$ -	\$ 12,264
Capital assets being depreciated				
Utility Plant in Service	\$ 14,470,347	\$ 78,090	\$ -	\$ 14,548,437
Equipment & Vehicles	121,196	26,499	-	147,695
Total capital assets being dep.	\$ 14,591,543	\$ 104,589	\$ -	\$ 14,696,132
Less accumulated deprec. for:				
Utility Plant in Service	\$ 5,345,506	\$ 396,131	\$ -	\$ 5,741,637
Equipment and Vehicles	105,558	5,589	-	111,147
Total Accumulated Depreciation	\$ 5,451,064	\$ 401,720	\$ -	\$ 5,852,784
Total capital assets, net	\$ 9,140,479	\$ (297,131)	\$ -	\$ 8,843,348
Business-type activities assets, net	\$ 9,152,743	\$ (297,131)	\$ -	\$ 8,855,612



**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**L. Capital Assets (Continued)**

Capital asset activity for the year ended December 31, 2019 was as follows:

Depreciation by Class:		Proprietary Fund:	
<u>General Government</u>			
General Government	\$ 11,190	Equipment & Vehicles	\$ 5,589
Public Safety	15,055	Plant	396,131
Health & Welfare	30,636		-
Public Works	16,242		-
Airport	67,904		-
Infrastructure	24,326		-
Cultural and Recreation	1,043		-
 Total:	 \$ 166,396		 \$ 401,720

Normal maintenance and repairs are charged to expense as incurred. Preliminary and interim costs incurred by governmental and proprietary funds for capital projects are reported as "construction in progress." Costs related to abandoned projects are expensed when the project is abandoned.

The County has recorded all infrastructure assets acquired subsequent to October 1, 2003 and is currently reviewing its infrastructure to ensure that all such assets are recorded before the phase-in date for retroactive general infrastructure reporting under Governmental Accounting Standards Board Statement.

Capital assets are depreciated over their estimated lives for both General Government and Proprietary fund using the straight-line method as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture and Fixtures	5 to 7 Years
Machinery and Equipment	5 to 15 Years
Buildings	20 to 50 Years
Plant	15 to 40 Years
Infrastructure	50 Years

The county made an inventory of its governmental activities' capital assets at September 30, 2003. Capital assets were adjusted for this inventory and for a change in its capital asset policy. Because of the above, governmental activities capital assets at December 31, 2003 will not agree with the previously released financial statements for December 31, 2003.

**M. Long Term Debt**

Phase 1 - Water Fund Construction - Proprietary Fund

The first phase of Marion County Water Fund Project was completed in 1994, in which Marion County received a \$400,000.00 grant from the Department of Community Affairs.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

The United States Department of Agriculture, Farmers' Home Administration, made grants of \$1,453,400 during 1994 and 1995 toward Phase 1 of this project. A loan of \$558,100 was made by Farmers' Home Administration to finance the construction of the first phase of the water works facility at 5% interest. This loan was financed by the issuance of Marion County Water System Revenue Bonds, Series 1994A, in the principal amount of \$505,100 for the acquisition, construction, and installation of the County's water system and the issuance of \$53,000 Series 1994B Marion County Water System Revenue Bonds for the purpose of financing the cost of acquisition, construction, and installation of additions to the water system. Balance as of December 31, 2019 is \$290,285 and \$ 30,303.

	1	2
Balance 12-31-18	\$ 304,406	\$ 31,795
Payments	<u>(14,121)</u>	<u>(1,492)</u>
Balance 12-31-19	<u>\$ 290,285</u>	<u>\$ 30,303</u>

Total annual payments are being made to the Farmers' Home Administration as follows:

1994A-Bonds	Principal	Interest	Total
2020	14,770	12,758	27,528
2021	15,449	12,079	27,528
2022	16,158	11,370	27,528
2023	16,901	10,627	27,528
2024	17,677	9,851	27,528
	<u>80,955</u>	<u>56,685</u>	<u>137,640</u>

Principal and interest on remaining years of debt:

1994A-Bonds	Principal	Interest	Total
2025	18,489	9,039	27,528
2026	19,339	8,189	27,528
2027	20,227	7,301	27,528
2028	21,156	6,372	27,528
2029	22,128	5,400	27,528
	<u>101,339</u>	<u>36,301</u>	<u>137,640</u>
2030	23,145	4,383	27,528
2031	24,208	3,320	27,528
2032	25,320	2,208	27,528
2033	26,483	1,045	27,528
2034	8,835	80	8,915
	<u>107,991</u>	<u>11,036</u>	<u>119,027</u>

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

(2) <u>1994B-Bonds</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	1,561	1,331	2,892
2021	1,632	1,260	2,892
2022	1,707	1,185	2,892
2023	1,786	1,106	2,892
2024	1,868	1,024	2,892
	8,554	5,906	14,460
	8,554	5,906	14,460

Principal and interest on remaining years of debt:

<u>1994B-Bonds</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	1,954	938	2,892
2026	2,043	849	2,892
2027	2,137	755	2,892
2028	2,235	657	2,892
2029	2,338	554	2,892
2030	2,445	447	2,892
2031	2,558	334	2,892
2032	2,675	217	2,892
2033	2,798	94	2,892
2034	566	2	568
	21,749	4,847	26,596
	21,749	4,847	26,596

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Marion County Water System Sinking Fund

A special trust fund to be known as the "Marion County Water System Sinking Fund" is to be created within the water fund. Two accounts will be created in the sinking fund.

(1) A Debt Service Account to which deposits of \$2,719.00 are to be made monthly to fund the principal and interest on the bonds coming due in the current sinking fund year on the Series 1994A and B bonds. As parity bonds are issued, this monthly payment will be increased to meet the principal and interest payments on the parity bonds.

(2) A Debt Service Reserve Account of funds of a minimum of ten (10%) percent of monthly installment of principal and interest on the bond must be deposited to the bond reserve fund. This reserve fund monthly deposits are to be made until the fund has accumulated an amount equal to that needed to pay the principal and interest on the bonds for the next succeeding year. This debt service reserve requirement means \$32,620 (which consists of \$29,520 (the maximum annual principal and interest payments) of the Series 1994A Bonds] and \$3,108.00 (the maximum annual principal and interest payments of the Series 1994B Bonds) or from and after the date of issuance of any Parity Bonds, \$32,628 plus the maximum annual principal and interest payment on each parity bond issued and outstanding. As of December 31, 2018, the Water Fund has cash funds of \$32,628 deposited in the account and \$0 shortage.

Phase II -Water Fund Construction

On August 17, 1998, Marion County approved the issuance of Marion County Water System Revenue Bond, Series 1998, in the principal amount of up to \$1,236,490 for the purpose of financing the cost of Phase II Construction cost of the County Water System. The bond issued will be payable from a first lien on the net revenue of the County's water system. The bonds were issued in January 1999, with payments to begin in January of 2000. The first payment was interest only. These bonds were purchased through the United States Department of Agriculture and bear interest at the rate of 4.5%.

These funds, with federal grants made available through the United States of America, acting through the Rural Development, United States Department of Agriculture for assistance provided through the Consolidated Farm and Rural Development Act (7 U.S.C. 192 et.seq.), as amended, will provide the needed funds for financing of the improvements. A grant of \$3,574,470 was received during the construction of this phase of the water fund project from the United States Department of Agriculture, along with a grant from the Department of Community Affairs of \$500,000. Phase II of the water fund project was completed in December of 1999.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Phase II - Water Construction

A Debt Service Fund was created which requires funds to be credited to the sinking fund until \$67,368.00- has been credited to the account to cover the principal and interest on the Parity Bonds for one year.

The first payment on the Bonds was made in January 2000, and was for interest only of \$55,642.05. All payments thereafter will be made monthly of both principal and interest of \$5,614.00.

A payment of \$5,614 per month is being made to the Debt Service Reserve Account until the Debt Service Fund is fully funded. As of December 31, 2019, \$67,368 has been deposited in the account. There is a shortage of \$-.

The date of closing on the Bonds was January 14, 1999.

The balance as of December 31, 2019 is \$859,429.

Balance 12-31-18	\$ 887,438
Payments	<u>(28,009)</u>
Balance 12-31-19	<u>\$ 859,429</u>

Total annual payment to be made to Farmer's Home Administration are as follows:

1998 Bond	Principal	Interest	Total
2020	29,296	38,072	67,368
2021	30,641	36,727	67,368
2022	32,049	35,319	67,368
2023	33,524	33,844	67,368
2024	35,061	32,307	67,368
	<u>\$ 160,571</u>	<u>\$ 176,269</u>	<u>\$ 336,840</u>

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Phase II - Water Construction

Principal and interest on remaining years of debt:

1998 Bond	Principal	Interest	Total
2025	36,672	30,696	67,368
2026	38,357	29,011	67,368
2027	40,119	27,249	67,368
2028	41,962	25,406	67,368
2029	43,890	23,478	67,368
2030	45,906	21,462	67,368
2031	48,015	19,353	67,368
2032	50,221	17,147	67,368
2033	52,528	14,840	67,368
2034	54,941	12,427	67,368
2035	57,465	9,903	67,368
2036	60,105	7,263	67,368
2037	62,866	4,502	67,368
2038	65,811	1,618	67,429
	698,858	244,355	943,213

Phase III - Water Fund Construction

On June 12, 2005, Marion County approved the issuance of Marion County Water System Revenue Bond, Series 2005, in the principal amount of up to \$2,279,830 for the purpose of financing the cost of Phase III Construction cost of the County Water System. The bond issued will be payable from a first lien on the net revenue of the County's water system. These bonds were purchased through the United States Department of Agriculture and they bear interest at the rate of 4.25%.

These funds were made available through the United States of America, acting through the Rural Development, United States Department of Agriculture for assistance provided through the Consolidated Farm and Rural Development Act (7 U.S.C. 192 et.seq.), as amended, will provide the needed funds for financing of the improvements, a grant from the Department of Community Affairs of \$500,000.00. As of December 31, 2006, \$500,000 has been received.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Phase III - Water Fund Construction

A Debt Service Fund was created as required which requires funds to be credited to the sinking fund until \$118,740 has been credited to the account to cover the principal and interest on the Parity Bonds for one year. As of December 31, 2019, \$117,350 has been deposited in the account. This is a shortage of approximately 1,174.

A payment of \$990 per month is being made to the Debt Service Reserve Account until the Debt Service Fund is fully funded.

The first payment on the Bonds was made in January 2006, and was for interest. All payments thereafter will be made monthly of both principal and interest of \$9,895.

Interim financing in the amount of \$2,051,847 for the Bonds was provided by Columbus Bank and Trust at 70% of prime rate. Interest was charged only on the amount drawn down to finance construction as it progresses. Interest of \$29,324.69 was paid on this interim financing. The loan was closed on 12-22-05.

The balance as of December 31, 2019 is \$1,850,901.

Balance – 12-31-18	\$ 1,890,073
Payments	(39,172)
Balance - 12-31-19	<u>\$1,850,901</u>

Phase III - Water Construction

Total annual payments to be made to Farmer's Home Administration are as follows:

Payments will be as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	40,348	78,392	118,740
2021	42,097	76,643	118,740
2022	43,921	74,819	118,740
2023	45,824	72,916	118,740
2024	47,810	70,930	118,740
	<u>220,000</u>	<u>373,700</u>	<u>593,700</u>

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Principal and interest on remaining debt:			
2005 Bond	Principal	Interest	Total
2025	49,882	68,858	118,740
2026	52,004	66,696	118,700
2027	54,300	64,440	118,740
2028	56,653	62,087	118,740
2029	59,108	59,632	118,740
2030	61,670	57,070	118,740
2031	64,342	54,398	118,740
2032	67,131	51,609	118,740
2033	70,040	48,700	118,740
2034	73,075	45,665	118,740
2035	76,242	42,498	118,740
2036	79,546	39,194	118,740
2037	82,994	35,746	118,740
2038	86,591	32,149	118,740
2039	90,343	28,397	118,740
2040	94,258	24,482	118,740
2041	98,343	20,397	118,740
2042	102,605	16,135	118,740
2043	107,052	11,688	118,740
2044	111,691	7,049	118,740
2045	93,031	2,185	95,216
	1,630,901	839,075	2,469,976

On July 15, 2011, The Marion County Commissioner signed a note with Central Bank of Georgia (Now Ameris Bank) in the amount of \$435,620.63 and 4.25% interest rate per year. The monthly payment is 4430.00 beginning 8/15/2011 for a total of 36 payments. The purpose of the loan was to expand water works. The balance at December 31, 2019 was \$80,674.



**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

On July 26, 2016, this loan was renewed with a balance of \$244,516, and the balance at December 31, 2019 is \$118,740 with an interest rate of 2.50%.

Balance 12-31-18	\$ 130,065
Payments	<u>(49,391)</u>
Balance 12-31-19	<u>\$ 80,674</u>

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	50,652	1,467	52,119
2021	30,022	381	30,403
Total	<u>80,674</u>	<u>1,848</u>	<u>82,522</u>

**USDA NOTE:**

On June 15, 2012, the Marion County Commissioners signed a note with Ameris Bank in the amount of \$750,000 and interest rate of 4.250% per year. The maturity date was December 25, 2012. The note was renewed and the outstanding balance was paid in full, February 6, 2013. The balance on February 6, 2013 was \$725,698.07. The note balance was paid by USDA. The County signed a note with USDA in the amount of \$783,900 and interest rate of 3% and monthly payments of \$2,588.44 for a period of 480 months. The beginning balance as of April 1, 2013 was \$783,900 and balance as of December 31, 2019 was \$698,698.

Balance 12-31-18	\$ 712,039
Payments	<u>(13,341)</u>
Balance 12-31-19	<u>\$ 698,698</u>

Payments will be as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	13,678	17,383	31,061
2021	14,024	17,037	31,061
2022	14,378	16,683	31,061
2023	14,741	16,320	31,061
2024	15,114	15,947	31,061
	<u>71,935</u>	<u>- -</u>	<u>83,370 -</u>
			<u>155,305</u>

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Payments will be as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	15,496	15,565	31,061
2026	15,887	15,174	31,061
2027	16,289	14,772	31,061
2028	16,700	14,361	31,061
2029	17,122	13,939	31,061
2030	17,554	13,507	31,061
2031	17,998	13,063	31,061
2032	18,452	12,609	31,061
2033	18,919	12,142	31,061
2034	19,396	11,665	31,061
2035	19,886	11,175	31,061
2036	20,389	10,672	31,061
2037	20,904	10,157	31,061
2038	21,432	9,629	31,061
2039	21,973	9,088	31,061
2040	22,528	8,533	31,061
2041	23,097	7,964	31,061
2042	23,681	7,380	31,061
2043	24,279	6,782	31,061
2044	24,893	6,168	31,061
2045	25,521	5,540	31,061
2046	26,166	4,895	31,061
2047	26,827	4,234	31,061
2048	27,505	3,556	31,061
2049	28,200	2,861	31,061
2050	28,912	2,149	31,061
2051	29,642	1,419	31,061
2052	30,391	670	31,061
2053	6,723	-	6,723
	<u>626,763</u>	<u>249,669</u>	<u>876,432</u>

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

On July 7, 2015, the Marion County Commissioner signed a note with Georgia Environmental Finance Authority (GEFA) in the amount of \$497,245 and interest rate of 1.52% per year with a maturity date of February 1, 2032. The balance as of December 31, 2019 was \$379,415.

Balance 12-31-18	\$ 408,462
Payments	<u>(29,047)</u>
Balance 12-31-19	<u><u>\$ 379,415</u></u>

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	29,491	5,562	35,053
2021	29,943	5,110	35,054
2022	30,401	4,652	35,053
2023	30,866	4,187	35,054
2024	31,339	3,714	35,053
2025	31,818	3,235	35,054
2026	32,305	2,748	35,054
2027	32,800	2,253	35,053
2028	33,302	1,751	35,053
2029	33,812	1,241	35,053
2030	34,329	724	35,053
2031	29,009	205	29,214
Total	<u><u>379,415</u></u>	<u><u>35,386</u></u>	<u><u>414,802</u></u>

GEFA Loan

On December 16, 2016, Marion County Commissioners signed a note with the Georgia Environmental Finance Authority (GEFA) in the amount of \$166,000 with an annual interest rate of 1.31%. Monthly payments in the amount of \$1,476.67 are due on the first of the month beginning February 1, 2017. Balance as of December 31, 2019 is \$119,807.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**M. Long Term Debt (Continued)**

Balance 12-31-18	\$ 135,844
Payments	<u>(16,037)</u>
Balance 12-31-19	<u>\$ 119,807</u>

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	16,248	1,472	17,720
2021	16,462	1,258	17,720
2022	16,679	1,041	17,720
2023	16,899	821	17,720
2024	17,121	599	17,720
2025	17,347	373	17,720
2026	17,576	144	17,720
2027	1,475	2	1,477
Total	<u>119,807</u>	<u>5,710</u>	<u>125,518</u>

Caterpillar Financial

On June 8, 2015, Marion County Commissioners signed a note with Caterpillar Financial Services Corporation in the amount of \$128,618 with an annual interest rate of 3.20%. Monthly payments of \$1410.61 are due on the 22nd of each month beginning June 22, 2015.

Balance 12-31-18	\$ 81,796
Payments	<u>\$ (14,521)</u>
Balance 12-31-19	<u>\$ 67,275</u>

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	<u>67,275</u>	<u>854</u>	<u>68,129</u>
Total	<u>67,275</u>	<u>854</u>	<u>68,129</u>

Debt Service on County's debt:

2020	\$ 420,610
2021	\$ 300,363
2022	\$ 300,364
2023	\$ 300,364
2024	\$ 300,364

**M-1. Special 1% Sales Tax for Road, Water and Emergency Medical 4/1/2009**

In the last SPLOST passed included a percent to be paid to the City of Buena Vista, the only City in the County. The amount paid to the City for the year December 31, 2019 was \$143,754.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**N. Pension Plan**

**ACCG Defined Benefit Plan**

Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Marion County Employees (The Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability and death benefits to plan participants and beneficiaries. The plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple- employer pension plan, administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document.

The Association of County Commissioners Deferred Benefit Plan issues a publicly available financial report that includes financial statements and required supplementary information for the statewide plan. That report may be obtained by contacting the Pension Service Company at 1100 Circle 75 Parkway, Suite 320, Atlanta, GA 30339.

All full-time County employees are eligible to participate in the Plan on the employee's employment commencement date. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 or 5 years of vesting service. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.50% of Average Annual Compensation multiplied by years of Credited Service. The plan also provides benefits in the event of death or disability.

Participant Data

As of January 1, 2019 employee membership data related to the current plan is as follows:

Inactive employees (or their beneficiaries) currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	18
Active employees	15
<hr/> <b>Total Participants</b> <hr/>	<hr/> <b>49</b> <hr/>

Contributions

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes.

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**N. Pension Plan (continued)**

The County Commission provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy. The administrative expenses set by contract between the ACCG and GEBCorp are in addition to the state-required annual funding requirement. The Georgia Constitution enables the governing authority of the County, the County Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and its Plan participants.

County employees are required to contribute to the Plan. The County contributes using the actuarial basis described in the annual valuation report. The County's actuarially determined contribution rate for the fiscal year ended December 31, 2019 was 10.23% of covered-employee payroll or \$57,798. The County's covered payroll for employees participating in the Plan as of January 1, 2019, (the most recent actuarial valuation date) was \$565,141 (based on covered earnings for the preceding year). The employees contribute 16,954 of covered payroll.

Actuarial assumptions

The total pension liability as of December 31, 2019 was determined by an actuarial valuation as of December 31, 2018 using the following actuarial assumptions, applied to all periods included in the measurement:

Cost of living adjustment	N/A	
Salary increases	4.0% – 5.5%	Adjusted for age
Investment rate of return	7.00%	
Increase in Social Security Wage Base	4.00%	

Mortality rates were based on the RP-2000 Combined Mortality Table. Disability rates were based on Social Security standard rates. 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 investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total plan assets, valued at cost. Fixed income shall be targeted at 30% of total plan assets, valued at cost. The guidelines for asset allocation are as follows:

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**N. Pension Plan (continued)**

	Target Allocation	Range
Fixed income	30%	25%-35%
Equities:		
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%

Discount Rate

The discount rate used to measure the total pension liability was 7.50 %. The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Total Pension Liability	Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2018	\$1,092,759	\$706,732	\$386,027
Changes for the year:			
Service cost	28,706	-	28,706
Interest	74,062	-	74,062
Liability Experience (Gain)/Loss	(78,274)	-	(78,274)
Assumption Change	45,713	-	45,713
Contributions - employer	-	64,889	(64,889)
Contributions - employee	-	9,870	(9,870)
Net investment income	-	135,606	(135,606)
Benefit payments	(69,461)	(69,461)	-
Administrative expense	-	(17,781)	17,781
Other	-	(3,458)	3,458
Net changes	746	119,665	(118,919)
Balances at December 31, 2019	\$ 1,093,505	\$ 826,397	\$ 267,108

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**N. Pension Plan (continued)**

*Sensitivity of the net pension liability changes in the discount rate*

The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	6.00%	8.00%
Total pension liability	\$1,219,579	\$987,466
Fiduciary net position	826,397	826,397
<b>Net pension liability</b>	<b>\$ 393,182</b>	<b>\$ 161,069</b>

*Pension plan fiduciary net position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued GEBCorp financial report.

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

For the year ended December 31, 2018, the County recognized pension expense of \$83,664. On December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Asset (Gain) / Loss	\$ 52,625	\$ (89,397)
Liability (Gain) / Loss	25,826	(51,283)
(Gain) / Loss due to Assumption Change	44,419	-
<b>Total</b>	<b>\$ 122,870</b>	<b>\$ (140,680)</b>

The County's contributions subsequent to the measurement date of December 31, 2019 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. There were no other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension.



**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**N. Pension Plan (continued)**

For the year ended December 31, 2019

Total pension liability		
Service cost	\$	28,706
Interest		76,493
Liability Experience (Gain) / Loss		-78,274
Assumption Change		45,713
Benefit payments		(71,892)
Net change in total pension liability		746
Total pension liability, beginning	\$	1,092,759
<hr/>		
Total pension liability, ending (a)	\$	1,093,505
<hr/>		
Plan fiduciary net position Contributions - employer		
Contributions - employer	\$	64,889
Contributions - employee		2,911
Net investment income		135,606
Benefit payments		(62,502)
Administrative expense		(17,781)
Other		(3,458)
Net change in fiduciary net position		119,665
Plan fiduciary net position - beginning	\$	706,732
<hr/>		
Plan fiduciary net position - ending (b)	\$	826,397
<hr/>		
Net pension liability - ending: (a)-(b)	\$	267,108

Plan's fiduciary net position as a percentage of the total pension liability

	75.6%
Covered-employee payroll	\$ 565,141

The schedule of employer contributions is as follows:

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2010	42,827	108.4%
2011	44,484	104.6%
2012	43,420	104.2%
2013	36,326	100.0%
2014	31,133	100.0%
2015	31,169	100.0%
2016	48,098	100.0%
2017	45,393	100.0%
2018	55,914	109.9%
2019	57,798	112.3%

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**O. Litigation**

Marion County is a defendant in some lawsuits and the outcome of those suits, in the opinion of the county's attorney, will not have an adverse effect on the financial condition of the county.

**P. Contingent Liabilities**

(A) Risk Management

The County is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage insuring each of the above risks of loss. Management believes that the coverage is adequate to preclude any significant uninsured risk exposure to the County. Marion County carries its liability insurance with the Baldwin Agency with policy issued by National Union Fire Insurance Company of Pittsburgh, Pennsylvania.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, Marion County became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The effective date of membership was December 1, 1982.

The County of Marion carries its workman Compensation Insurance with the Workman Comprehensive Self Insurance Fund.

The County of Marion has the following responsibilities:

To pay all contributions, assessments or other sums due to WCSIS at such times and in such amounts as shall be established by WCSIS.

To select a person to serve as a Member representative.

To allow WCSIS and its agent's reasonable access to all facilities of the County and all records, including but not limited to financial records, which relate to the purposes of WCSIS.

To allow attorneys appointed by WCSIS 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 Fund or Funds established by WCSIS.

To assist and cooperate in the defense and settlement of claims against the County.

To furnish full cooperation to WCSIS's attorneys claims adjusters, Service Company, and any agent, employee, officer or independent contractor of WCSIS relating to the purposes of WCSIS.

To furnish to WCSIS such budget, operating and underwriting information as may be requested.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**P. Contingent Liabilities (continued)**

To report as promptly as possible, and in accordance with any coverage description issued, all incidents which could result in WCSIS or any Fund established by WCSIS being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope to the protection of a Fund or Funds in which the County participates.

The Fund is to defend, in the name of and on half of the members, any suites or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false, or fraudulent.

The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Marion County must pay all contributions, assessments, and other sums due and in such amounts as shall be established by the Georgia Municipal Association Worker's Compensation Self Insurance Fund.

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

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

(B) Marion County Landfill

The use of the Marion County Landfill was discontinued June 28, 1991 and is no longer in operation. The Marion County Board of Commissioners determined at that time the future cost of monitoring, maintaining, and closing the landfill to meet the new regulations imposed by the State and Federal agencies would not be cost-efficient to the citizens of Marion County.

Marion County now contracts with Southern States Environmental Service to dispose of solid wastes.

Marion County is in the Post Closure Care Phase. Since Marion County ceased to accept waste before October 8, 1993, a five-year post closure care was authorized by the Georgia Department of Natural Resources. The Director of the Division has the authority to extend the post-closure period when necessary. On March 12, 2008, the Director extended the post-closure period. During 2019, \$5,403 was expended to monitor the groundwater.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Summary of Significant Accounting Policies

**P. Contingent Liabilities (continued)**

(C) Marion County Hospital Authority

In prior years, the Authority received Hill-Burton funds to be applied toward the construction and additions to the Hospital. These agreements state that, if at any time within twenty years after completion of the construction of the facilities, the facilities are sold or transferred to any person, agency, or organization, which is not qualified to file an application under the Hospital Survey and Construction Act, or is not approved as a transferor by the Georgia Board of Health, or has ceased to be a nonprofit Hospital, the United States shall be entitled to recover from either the transferor (or, in case the Authority ceases to be a nonprofit organization, from the owner thereof) the contributed percentage of the then value the Authority as determined by agreement of the parties or by action brought in the District Court of the United States for the District in which the Authority is located.

However, under the lease agreement with the Marion Community Hospital, Inc., expenses incurred by the Authority because of the lease contract are to be paid by the Marion Community Hospital, Inc.

(D) Jointly Venture

The Georgia Department of Audits has determined that the River Valley Regional Commission is a joint venture under Georgia Law, O.C.G.A. 20-5-40.

Marion County participates in the support of the River Valley Regional Commission. Marion County contributed to the River Valley Regional Commission operating budget in 2019. Membership in an RVRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RVRC in Georgia. Marion County has one commissioner and an appointed citizen of the County to represent Marion County on the board of River Valley Regional Commission who assist the counties and governments in grants and loan applications to support government capital improvements and operating projects within the counties and cities. The RVRC membership included the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RVRC.

The major source of the Development Corporation operational costs is financed through administration charges for grants and loan applications.

Complete financial statements for the River Valley Regional Commission may be obtained from the River Valley Regional Commission, 228 W. Lamar St. Americus, Georgia, 31709.

**Q. Subsequent Events**

Subsequent events have been evaluated through July 30, 2020, which is the date these financial statements were available to be issued.

Marion County has done a Water Revenue Bond Refunding that closed on 7/14/2020. Five FHA Loans and an Ameris Loan consolidated into one loan with Farmer's Bank with a principal amount of \$ 3,585,000.

**MARION COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**R. Interfund Transfers**

Transfers from the SPLOST fund (\$143,754) and T-SPLOST fund (\$4,159) to the Water fund to reimburse this fund for authorized SPLOST projects.

**S. Interfund Receivables/Payable**

Interfund balances at December 31, 2019, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The General fund reports an interfund receivable of \$310,333 due from the water fund.

# HERBERT E. ALLEN

CERTIFIED PUBLIC ACCOUNTANT

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Member of the Georgia Society of  
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Member of the Florida Institute  
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**July 30, 2020**

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTER BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Marion County Board of Commissioners  
Marion County, Georgia  
Buena Vista, Georgia

We have audited the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of and for the year ended December 31, 2019 and have issued our report thereon dated July 30, 2020. We did not audit the financial statements of the Marion County Department of Public Health which was audited by other auditors whose report has been furnished to us and our opinion as it relates to those amounts is based solely on the reports of other auditors. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **Internal Control Over Financial Reporting**

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

*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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as identified above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Marion County Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 are required to be reported under *Government Auditing Standards*.

No.

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "HERBERT E ALLEN CPA". The signature is written in a cursive, slightly slanted style.

HERBERT E. ALLEN, CPA

MARION COUNTY, GEORGIA  
SCHEDULE OF FINDINGS AND RESPONSES  
DECEMBER 31, 2019

I. Executive Summary

a. Compliance

The County will continue to make monthly deposits into the bond sinking fund when required.



**MARION COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	County Drug Education	County Jail Const. & Staffing	Total Funds
<b>Assets</b>			
Cash - Restricted	\$ 21,982	\$ 62,456	\$ 84,438
Loans & Notes Rec.	-	-	-
Investments -			-
Land at Cost	-	-	-
Total Assets	\$ 21,982	\$ 62,456	\$ 84,438
<b>Liabilities &amp; Fund Equity</b>			
<b>Liabilities</b>			
Loan Payable	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -
<b>Fund Equity</b>			
Reserve for Co. Drug & Educ.	\$ 21,982	\$ 62,456	\$ 84,438
Reserve for Jail Const.& Staffing	-	-	-
Total Fund Equity	\$ 21,982	\$ 62,456	\$ 84,438
Total Liabilities and Fund Equity	\$ 21,982	\$ 62,456	\$ 84,438

**MARION COUNTY, GEORGIA**  
**OTHER GOVERNMENTAL FUNDS - COMBINING SCHEDULE OF**  
**REVENUE AND EXPENDITURES AND CHANGES TO FUND BALANCE**  
**DECEMBER 31, 2019**

	<b>County Drug Education</b>	<b>County Jail Const.</b>	<b>Total Funds</b>
Revenue:			
Intergovernmental	\$ 3,099	\$ 11,677	\$ 14,776
Fines & Forfeitures	-	-	-
Interest	-	-	-
<b>Total Revenue</b>	<b>\$ 3,099</b>	<b>\$ 11,677</b>	<b>\$ 14,776</b>
Expenditures:			
Judicial	\$ 799	-	\$ 799
<b>Total Expenditures</b>	<b>\$ 799</b>	<b>-</b>	<b>\$ 799</b>
Excess (Deficit) of Revenue Over Expenditures	\$ 2,300	\$ 11,677	\$ 13,977
Fund Balance Beginning of Year	19,682	50,779	70,461
Fund Balance End of Year	<u>\$ 21,982</u>	<u>\$ 62,456</u>	<u>\$ 84,438</u>

**MARION COUNTY, GEORGIA  
BALANCE SHEET - CAPITAL PROJECTS FUND  
DECEMBER 31, 2019**

<b>Assets</b>	<b>Special 1% Sales Tax for Road, Water &amp; Emergency Medical 4/1/2015</b>	
	<b>2019</b>	<b>2018</b>
Cash - Restricted	\$ 410,940	\$ 141,978
Receivable- General Fund	-	-
Total Assets	\$ 410,940	\$ 141,978
<b>Liabilities &amp; Fund Equity</b>		
Loan Payable	\$ 13,564	\$ -
Total Liabilities	\$ 13,564	\$ -
Fund Equity		
Reserve for Road & Bridge Maintenance	\$ 397,376	\$ 141,978
Total Fund Equity	\$ 397,376	\$ 141,978
Total Liabilities and Fund Equity	\$ 410,940	\$ 141,978

**MARION COUNTY, GEORGIA**  
**CAPITAL PROJECTS FUND - COMBINING SCHEDULE OF**  
**REVENUE AND EXPENDITURES AND CHANGES TO FUND BALANCE**  
**DECEMBER 31, 2019**

	<b>Special 1% Sales Tax for Road, Water &amp; Emergency Medical 4/1/2015</b>	
	<b>2019</b>	<b>2018</b>
<b>Revenue:</b>		
Taxes		
Intergovernmental	\$ 450,210	\$ 445,726
Interest	-	-
DOT Funds	-	-
Total Revenue	\$ 450,210	\$ 445,726
<b>Expenditures</b>		
Capital Outlay - Kirkland	\$ -	\$ -
Buena Vista	143,754	148,550
Capital Outlay - Water Pump		
Sheriff Dept - Capital Outlay	-	34,418
Roads- Capital Outlay	1,500	35,249
EMS- Capital Outlay	-	34,864
Road Expenses	-	1,626
Water Dept	32,571	143,015
County Commissioners	-	525
Public Buildings-Capital Outlay	3,423	
Airport	-	6,204
Total Expenditures	\$ 181,248	\$ 404,452
Excess (Deficit) of Revenues		
Over Expenditures	\$ 268,962	\$ 41,274
Fund Balance Beginning of Year	\$ 141,978	\$ 100,703
Prior Period Adjustment	0	0
Fund Balance End of Year	\$ 410,940	\$ 141,977

**MARION COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2018**

<u>ASSETS</u>	Tax Commissioner	Clerk of Superior Court	Sheriff	Probate Court	Magistrate Court	Total
Cash	\$ 434,194	\$ 5,196	\$ 76,113	\$ 4,585	\$ 2,912	\$ 523,000
Total Assets	<u>\$ 434,194</u>	<u>\$ 5,196</u>	<u>\$ 76,113</u>	<u>\$ 4,585</u>	<u>\$ 2,912</u>	<u>\$ 523,000</u>

<u>LIABILITIES</u>						
Accounts Payable	\$ 434,194	\$ 5,196	\$ 76,113	\$ 4,585	\$ 2,912	\$ 523,000
Accounts Payable & Fund Equity	<u>\$ 434,194</u>	<u>\$ 5,196</u>	<u>\$ 76,113</u>	<u>\$ 4,585</u>	<u>\$ 2,912</u>	<u>\$ 523,000</u>

**MARION COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 DECEMBER 31, 2018**

	Balance 12/31/17	Additions	Deductions	Eliminations	Balance 12/31/18
<b>Asset s:</b>					
Cash	\$ 101,004	\$ 7,640,124	\$ 6,687,130	\$ 530,999	\$ 522,999
<b>Liabilities:</b>					
Due to General Fund	\$ -	\$ 3,071,809	\$ 2,509,420	\$ 533,672	\$ 28,717
Due to Others	101,004	4,656,735	4,263,457	-	494,282
	<u>\$ 101,004</u>	<u>\$ 7,728,544</u>	<u>\$ 6,772,877</u>	<u>\$ 533,672</u>	<u>\$ 522,999</u>

**MARION COUNTY, GEORGIA**  
**AGENCY FUNDS**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**DECEMBER 31, 2018**

	Balance 12/31/17	Additions	Deductions	Eliminations	Balance 12/31/18
<b><u>Clerk of Superior Court</u></b>					
<b>Assets:</b>					
Trust Funds	\$ 5,074	\$ 163,871	\$ 163,749	\$ -	\$ 5,196
Total Assets	<u>\$ 5,074</u>	<u>\$ 163,871</u>	<u>\$ 163,749</u>	<u>\$ -</u>	<u>\$ 5,196</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 5,074	\$ 94,307	\$ 99,531	\$ -	\$ (150)
Due to General Fund		66,890	64,217	2,673	\$ 5,346
Total Liabilities	<u>\$ 5,074</u>	<u>\$ 161,197</u>	<u>\$ 163,748</u>	<u>\$ 2,673</u>	<u>\$ 5,196</u>
<b><u>Probate Judge</u></b>					
<b>Assets:</b>					
Cash	\$ 3,026	\$ 175,932	\$ 167,804	\$ 6,569	\$ 4,585
Total Assets	<u>\$ 3,026</u>	<u>\$ 175,932</u>	<u>\$ 167,804</u>	<u>\$ 6,569</u>	<u>\$ 4,585</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 3,026	\$ 175,932	\$ 167,804	\$ -	\$ 11,154
Due to general fund	-	84,110	84,110	6,569	\$ (6,569)
Total Liabilities	<u>\$ 3,026</u>	<u>\$ 260,042</u>	<u>\$ 251,914</u>	<u>\$ 6,569</u>	<u>\$ 4,585</u>
<b><u>Magistrate Court</u></b>					
<b>Assets:</b>					
Cash	\$ 327	\$ 64,820	\$ 61,932	\$ 303	\$ 2,912
Total Assets	<u>\$ 327</u>	<u>\$ 64,820</u>	<u>\$ 61,932</u>	<u>\$ 303</u>	<u>\$ 2,912</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 327	\$ 63,189	\$ 61,932	\$ -	\$ 1,584
Due to general fund	-	5,462	3,831	303	\$ 1,328
Total Liabilities:	<u>\$ 327</u>	<u>\$ 68,651</u>	<u>\$ 65,763</u>	<u>\$ 303</u>	<u>\$ 2,912</u>

**MARION COUNTY, GEORGIA**  
**AGENCY FUNDS**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**DECEMBER 31, 2018**

	Balance 12/31/17	Additions	Deductions	Eliminations	Balance 12/31/18
<b><u>Tax Commissioner</u></b>					
<b>Assets:</b>					
Cash *	\$ 43,109	\$ 7,171,606	\$ 6,259,679	\$ 520,842	\$ 434,194
Total Assets	43,109	7,171,606	6,259,679	520,842	\$ 434,194
<b>Liabilities:</b>					
Due to others	\$ 43,109	\$ 4,656,735	\$ 4,265,650	\$ -	\$ 434,194
Due to General Fund		2,514,871	1,994,029	520,842	-
Total Liabilities	\$ 43,109	\$ 7,171,606	\$ 6,259,679	\$ 520,842	\$ 434,194
<b><u>Sheriff</u></b>					
<b>Assets:</b>					
All Funds	49,469	63,894	33,966	3,285	\$ 76,112
Total Assets	\$ 49,469	\$ 63,894	\$ 33,966	\$ 3,285	\$ 76,112
<b>Liabilities:</b>					
Accounts Payable	\$ 49,468	\$ 42,725	\$ 12,796		\$ 79,397
Due to General Fund	-	21,170	21,170	3,285	\$ (3,285)
Total Liabilities	\$ 49,468	\$ 63,895	\$ 33,966	\$ 3,285	\$ 76,112

\* Net including checks outstanding the cleared bank in Jan. 2018



# HERBERT E. ALLEN

CERTIFIED PUBLIC ACCOUNTANT

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July 30, 2020

## INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for Marion County, Georgia for the year ended December 31, 2019. This schedule is the responsibility of Marion County, Georgia's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

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 Schedule of Special Purpose Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated 48-8-121 on the modified accrual basis of accounting and is not intended to be a complete presentation of Marion County, Georgia's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in Marion County, Georgia's resolution or ordinance calling for the tax for the year ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

HERBERT E. ALLEN, CPA

**MARION COUNTY, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION**  
**SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

PROJECT	ESTIMATED COST		EXPENDITURES		TOTAL	ESTIMATED % OF COMPLETION
	ORIGINAL	CURRENT	PRIOR YEARS	CURRENT YEAR		
4/1/2015						
Roads, Streets & Bridges						
Water & Sewer,						
Emergency Medical Services	5,200,000	5,200,000	3,215,097	37,494	3,252,591	62.55%
City-Buena Vista	2,800,000	2,800,000	1,504,227	143,754	1,647,981	58.86%
TOTAL	8,000,000	8,000,000	4,719,324	181,248	4,900,572	61.26%

**MARION COUNTY, GEORGIA**  
**BALANCE SHEET - OTHER GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>LMIG</b>	
	<b>2019</b>	<b>2018</b>
Assets		
Cash - Restricted	\$ -	\$ -
Receivable-General Fund	812,120	402,665
Land at Cost	-	-
	\$ 812,120	\$ 402,665
Liabilities & Fund Equity		
Liabilities		
Deferred Revenue	\$ 812,120	\$ 402,665
	\$ 812,120	\$ 402,665
Fund Equity		
Reserve for Roads & Bridges		
Maintenance	\$ -	\$ -
Reserve for Jail		
Const.& Staffing	-	-
	\$ -	\$ -
Total Liabilities and Fund Equity	\$ 812,120	\$ 402,665

\* The County received revenue in the amount of \$402,665 for the year ended December 31, 2018. The amount was recorded as deferred revenue for the year ended December 31, 2018 and not spent by December 31, 2019. This Project will be completed in the year ending 2019. The County received revenue in the amount of \$ 409,455 in 2019. Not spent for a total of \$812,120 as deferred revenue at December 31, 2019.

**MARION COUNTY, GEORGIA  
OTHER GOVERNMENTAL FUNDS - SCHEDULE OF  
REVENUE AND EXPENDITURES AND CHANGES TO FUND BALANCE  
DECEMBER 31, 2019**

	<b>LMIG</b>	
	<b>2019</b>	<b>2018</b>
Revenue:		
Intergovernmental	\$ -	\$ -
Interest	-	-
Total Revenue	\$ -	\$ -
Expenditures:		
Public Works	\$ -	\$ -
Total Expenditures	\$ -	\$ -
Excess (Deficit) of Revenue Over Expenditures	\$ -	\$ -
Fund Balance Beginning of Year	\$ -	\$ -
Fund Balance End of Year	\$ -	\$ -

\* The County received revenue in the amount of \$402,665 for the year ended December 31, 2018. The amount was recorded as deferred revenue for the year ended December 31, 2018 and not spent by December 31, 2019. This Project will be completed in the year ending 2019. The County received revenue in the amount of \$ 409,455 in 2019. Not spent for a total of \$812,120 as deferred revenue at December 31, 2019.

**MARION COUNTY, GEORGIA**  
**BALANCE SHEET - OTHER GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2018**

	<b>T-SPLOST</b>	
	<b>2019</b>	<b>2018</b>
Assets		
Cash - Restricted	\$ 2,060,152	\$ 2,168,611
Receivable-General Fund		
Land at Cost	-	-
	\$ 2,060,152	\$ 2,168,611
 Total Assets	 \$ 2,060,152	 \$ 2,168,611
 Liabilities & Fund Equity		
Liabilities		
Loan Payable	-	-
	\$ -	\$ -
 Total Liabilities	 \$ -	 \$ -
 Fund Equity		
Reserve for Roads & Bridges		
Maintenance	\$ 2,060,152	\$ 2,168,611
Reserve for Jail		
Const.& Staffing	-	-
	\$ 2,060,152	\$ 2,168,611
 Total Fund	 \$ 2,060,152	 \$ 2,168,611
Equity	\$ 2,060,152	\$ 2,168,611
 Total Liabilities and		
Fund Equity	\$ 2,060,152	\$ 2,168,611

**MARION COUNTY, GEORGIA**  
**OTHER GOVERNMENTAL FUNDS - SCHEDULE OF**  
**REVENUE AND EXPENDITURES AND CHANGES TO FUND BALANCE**  
**DECEMBER 31, 2019**

	<b>T-SPLOST</b>	
	<b>2019</b>	<b>2018</b>
Revenue:		
Intergovernmental	\$ 578,440	\$ 536,915
DOT Reimbursement (Airport)	\$ 1,164,036	\$ 63,179
Interest	-	-
Total Revenue	<u>\$ 1,742,476</u>	<u>\$ 600,094</u>
Expenditures:		
Roads-Capital Outlay	\$ 193,340	\$ 369,722
Volunteer Fire Department- Contract Labor	-	2,500
Sheriff Department	-	1,150
Water-Capital Outlay	4,159	3,800
Transfer-General Fund	-	100,000
Airport Capital Outlay	1,553,435	106,714
Total Expenditures	<u>\$ 1,750,934</u>	<u>\$ 583,886</u>
Excess (Deficit) of Revenue Over Expenditures	<u>\$ (8,459)</u>	<u>\$ 16,208</u>
Fund Balance Beginning of Year	<u>2,068,611</u>	<u>2,052,403</u>
Fund Balance End of Year	<u><u>\$ 2,060,152</u></u>	<u><u>\$ 2,068,611</u></u>