



# **UPSON COUNTY, GEORGIA**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the year ending  
December 31, 2018

Prepared By:  
Finance Office

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# INTRODUCTORY SECTION

UPSON COUNTY, GEORGIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2018  
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**UPSON COUNTY BOARD OF COMMISSIONERS**  
**106 EAST LEE STREET, SUITE 110**  
**THOMASTON, GA 30286**  
**(706)-647-7012**

**Jason Tinsley – County Manager**  
**The English Law Group – County Attorney**

<b>Norman Allen</b>	<b>Chairman</b>
<b>Lorenzo Wilder</b>	<b>District 1</b>
<b>James Ellington</b>	<b>District 2</b>
<b>Paul Jones</b>	<b>District 3</b>
<b>Benjamin Watson</b>	<b>District 4</b>

June 6, 2019

Honorable Members of the Upson County Board of Commissioners and the Citizens of Upson County, Georgia:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements based on accounting principles generally accepted in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Upson County, Georgia for the year ended December 31, 2018.

This report consists of management’s representations concerning the finances of Upson County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Upson County has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Upson County’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Upson County’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Upson County’s financial statements have been audited by Driver & Adams, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Upson County, Georgia for the year ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Upson County’s financial statements for the year ended December 31, 2018, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Upson County’s MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

Upson County, Georgia, (incorporated in 1824, is located in west central Georgia, approximately 68 miles south of Atlanta, and serves a population of approximately 27,000. Upson County is an area approximately 333 square miles, ranked 84th in size among Georgia’s 159 counties. Upson County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The governing body (Upson County Board of Commissioners) of the County is responsible, among other things, for passing ordinances, adopting the budget, appointing department heads, making appointments to agencies and authorities within the county, and hiring the county manager, county attorney and county auditor. The Commission is elected to serve four-year terms.

The annual budget serves as the foundation for Upson County's financial planning and control. All departments and agencies funded by Upson County are required to submit requests for appropriation to the county's finance department each year. The commission is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 1, for the fiscal year commencing the following January 1. The appropriated budget is prepared by fund (e.g., general), function (e.g., public works), and department (e.g., Building and Zoning). Management is authorized to transfer budget amounts between expenditure character within individual departments. Transfers between departments or revisions which increase total expenditures of a fund must be approved by the County Commission.

### **Factors Affecting Financial Condition**

The information provided in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Upson County operates.

Upson County, Georgia is located in west central Georgia, approximately 68 miles south of Atlanta, 45 miles west of Macon and 57 miles northeast of Columbus.

Underway is the continuing enhancement of our \$18 million airport facility for our area to serve existing air traffic capabilities for new and existing industry. The new airport became operational during 1994. The airport facility continues to expand due to F.A.A., D.O.T., and local financial efforts to purchase additional adjacent land, and the widening and strengthening of the runway and taxiway to accommodate larger aircraft and to continue adding hangars for lease. The airport currently operates without requiring funding from Upson County and the City of Thomaston. Airport grants totaling \$1,262,585 were received during 2018. \$436,992 for reimbursement for new localizer DME, \$158,760 for land acquisition in the runway district zone, and \$666,833 for apron pavement rehab, taxiway fillet widening and precision approach path indicator replacement.

There are two S.P.L.O.S.T. initiatives currently underway. The Series 2011 S.P.L.O.S.T. projects are 85% complete and the 2016 S.P.L.O.S.T. projects are 28.7% complete. Schedule of Projects Constructed with special Sales Tax Proceeds can be found on pages 121 and 122 of this report.

### **Awards and Acknowledgments**

The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Upson County Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Upson County, Georgia's finances.

Respectfully submitted,

  
W. Jason Tinsley (Jun 6, 2019)

Jason Tinsley  
County Manager

**UPSON COUNTY, GEORGIA**  
**List of Elected and Appointed Officials**  
December 31, 2018

**Elected Officials**

**Board of Commissioners**

Norman Allen, Chairman

James Ellington

Paul Jones

Frank Spraggins

Lorenzo Wilder

**Constitutional Officers**

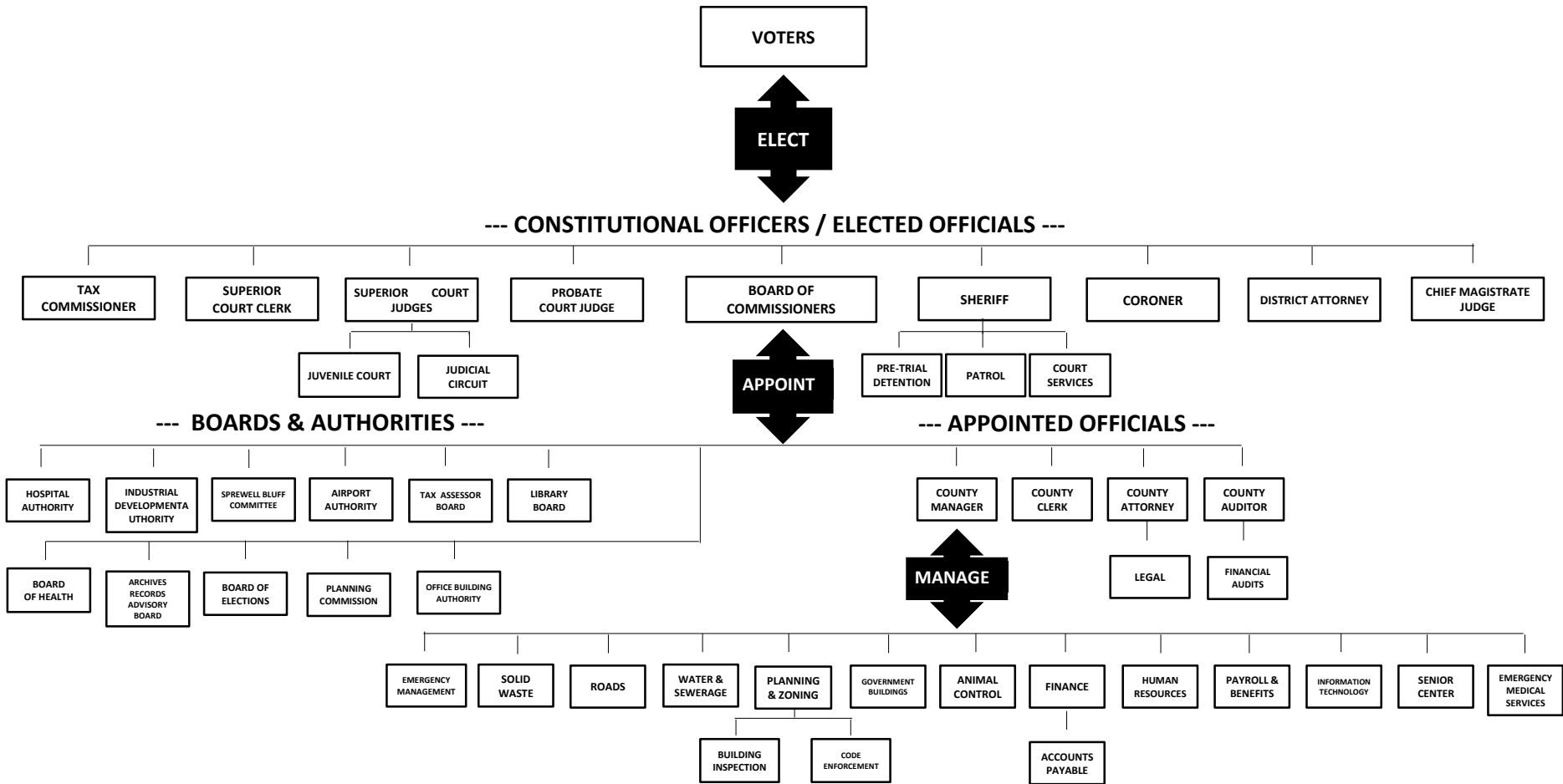
Teresa Harper, Clerk of Superior Court

Andy Chastain, Tax Commissioner

Dan Kilgore, Sheriff

Danielle McRae, Probate Court Judge

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**Auditor's Report - Report  
of Independent Certified Public  
Accountants**

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Wayne D. Driver, CPA  
Reshann P. Adams, CPA

Sydney L. Sharpe, CPA  
Judith C. Coker  
Kim C. Millen

Established 1977

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
of Upson County, Georgia  
Thomaston, Georgia

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Upson County, Georgia, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Upson County Board of Health, a nonmajor component unit, which represents 2.10% of the net position and 5.08% of the revenues of Upson County, Georgia. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for each of these component units, is based solely on the report of the other auditors. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of 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 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 Upson County, Georgia, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the 911 Fund, the Unincorporated Services Fund and the Joint Projects Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America, and the respective budgetary comparison of the General Fund and major special revenue fund budgets.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information, Disclosure of Changes in the Net Pension Liability and Related Ratios, Schedule of the Net Pension Liability and Schedule of Contractually Established Employee Contributions on pages 8 through 14 and pages 67 through 69 be presented to supplement the basic financial statements. Such information, although not 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 operation, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express such an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Upson, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, the schedule of projects constructed with special sales tax proceeds, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying statement of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost, Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements of the County.

The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the schedule of projects constructed with special sales tax proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied to the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the schedule of projects constructed with special sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2019, on our consideration of the County of Upson, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and other compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Upson, Georgia's internal control over financial reporting and compliance.

*Driver & Adams*

Thomaston, Georgia  
June 1, 2019

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# Management's Discussion & Analysis

## Management's Discussion & Analysis

As management of Upson County, Georgia, we offer readers of the County's financial statement this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-2 of this report.

### Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2018, by \$44,378,361 (Net Position).
- The government's total Net Position increased by \$3,217,147 for year 2018.
- As of December 31, 2018, the County's governmental funds reported combined ending fund balances of \$12,696,105, an increase of \$711,208 from prior year fund balances. Approximately 66% or \$8,327,094 of this total amount is available at the County's discretion (unassigned fund balance).
- At December 31, 2018, unassigned fund balance of the General Fund increased by \$1,704,833 to \$8,327,094 or 57% of total General Fund expenditures.
- Upson County's total long-term debt decreased by \$ 265,085 during year 2018, due to principal payments on existing G.E.F.A. loans.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements comprise three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statements within the first component are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner similar to a private-sector business.

The statements within the second component are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances. These two statements are the 1) statement of Net Position and 2) statement of activities.

The *statement of Net Position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the government's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, health and welfare, and culture and recreation. The business-type activities are the Northside, Sunset and Lincoln Park Water Systems and Waste Services.

The government-wide financial statements include not only Upson County government itself (known as the primary government), but also the component units of Upson County. Financial information for the component units is reported separately from the financial information presented for the primary government itself. The Thomaston- Upson County Airport Authority, the Thomaston-Upson County Recreation Commission, and Industrial Development Authority are considered major component units and, as such, are presented in separate columns while data for the remaining two non-major component units are combined into a single aggregated presentation. Additional information for all non-major component units can be found in the combining statements on pages 97-98 of this report.

The government-wide financial statements can be found on pages 14-17 of this report.

**Fund financial statements.** The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Upson County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Upson County can be divided into three (3) categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Upson County maintains nine (9) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the 911 Fund and S.P.L.O.S.T. Capital Projects Funds, Unincorporated Services Fund, the Joint Projects Fund and the Sprewell Bluff Recreation Fund are considered to be major funds. Data from the other two (2) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund, special revenue funds and capital projects. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14-30 of this report.

**Proprietary funds.** The County maintains two types of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for the County Water Districts and the Waste Services Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 27-29 of this report.

**Fiduciary funds.** *Fiduciary Funds* are used to account for resources held for the benefit of parties principally outside the government. *Fiduciary Funds* are **not** related in the Government-Wide Financial Statements because the resources of those funds are not available to support the county's own programs. The accounting used for *Fiduciary Funds* is much like that used for *Proprietary Funds*.

The basic fiduciary fund financial statements can be found on pages 30 of this report.

**Notes to the financial statements.** The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-60 of this report.

### **Government-wide Financial Analysis**

Net Position may serve over time as a useful indicator of a government's financial position. In the case of Upson County, assets exceeded liabilities by \$ 44,378,361 at the close of the most recent fiscal year.

By far the largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Upson County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Upson County, Georgia  
Net Position**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 13,100,990	\$ 13,132,971	\$ 2,116,897	\$ 1,675,718	\$ 15,217,887	\$ 14,808,689
Capital assets	29,680,469	27,488,338	6,164,220	6,348,610	35,844,689	33,836,948
<b>Total Assets</b>	<b>42,781,459</b>	<b>40,621,309</b>	<b>8,281,117</b>	<b>8,024,328</b>	<b>51,062,576</b>	<b>48,645,637</b>
Deferred outflows of resources	\$ 4,344,827	\$ 3,606,278	\$ -	\$ -	\$ 4,344,827	\$ 3,606,278
Liabilities:						
Other liabilities	\$ 979,456	\$ 252,708	\$ 562,045	\$ 469,119	\$ 1,541,501	\$ 721,827
Long term liabilities	-	-	3,497,945	3,777,627	3,497,945	3,777,627
<b>Total Liabilities</b>	<b>979,456</b>	<b>252,708</b>	<b>4,059,990</b>	<b>4,246,746</b>	<b>5,039,446</b>	<b>4,499,454</b>
Deferred inflows of resources	5,989,597	6,591,247	-	-	5,989,597	6,591,247
<b>Net Position:</b>						
Net Investment in capital assets	29,680,469	27,892,364	2,392,638	2,311,944	32,073,107	30,204,308
Restricted	4,369,011	5,361,439	85,855	-	4,454,866	5,361,439
Unassigned	6,107,753	4,129,829	1,742,635	1,465,638	7,850,388	5,595,467
<b>Total net position</b>	<b>\$ 40,157,233</b>	<b>\$ 37,383,632</b>	<b>\$ 4,221,128</b>	<b>\$ 3,777,582</b>	<b>\$ 44,378,361</b>	<b>\$ 41,161,214</b>

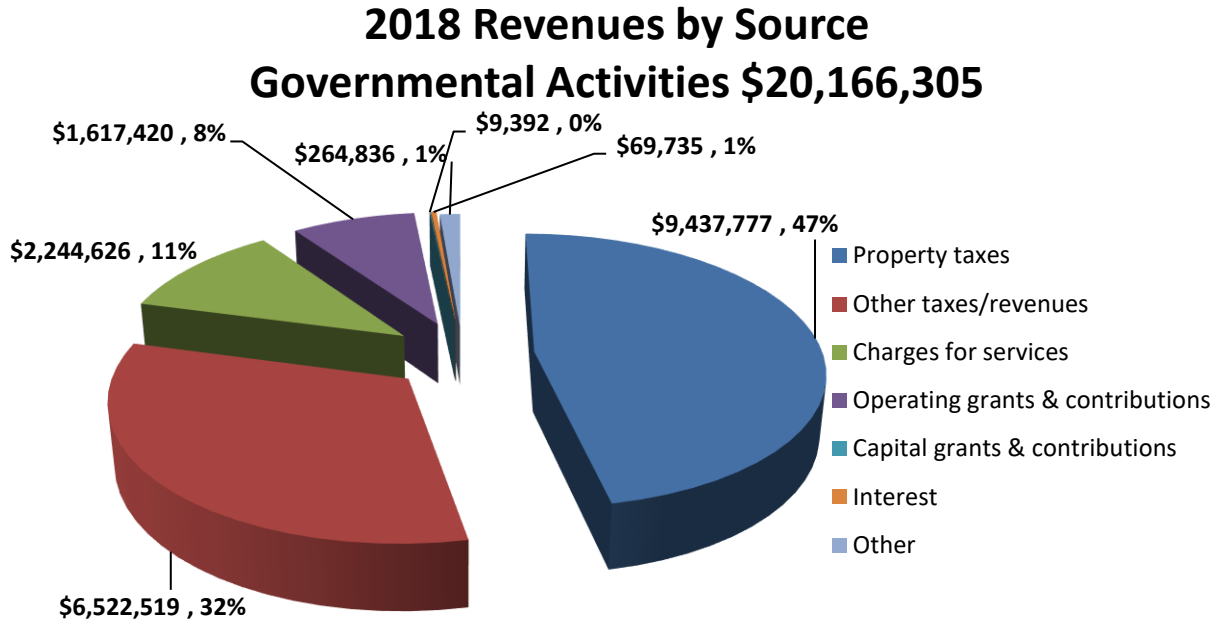
**Upson County, Georgia  
Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for services	\$ 2,244,626	\$ 2,286,043	\$ 2,653,227	\$ 2,808,411	\$ 4,897,853	\$ 5,094,454
Operating grants & contributions	1,617,420	1,270,274	-	-	1,617,420	1,270,274
Capital grants & contributions	9,392	3,773	-	-	9,392	3,773
General Revenues:						
Property Taxes	9,437,777	9,709,088	-	-	9,437,777	9,709,088
Other taxes/revenues	6,522,519	6,123,599	-	-	6,522,519	6,123,599
Interest	69,735	32,245	3,233	974	72,968	33,219
Other	264,836	234,738	-	-	264,836	234,738
<b>Total Revenues</b>	<b>\$ 20,166,305</b>	<b>\$ 19,659,760</b>	<b>\$ 2,656,460</b>	<b>\$ 2,809,385</b>	<b>\$ 22,822,765</b>	<b>\$ 22,469,145</b>
Expenses:						
General government	\$ 7,159,384	\$ 6,345,907	\$ -	\$ -	\$ 7,159,384	\$ 6,345,907
Public safety	5,191,847	5,408,710	-	-	5,191,847	5,408,710
Public works	2,360,650	2,733,353	-	-	2,360,650	2,733,353
Health and welfare	657,410	592,759	-	-	657,410	592,759
Culture and recreation	255,160	419,983	-	-	255,160	419,983
Intergovernmental	1,738,062	2,350,931	-	-	1,738,062	2,350,931
Interest on debt	30,191	43,330	-	-	30,191	43,330
Water Systems/Waste Services	-	-	2,212,914	2,147,128	2,212,914	2,147,128
<b>Total Expenses</b>	<b>\$ 17,392,704</b>	<b>\$ 17,894,973</b>	<b>\$ 2,212,914</b>	<b>\$ 2,147,128</b>	<b>\$ 19,605,618</b>	<b>\$ 20,042,101</b>
<b>Increase in net position</b>	<b>\$ 2,773,601</b>	<b>\$ 1,764,787</b>	<b>\$ 443,546</b>	<b>\$ 662,257</b>	<b>\$ 3,217,147</b>	<b>\$ 2,427,044</b>

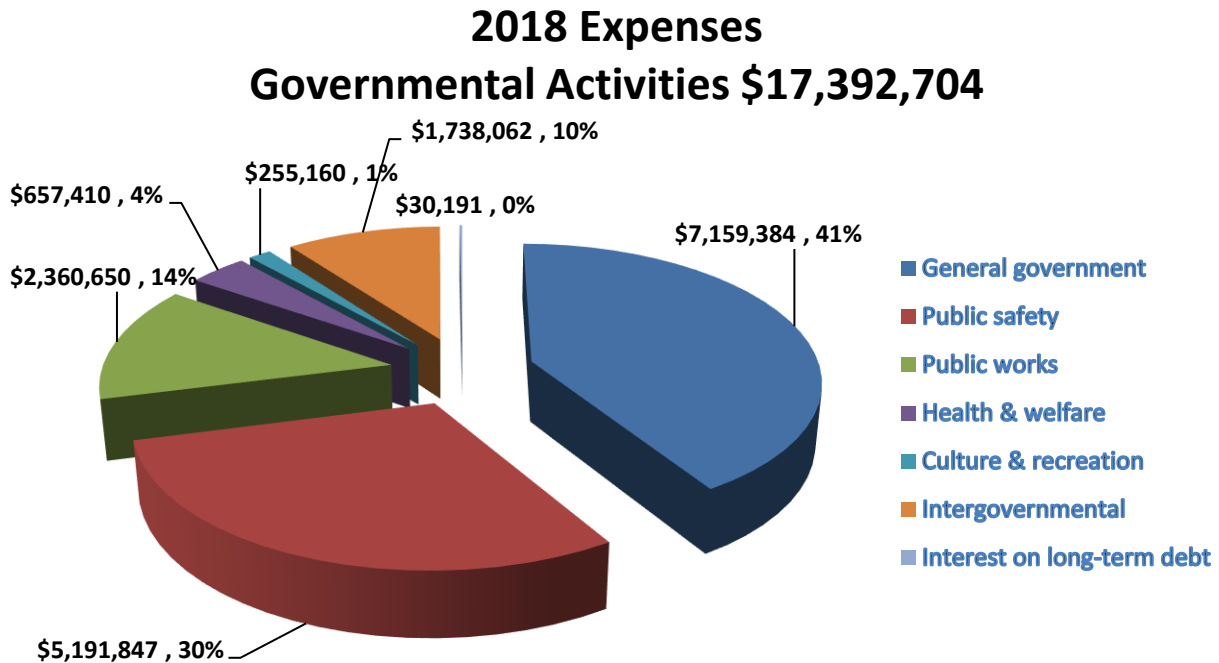


**Governmental Activities**

The following chart illustrates revenues of the governmental activities for the fiscal year 2018:



The following chart illustrates expenses of the governmental activities for the fiscal year 2018:



## Analysis of the Government's Funds

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The Board of Commissioners establishes other funds to control and manage money for particular purposes (like the purchase or construction on major capital facilities within the County) or to show that it is properly using certain taxes and grants.

**Governmental funds.** Most of the County's basic services are included here, such as public safety, public works, culture and recreation, and general administration. These focus on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Such information is useful in assessing Upson County's financing requirements. In particular, restricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Upson County's governmental funds reported combined ending fund balances of \$ 12,696,105, an increase of \$ 711,208. Approximately 66 percent of this amount (\$ 8,327,094) constitutes unrestricted fund balance which is available for spending at the government's discretion. The remainder of fund balance (\$ 4,369,011) is reserved to indicate that it is not available for new spending because it has already been committed to be used for capital outlay or other restricted purposes.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unrestricted fund balance of the general fund was \$ 8,327,094. As a measure of the general fund's liquidity, it may be useful to compare unrestricted fund balance to total fund expenditures. Unrestricted fund balance represents 57 percent of total general fund expenditures.

The fund balance of the County's general fund increased by \$ 1,703,636 during the current year due to favorable increases in revenue and other financing sources only partially offset by minimal increases in expenditures and other financing uses. A more detailed analysis of these favorable variances can be read from the general fund financials included with this report.

**Proprietary funds.** Upson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of this fund have been previously discussed with the County's business-type activities.

## Capital Assets and Debt Administration

**Capital assets.** Upson County's investment in capital assets for its governmental and business-type activities as of December 31, 2018, amounts to \$ 35,844,689 (net of accumulated depreciation). This investment includes land, buildings and systems, machinery, vehicles and infrastructure.

Information on the County's capital assets can be found in the notes to the financial statements on pages 39-40 of this report.

**Long-term debt.** At the end of the current year, the County had total debt outstanding of \$ 3,771,581, all of which is backed by the full faith and credit of the County. Information on the County's long-term debt can be found in the notes to the financial statements on pages 40-42.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of the assessed value of all taxable property (tax digest) within said county. The current debt limitation for Upson County is significantly in excess of the County's outstanding general obligation debt.

Additional information surrounding the County's long-term debt can be found on the comparative schedule of general long-term debt and in the notes to the financial statements on page 99 and on pages 40-42 of this report, respectively.

**Pension.** During 2017, Upson County transferred all pension fund assets held by the administrator, Southern Farm Bureau to the Association of County Commissioners of Georgia (ACCG) defined benefit plan, administered by the Government Employee Benefits Corporation (GEBCorp). The County ceased its participation in a "single-employer defined benefit plan" and now participates in an "agent multiple-employer retirement system".

This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The Commission has established provisions, which assign the authority to the Commission council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with ACCG along with custody of the plan assets. The plan provides that the County has no liability with respect to payments or benefits or otherwise under the plan except to pay over the ACCG such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the County but shall be allocated to employees. All full-time County employees are eligible to participate in the Plan after completing one year of service and having reached their 21<sup>st</sup> birthday. These benefit provisions and powers to amend the plan were established by a resolution executed by the County Board of Commissioners.

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

The County has a 457B Deferred Compensation Plan available for employees’ voluntary participation and is funded by employee only. The County also has a 457A Defined Contribution Plan available for the County Manager and contributes 7% of his annual compensation.

### **Economic Condition & Outlook**

Upson County continues toward growing healthy reserves and providing cost effective services to its citizens. The County has experienced slow but healthy recovery since the economic downturn of 2008 and is well positioned for economic growth and prosperity.

The following key issues and factors are considered in the preparation and adoption of the county’s annual budget and in the formation of all other key policy decisions:

- Lack of new housing starts
- Continued reliance on Special Purpose Local Option Sales Tax for the purchase of vehicles and equipment
- Sluggish growth in the commercial and retail sectors of the local economy
- Lack of access to broadband internet access for rural residents and businesses
- Rising costs of healthcare and other employee benefits
- Need for additional qualified personnel and lack of funding for recruitment and retention

Upson County has taken the following steps in 2018 in an effort to change the economic development outlook and improve the standard of living for residents:

- Creation of a countywide workforce development task force to understand the current and future workforce needs of regional employers — identify, coordinate, and focus workforce resources available in and to the region through collaboration and partnerships among regional agencies and organizations and employers and develop strategies to fill gaps and meet the needs and the broader economic development goals.
- Adoption and implementation of the Community Heart & Soul program designed to deploy a successful methodology for community engagement, relationship building, and community planning.
- The Thomaston-Upson County Industrial Development Authority adopted a new policy to include commercial and retail recurrent as part of their overall economic development efforts.

### **Requests for Information**

This financial report is designed to provide a general overview of Upson County, Georgia’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the County Commissioners, Governmental Complex, 106 East Lee Street, Suite 110, Thomaston, Georgia 30286.

Wayne Sandefur  
Finance Officer  
wsandefur@upsoncountyga.org

W. Jason Tinsley  
County Manager  
jtinsley@upsoncountyga.org

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# **BASIC FINANCIAL STATEMENTS**

**UPSON COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2018**

	PRIMARY GOVERNMENT			COMPONENT UNITS			
	Governmental Activities	Business-type Activities	Total Primary Government	Thomaston-Upson County Airport Authority	Thomaston-Upson County Industrial Development Authority	Thomaston-Upson County Recreation Commission	Non-Major Component Units
<b>ASSETS</b>							
Cash and cash equivalents	\$ 11,757,211	\$ 1,334,251	\$ 13,091,462	\$ 91,631	\$ 1,983,322	\$ 156,691	\$ 1,710,606
Inventory	13,396	-	13,396	39,187	-	-	-
Receivables (net of allowance for uncollectibles):							
Taxes	1,330,383	-	1,330,383	-	-	-	-
Accounts	-	537,969	537,969	-	-	-	-
Grants	-	-	-	-	-	-	-
Internal Balances	-	-	-	-	-	-	-
Prepays	-	-	-	11,546	-	-	-
Restricted Assets:							
Temporarily restricted:							
Cash and cash equivalents	-	244,677	244,677	-	-	-	-
Capital assets (net of accumulated depreciation):							
Land	2,236,983	381,300	2,618,283	3,930,880	2,417,338	523,000	-
Other capital assets, net of depreciation	27,443,486	5,782,920	33,226,406	11,142,047	1,901,376	575,282	1,766,910
<b>TOTAL ASSETS</b>	<b>\$ 42,781,459</b>	<b>\$ 8,281,117</b>	<b>\$ 51,062,576</b>	<b>\$ 15,215,291</b>	<b>\$ 6,302,036</b>	<b>\$ 1,254,973</b>	<b>\$ 3,477,516</b>
Deferred outflows of resources related to pensions	4,344,827	-	4,344,827	-	-	-	-
Total assets and deferred outflows of resources related to pensions	<u>\$ 47,126,286</u>	<u>\$ 8,281,117</u>	<u>\$ 55,407,403</u>	<u>\$ 15,215,291</u>	<u>\$ 6,302,036</u>	<u>\$ 1,254,973</u>	<u>\$ 3,477,516</u>

The notes to financial statements are an integral part of this statement.  
This financial statement continues on the next page.

**UPSON COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2018**

	PRIMARY GOVERNMENT			COMPONENT UNITS			
	Governmental Activities	Business-type Activities	Total	Thomaston-Upson	Thomaston-Upson	Thomaston-Upson	Non-Major Component Units
			Primary Government	County Airport Authority	County Industrial Development Authority	County Recreation Commission	
<b>LIABILITIES</b>							
Accounts payable	\$ 403,885	\$ 129,586	\$ 533,471	\$ 59,134	\$ 6,427	\$ 150,762	\$ 49,427
Liabilities payable from restricted assets	-	158,823	158,823	-	-	-	-
Net pension liability	575,571	-	575,571	-	-	-	1,249,930
Current portion of long-term debt	-	273,636	273,636	170,143	-	-	-
Non-current portion of long-term debt	-	3,497,945	3,497,945	20,041	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 979,456</b>	<b>\$ 4,059,990</b>	<b>\$ 5,039,446</b>	<b>\$ 249,318</b>	<b>\$ 6,427</b>	<b>\$ 150,762</b>	<b>\$ 1,299,357</b>
Deferred inflows of resources related to pensions	5,989,597	-	5,989,597	-	-	-	153,230
Total liabilities and deferred inflows of resources related to pensions	<u>\$ 6,969,053</u>	<u>\$ 4,059,990</u>	<u>\$ 11,029,043</u>	<u>\$ 249,318</u>	<u>\$ 6,427</u>	<u>\$ 150,762</u>	<u>\$ 1,452,587</u>
<b>NET POSITION</b>							
Net investment in capital assets	\$ 29,680,469	\$ 2,392,638	\$ 32,073,107	\$ 14,882,413	\$ 4,318,714	\$ 1,098,282	\$ 1,766,910
Restricted for capital outlay	3,677,728	-	3,677,728	-	-	-	-
Restricted for other purposes	691,283	85,855	777,138	-	-	-	266,621
Unassigned	6,107,753	1,742,635	7,850,388	71,684	1,976,895	5,929	(8,602)
Nonspendable	-	-	-	11,546	-	-	-
<b>TOTAL NET POSITION</b>	<b>\$ 40,157,233</b>	<b>\$ 4,221,128</b>	<b>\$ 44,378,361</b>	<b>\$ 14,965,643</b>	<b>\$ 6,295,609</b>	<b>\$ 1,104,211</b>	<b>\$ 2,024,929</b>
Total Liabilities, Deferred Inflows and Outflows and Net Position	<u>\$ 47,126,286</u>	<u>\$ 8,281,117</u>	<u>\$ 55,407,403</u>	<u>\$ 15,214,961</u>	<u>\$ 6,302,036</u>	<u>\$ 1,254,973</u>	<u>\$ 3,477,516</u>

The notes to financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**DECEMBER 31, 2018**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental activities:				
General government	\$ 7,159,384	\$ 1,800,290	\$ 454,708	\$ 9,392
Public safety	5,191,847	444,336	-	-
Public works	2,360,650	-	1,162,712	-
Health and welfare	657,410	-	-	-
Culture and recreation	255,160	-	-	-
Intergovernmental	1,738,062	-	-	-
Interest on short and long-term debt	30,191	-	-	-
<b>Total governmental activities</b>	<b>\$ 17,392,704</b>	<b>\$ 2,244,626</b>	<b>\$ 1,617,420</b>	<b>\$ 9,392</b>
Business Type Activities:				
Water Systems	\$ 1,164,246	\$ 1,531,637	\$ -	\$ -
Waste Systems	1,048,668	1,121,590	-	-
<b>Total business-type activities</b>	<b>\$ 2,212,914</b>	<b>\$ 2,653,227</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Primary Government</b>	<b>\$ 19,605,618</b>	<b>\$ 4,897,853</b>	<b>\$ 1,617,420</b>	<b>\$ 9,392</b>
<b>Component Units</b>				
Upson County Dpt. Of Public Health	\$ 1,169,624	\$ 415,772	\$ -	\$ 255,569
Thomaston-Upson County:				
Industrial Development Authority	337,366	2,000	544,434	-
Airport Authority	-	-	-	-
Recreation Commission	-	-	-	-
Solid Waste Disposal Facility	32,610	-	103,625	-
<b>Total Component Units</b>	<b>\$ 1,539,600</b>	<b>\$ 417,772</b>	<b>\$ 648,059</b>	<b>\$ 255,569</b>

**General Revenues**

Property tax  
Sales tax  
Insurance premium tax  
Beer and wine tax  
Franchise tax  
Intangible tax  
Real estate transfer tax  
Hotel/Motel tax  
Interest revenue  
Miscellaneous

**Total General Revenues and Transfers**

Change in net position  
Net position - beginning of year (restated)

**Net Position - Ending**

The notes to financial statements are an integral part of this statement.



**UPSON COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**DECEMBER 31, 2018**

Net (Expense) Revenue & Changes in Net Position						
Primary Government			Component Units			
Governmental Activities	Business-Type Activities	Total	Thomaston- Upson County Airport Authority	Thomaston- Upson County Industrial Development Authority	Thomaston- Upson County Recreation Commission	Total Non-Major Component Units
\$ (4,894,994)	\$ -	\$ (4,894,994)				
(4,747,511)	-	(4,747,511)				
(1,197,938)	-	(1,197,938)				
(657,410)	-	(657,410)				
(255,160)	-	(255,160)				
(1,738,062)	-	(1,738,062)				
(30,191)	-	(30,191)				
<u>\$ (13,521,266)</u>	<u>\$ -</u>	<u>\$ (13,521,266)</u>				
\$ -	\$ 367,391	\$ 367,391				
-	72,922	72,922				
<u>\$ -</u>	<u>\$ 440,313</u>	<u>\$ 440,313</u>				
<u>\$ (13,521,266)</u>	<u>\$ 440,313</u>	<u>\$ (13,080,953)</u>				
			\$ -	\$ -	\$ -	\$ (753,852)
			-	464,637	-	-
			895,892	-	-	-
			-	-	87,647	-
			-	-	-	71,015
			<u>\$ 895,892</u>	<u>\$ 464,637</u>	<u>\$ 87,647</u>	<u>\$ (682,837)</u>
\$ 9,437,777	\$ -	\$ 9,437,777	\$ -	\$ -	\$ -	\$ -
4,971,042	-	4,971,042	-	-	-	-
1,136,937	-	1,136,937	-	-	-	-
120,870	-	120,870	-	-	-	-
172,259	-	172,259	-	-	-	-
90,897	-	90,897	-	-	-	-
26,058	-	26,058	-	-	-	-
4,456	-	4,456	-	-	-	-
69,735	3,233	72,968	120	5,155	151	4,829
264,836	-	264,836	-	-	-	-
<u>16,294,867</u>	<u>3,233</u>	<u>16,298,100</u>	<u>120</u>	<u>5,155</u>	<u>151</u>	<u>4,829</u>
\$ 2,773,601	\$ 443,546	\$ 3,217,147	\$ 896,012	\$ 469,792	\$ 87,798	\$ (678,008)
37,383,632	3,777,582	41,161,214	14,069,631	5,825,817	1,016,413	2,702,937
<u>\$ 40,157,233</u>	<u>\$ 4,221,128</u>	<u>\$ 44,378,361</u>	<u>\$ 14,965,643</u>	<u>\$ 6,295,609</u>	<u>\$ 1,104,211</u>	<u>\$ 2,024,929</u>

**UPSON COUNTY, GEORGIA**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2018**

	General Fund	Sprewell Bluff Recreation Area Fund	Capital Projects Fund 2011 SPLOST Projects	Capital Projects Fund 2016 SPLOST Projects	911 Fund	Unincorporated Services Fund	Joint Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>									
Cash in banks	\$ 7,823,307	\$ 54,535	\$ 1,656,788	\$ 2,020,940	\$ 183,341	\$ -	\$ -	\$ 18,300	\$ 11,757,211
Inventory	-	13,396	-	-	-	-	-	-	13,396
Receivables (net of allowance for estimated uncollectibles)	<u>872,353</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,116</u>	<u>302,914</u>	<u>-</u>	<u>1,330,383</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 8,695,660</u></b>	<b><u>\$ 67,931</u></b>	<b><u>\$ 1,656,788</u></b>	<b><u>\$ 2,020,940</u></b>	<b><u>\$ 183,341</u></b>	<b><u>\$ 155,116</u></b>	<b><u>\$ 302,914</u></b>	<b><u>\$ 18,300</u></b>	<b><u>\$ 13,100,990</u></b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accounts payable	\$ 368,566	\$ 28,482	\$ -	\$ -	\$ 6,837	\$ -	\$ -	\$ -	\$ 403,885
<b>TOTAL LIABILITIES</b>	<b><u>\$ 368,566</u></b>	<b><u>\$ 28,482</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6,837</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 403,885</u></b>
<b>Fund Balances</b>									
Restricted:									
For capital outlay	\$ -	\$ -	\$ 1,656,788	\$ 2,020,940	\$ -	\$ -	\$ -	\$ -	\$ 3,677,728
Restricted, as reported in									
Special Revenue funds	-	39,449	-	-	175,504	155,116	302,914	18,300	691,283
Unassigned:									
General Fund	<u>8,327,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,327,094</u>
<b>TOTAL FUND BALANCES</b>	<b><u>\$ 8,327,094</u></b>	<b><u>\$ 39,449</u></b>	<b><u>\$ 1,656,788</u></b>	<b><u>\$ 2,020,940</u></b>	<b><u>\$ 175,504</u></b>	<b><u>\$ 155,116</u></b>	<b><u>\$ 302,914</u></b>	<b><u>\$ 18,300</u></b>	<b><u>\$ 12,696,105</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 8,695,660</u></b>	<b><u>\$ 67,931</u></b>	<b><u>\$ 1,656,788</u></b>	<b><u>\$ 2,020,940</u></b>	<b><u>\$ 182,341</u></b>	<b><u>\$ 155,116</u></b>	<b><u>\$ 302,914</u></b>	<b><u>\$ 18,300</u></b>	<b><u>\$ 13,099,990</u></b>

**UPSON COUNTY, GEORGIA**  
**Reconciliation of the Balance Sheet**  
**of Governmental Funds to the**  
**Statement of Net Position**  
**December 31, 2018**

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Total Fund Equity per Balance Sheet of Governmental Funds	<u>\$ 12,696,105</u>
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Amounts reported for governmental activities in the Statement of Net Position differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:

Capital Assets

Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds but are reported in the Statement of Net Position.

Cost of the assets	\$ 71,047,706
Accumulated depreciation	(41,367,237)

Deferred Outflows of Resources

Employer Pension Contributions	4,344,827
--------------------------------	-----------

Long-Term Liabilities

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:

Capital leases payable	-
------------------------	---

The Net Pension Liability is not due and payable in the current period and is not reported as a liability (asset) on the government-wide Statement of Net Position

Deferred inflows of Pension Resources	(575,571)
---------------------------------------	-----------

Total Adjustments	<u>\$ 27,460,128</u>
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Total Net Position and Governmental Activities	<u><u>\$ 40,157,233</u></u>
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**UPSON COUNTY, GEORGIA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Governmental Funds**

**December 31, 2018**

	General Fund	Sprewell Bluff Recreation Fund	Capital Projects Fund 2011 SPLOST	Capital Projects Fund 2016 SPLOST	911 Fund	Unincorporated Services Fund	Joint Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>									
Taxes:									
General property tax	\$ 5,712,213	\$ -	\$ -	\$ -	\$ -	\$ 773,034	\$ 2,091,002	\$ -	\$ 8,576,249
Sales tax	1,779,761	-	-	3,191,281	-	-	-	-	4,971,042
Insurance premium tax	1,136,937	-	-	-	-	-	-	-	1,136,937
T.A.V.T. tax	861,527	-	-	-	-	-	-	-	861,527
Beer & wine tax	120,870	-	-	-	-	-	-	-	120,870
Franchise tax	172,259	-	-	-	-	-	-	-	172,259
Intangible tax	90,897	-	-	-	-	-	-	-	90,897
Real estate transfer tax	26,058	-	-	-	-	-	-	-	26,058
Hotel/Motel tax	-	-	-	-	-	-	-	4,456	4,456
Licenses and permits	163,420	-	-	-	-	-	-	-	163,420
Intergovernmental	1,617,420	-	-	-	-	-	-	-	1,617,420
Charges for services	699,768	136,866	-	-	444,336	-	-	-	1,280,970
Fines	783,486	-	-	-	-	-	-	16,750	800,236
Interest earnings	69,567	-	4,769	4,623	168	-	-	-	79,127
Other revenues	264,582	-	-	-	-	-	-	-	264,582
<b>Total revenues</b>	<b>\$ 13,498,765</b>	<b>\$ 136,866</b>	<b>\$ 4,769</b>	<b>\$ 3,195,904</b>	<b>\$ 444,504</b>	<b>\$ 773,034</b>	<b>\$ 2,091,002</b>	<b>\$ 21,206</b>	<b>\$ 20,166,050</b>
<b>Expenditures</b>									
Current:									
General government	\$ 6,329,560	\$ 200,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,156	\$ 6,549,694
Public safety	4,386,583	-	-	-	684,316	-	-	-	5,070,899
Public works	1,794,979	-	-	-	-	-	-	-	1,794,979
Health and welfare	605,503	-	-	-	-	-	-	-	605,503
Culture and recreation	161,039	-	-	-	-	-	-	-	161,039
Intergovernmental	1,074,276	-	-	663,786	-	-	-	-	1,738,062
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	30,191	-	-	-	-	-	-	-	30,191
Capital outlay:									
General government	88,349	-	1,040,872	2,370,147	-	-	-	-	3,499,368
Public safety	93,884	-	-	-	-	-	-	-	93,884
Public works	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-
Culture and recreation	41,216	-	-	-	-	-	-	-	41,216
<b>Total expenditures</b>	<b>\$ 14,605,580</b>	<b>\$ 200,978</b>	<b>\$ 1,040,872</b>	<b>\$ 3,033,933</b>	<b>\$ 684,316</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,156</b>	<b>\$ 19,584,835</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ (1,106,815)</b>	<b>\$ (64,112)</b>	<b>\$ (1,036,103)</b>	<b>\$ 161,971</b>	<b>\$ (239,812)</b>	<b>\$ 773,034</b>	<b>\$ 2,091,002</b>	<b>\$ 2,050</b>	<b>\$ 581,215</b>

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**December 31, 2018**

	General Fund	Sprewell Bluff Recreation Fund	Capital Projects Fund 2011 SPLOST Fund	Capital Projects Fund 2016 SPLOST Fund	911 Fund	Unincorporated Services Fund	Joint Projects Fund	Other Governmental Funds	Total Governmental Funds
<b><u>Other financing sources (uses)</u></b>									
Transfer from:									
Joint Projects Fund	\$ 2,297,179	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,297,179
Unincorporated Services Fund	833,745	-	-	-	-	-	-	-	833,745
General Fund	-	93,541	-	-	-	-	-	-	93,541
City of Thomaston	-	-	-	-	129,992	-	-	-	129,992
Transfer to:									
General Fund	-	-	-	-	-	(833,744)	(2,297,179)	-	(3,130,923)
Sprewell Bluff Fund	(93,541)	-	-	-	-	-	-	-	(93,541)
911 Fund	(226,932)	-	-	-	226,932	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ 2,810,451</b>	<b>\$ 93,541</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 356,924</b>	<b>\$ (833,744)</b>	<b>\$ (2,297,179)</b>	<b>\$ -</b>	<b>\$ 129,993</b>
Net change in fund balance	\$ 1,703,636	\$ 29,429	\$ (1,036,103)	\$ 161,971	\$ 117,112	\$ (60,710)	\$ (206,177)	\$ 2,050	\$ 711,208
Fund balance - beginning of year	6,623,458	10,020	2,692,891	1,858,968	58,391	215,828	509,091	16,250	11,984,897
<b>Fund balance - end of year</b>	<b>\$ 8,327,094</b>	<b>\$ 39,449</b>	<b>\$ 1,656,788</b>	<b>\$ 2,020,939</b>	<b>\$ 175,503</b>	<b>\$ 155,118</b>	<b>\$ 302,914</b>	<b>\$ 18,300</b>	<b>\$12,696,105</b>

**UPSON COUNTY, GEORGIA**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances of Governmental Funds to the**  
**Statement of Activities**  
**For the Year Ended December 31, 2018**

Excess (deficit) of revenues and other financing sources over (under) expenditures and other uses per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances		<u>\$ 711,208</u>
<p>Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:</p>		
<b>Capital Assets</b>		
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense.		
Total capital outlays		\$ 3,634,468
Total depreciation		(1,442,337)
<b>Change in Deferred Outflows of Resources</b>		
Deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds. These deferred outflows of resources consist of pension related contributions.		
		(738,549)
<b>Long-Term Debt</b>		
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position. The amounts of the items and make up these differences in the treatment of long-term debt and related items are as follows:		
Debt issued or incurred		-
Principal repayments:		
Paid by governmental funds		-
<b>Change in Deferred Inflows of Resources</b>		
Deferred inflows of resources are not available to pay for current expenditures and therefore are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan.		
		1,005,676
The net pension (liability)/asset is reported in the statement of activities but is not reported in governmental funds:		
Beginning of year	\$ (895,366)	
End of year	<u>575,571</u>	(319,795)
Other		<u>(77,070)</u>
<b>Total adjustments</b>		<u>\$ 2,062,393</u>
<b>Change in net position of governmental activities</b>		<u>\$ 2,773,601</u>

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**General Fund and Major Special Revenue Funds**  
**For the Year Ended December 31, 2018**

	General Fund			
	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 10,078,647	\$ 10,078,647	\$ 9,900,522	\$ (178,125)
Licenses and permits	115,626	115,626	163,420	47,794
Intergovernmental revenue	1,583,449	1,583,449	1,617,420	33,971
Charges for services	521,137	521,137	699,768	178,631
Fines and forfeitures	700,449	700,449	783,486	83,037
Interest earnings	27,697	27,697	69,567	41,870
Miscellaneous	76,248	76,248	264,582	188,334
<b>Total revenues</b>	<b>\$ 13,103,253</b>	<b>\$ 13,103,253</b>	<b>\$ 13,498,765</b>	<b>\$ 395,512</b>
<b>Expenditures</b>				
Current:				
General government	\$ 7,377,003	\$ 7,377,003	\$ 6,329,560	\$ 1,047,443
Public safety	5,130,363	5,130,363	4,386,583	743,780
Public works	2,076,177	2,076,177	1,794,979	281,198
Health and welfare	694,568	694,568	605,503	89,065
Culture and recreation	177,946	177,946	161,039	16,907
Intergovernmental	1,091,649	1,091,649	1,074,276	17,373
Debt service:				
Principal	-	-	-	-
Interest	30,191	30,191	30,191	-
Capital outlay:				
General government	88,349	88,349	88,349	-
Public safety	93,884	93,884	93,884	-
Culture and recreation	41,216	41,216	41,216	-
<b>Total expenditures</b>	<b>\$ 16,801,346</b>	<b>\$ 16,801,346</b>	<b>\$ 14,605,580</b>	<b>\$ 2,195,766</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ (3,698,093)</b>	<b>\$ (3,698,093)</b>	<b>\$ (1,106,815)</b>	<b>\$ 2,591,278</b>
<b>Other financing sources (uses)</b>				
Transfer from (to) Special Revenue Funds:				
Joint Projects Fund	\$ 2,300,000	\$ 2,300,000	\$ 2,297,179	\$ (2,821)
Unincorporated Services Fund	835,000	835,000	833,745	(1,255)
Sprewell Bluff recreation	(93,541)	(93,541)	(93,541)	-
911 Fund	(226,932)	(226,932)	(226,932)	-
<b>Total other financing sources (uses)</b>	<b>\$ 2,814,527</b>	<b>\$ 2,814,527</b>	<b>\$ 2,810,451</b>	<b>\$ (4,076)</b>
<b>Net change in fund balance</b>	<b>\$ (883,566)</b>	<b>\$ (883,566)</b>	<b>\$ 1,703,636</b>	<b>\$ 2,587,202</b>
Fund balance - beginning of year	6,623,458	6,623,458	6,623,458	-
<b>Fund balance - end of year</b>	<b>\$ 5,739,892</b>	<b>\$ 5,739,892</b>	<b>\$ 8,327,094</b>	<b>\$ 2,587,202</b>

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**General Fund and Major Special Revenue Funds**  
**For the Year Ended December 31, 2018**

	911 Fund			
	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	-	-	-	-
Charges for services	500,000	500,000	444,336	(55,664)
Fines and forfeitures	-	-	-	-
Interest earnings	148	148	168	20
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>\$ 500,148</b>	<b>\$ 500,148</b>	<b>\$ 444,504</b>	<b>\$ (55,644)</b>
<b>Expenditures</b>				
Current:				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	870,627	870,627	684,316	186,311
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Intergovernmental	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
<b>Total expenditures</b>	<b>\$ 870,627</b>	<b>\$ 870,627</b>	<b>\$ 684,316</b>	<b>\$ 186,311</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ (370,479)</b>	<b>\$ (370,479)</b>	<b>\$ (239,812)</b>	<b>\$ 130,667</b>
<b>Other financing sources (uses)</b>				
Transfer from Upson County	\$ 226,914	\$ 226,914	\$ 226,932	\$ 18
Transfer from City of Thomaston	129,982	129,982	129,992	10
<b>Total other financing sources (uses)</b>	<b>\$ 356,896</b>	<b>\$ 356,896</b>	<b>\$ 356,924</b>	<b>\$ 28</b>
<b>Net change in fund balance</b>	<b>\$ (13,583)</b>	<b>\$ (13,583)</b>	<b>\$ 117,112</b>	<b>\$ 130,695</b>
Fund balance - beginning of year	58,391	58,391	58,391	-
<b>Fund balance - end of year</b>	<b>\$ 44,808</b>	<b>\$ 44,808</b>	<b>\$ 175,503</b>	<b>\$ 130,695</b>



**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**General Fund and Major Special Revenue Funds**  
**For the Year Ended December 31, 2018**

	<b>Unincorporated Services Fund</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes	\$ 773,034	\$ 773,034	\$ 773,034	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest earnings	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>\$ 773,034</b>	<b>\$ 773,034</b>	<b>\$ 773,034</b>	<b>\$ -</b>
<b>Expenditures</b>				
Current:				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Intergovernmental	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ 773,034</b>	<b>\$ 773,034</b>	<b>\$ 773,034</b>	<b>\$ -</b>
<b>Other financing sources (uses)</b>				
Transfer to General Fund	\$ (833,745)	\$ (833,745)	\$ (833,745)	\$ -
<b>Total other financing sources (uses)</b>	<b>\$ (833,745)</b>	<b>\$ (833,745)</b>	<b>\$ (833,745)</b>	<b>\$ -</b>
<b>Net change in fund balance</b>	<b>\$ (60,711)</b>	<b>\$ (60,711)</b>	<b>\$ (60,711)</b>	<b>\$ -</b>
Fund balance - beginning of year	215,827	215,827	215,827	-
<b>Fund balance - end of year</b>	<b>\$ 155,116</b>	<b>\$ 155,116</b>	<b>\$ 155,116</b>	<b>\$ -</b>

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**General Fund and Major Special Revenue Funds**  
**For the Year Ended December 31, 2018**

	Joint Projects Fund			
	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 2,091,002	\$ 2,091,002	\$ 2,091,002	\$ -
Licenses and permits	-	-	-	-
Intergovernmental revenue	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest earnings	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>\$ 2,091,002</b>	<b>\$ 2,091,002</b>	<b>\$ 2,091,002</b>	<b>\$ -</b>
<b>Expenditures</b>				
Current:				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Intergovernmental	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ 2,091,002</b>	<b>\$ 2,091,002</b>	<b>\$ 2,091,002</b>	<b>\$ -</b>
<b>Other financing sources (uses)</b>				
Transfer to General Fund	\$ (2,297,179)	\$ (2,297,179)	\$ (2,297,179)	\$ -
<b>Total other financing sources (uses)</b>	<b>\$ (2,297,179)</b>	<b>\$ (2,297,179)</b>	<b>\$ (2,297,179)</b>	<b>\$ -</b>
<b>Net change in fund balance</b>	<b>\$ (206,177)</b>	<b>\$ (206,177)</b>	<b>\$ (206,177)</b>	<b>\$ -</b>
Fund balance - beginning of year	509,091	509,091	509,091	-
<b>Fund balance - end of year</b>	<b>\$ 302,914</b>	<b>\$ 302,914</b>	<b>\$ 302,914</b>	<b>\$ -</b>

**UPSON COUNTY, GEORGIA**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2018**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Systems</b>	<b>Waste Services</b>	<b>Total</b>
<b>Assets</b>			
Current assets			
Petty Cash	\$ 100	\$ -	\$ 100
Cash in banks	761,801	572,351	1,334,152
Restricted cash - deposits	244,677	-	244,677
Accounts receivable, net of allowance	137,263	400,706	537,969
<b>Total current assets</b>	<b>\$ 1,143,841</b>	<b>\$ 973,057</b>	<b>\$ 2,116,898</b>
Capital Assets			
Land	\$ 381,300	\$ -	\$ 381,300
Water distribution and storage system	8,313,213	-	8,313,213
Equipment and vehicles	254,937	-	254,937
Less accumulated depreciation	(2,785,231)	-	(2,785,231)
<b>Total capital assets, net of accumulated depreciation</b>	<b>\$ 6,164,219</b>	<b>\$ -</b>	<b>\$ 6,164,219</b>
<b>Total Assets</b>	<b>\$ 7,308,060</b>	<b>\$ 973,057</b>	<b>\$ 8,281,117</b>
<b>Liabilities</b>			
Current liabilities			
Current portion of notes payable	\$ 273,636	\$ -	\$ 273,636
Accounts payable	31,764	97,822	129,586
<b>Total</b>	<b>\$ 305,400</b>	<b>\$ 97,822</b>	<b>\$ 403,222</b>
Current liabilities payable from restricted assets			
Customer deposits	\$ 158,823	\$ -	\$ 158,823
<b>Total current liabilities payable from restricted assets</b>	<b>\$ 158,823</b>	<b>\$ -</b>	<b>\$ 158,823</b>
<b>Total current liabilities</b>	<b>\$ 464,223</b>	<b>\$ 97,822</b>	<b>\$ 562,045</b>
Noncurrent liabilities			
Notes payable	\$ 3,497,945	\$ -	\$ 3,497,945
<b>Total noncurrent liabilities</b>	<b>\$ 3,497,945</b>	<b>\$ -</b>	<b>\$ 3,497,945</b>
<b>Total liabilities</b>	<b>\$ 3,962,168</b>	<b>\$ 97,822</b>	<b>\$ 4,059,990</b>
<b>Net Position</b>			
Net investment in capital assets	\$ 2,392,638	\$ -	\$ 2,392,638
Unassigned	867,400	875,235	1,742,635
Restricted for customer deposits	85,854	-	85,854
<b>Total Net Position</b>	<b>\$ 3,345,892</b>	<b>\$ 875,235</b>	<b>\$ 4,221,127</b>

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Net Position/Equity**  
**Proprietary Funds**  
**December 31, 2018**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Systems</b>	<b>Waste Services</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for sales and services	\$ 1,531,637	\$ 1,121,590	\$ 2,653,227
Total Operating Revenues	<u>\$ 1,531,637</u>	<u>\$ 1,121,590</u>	<u>\$ 2,653,227</u>
<b>Operating Expenses</b>			
Administration	\$ 849,934	\$ 1,048,668	\$ 1,898,602
Depreciation	184,390	-	184,390
Total Operating Expenses	<u>\$ 1,034,324</u>	<u>\$ 1,048,668</u>	<u>\$ 2,082,992</u>
<b>Operating Income (Loss)</b>	<b><u>\$ 497,313</u></b>	<b><u>\$ 72,922</u></b>	<b><u>\$ 570,235</u></b>
<b>Nonoperating Revenues (Expenses)</b>			
Interest income	\$ 1,960	\$ 1,273	\$ 3,233
Interest expenses and fiscal charges	(129,922)	-	(129,922)
Total Nonoperating Revenues (Expenses)	<u>\$ (127,962)</u>	<u>\$ 1,273</u>	<u>\$ (126,689)</u>
Change in net position	\$ 369,351	\$ 74,195	\$ 443,546
Total net position - beginning of year	<u>2,976,541</u>	<u>801,040</u>	<u>3,777,582</u>
<b>Total net position - end of year</b>	<b><u>\$ 3,345,892</u></b>	<b><u>\$ 875,235</u></b>	<b><u>\$ 4,221,128</u></b>

**UPSON COUNTY, GEORGIA**

**Statement of Cash Flows**

**Proprietary Funds**

**December 31, 2018**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Water Systems</b>	<b>Waste Services</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>			
Receipts from customers	\$ 1,486,835	\$ 1,097,239	\$ 2,584,074
Payments to employees	(296,749)	(65,116)	(361,865)
Payments to suppliers	(553,185)	(983,414)	(1,536,599)
<b>Net cash provided (used) by operating activities</b>	<b>\$ 636,901</b>	<b>\$ 48,709</b>	<b>\$ 685,610</b>
<b>Cash flows from capital and related financing activities:</b>			
Principal payments on notes	(265,085)	-	(265,085)
Interest and fiscal charges	(129,922)	-	(129,922)
Acquisition of capital assets	-	-	-
<b>Net cash provided (used) by capital and related financing activities</b>	<b>\$ (395,007)</b>	<b>\$ -</b>	<b>\$ (395,007)</b>
<b>Cash flows from investing activities:</b>			
Interest received	\$ 1,960	\$ 1,273	\$ 3,233
<b>Net cash provided (used) by investing activities</b>	<b>\$ 1,960</b>	<b>\$ 1,273</b>	<b>\$ 3,233</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 243,854</b>	<b>\$ 49,982</b>	<b>\$ 293,836</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>762,624</b>	<b>522,369</b>	<b>1,284,993</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 1,006,478</b>	<b>\$ 572,351</b>	<b>\$ 1,578,829</b>
<b>Classified as:</b>			
Current assets	\$ 761,801	\$ 572,351	\$ 1,334,152
Restricted assets	244,677	-	244,677
<b>Total</b>	<b>\$ 1,006,478</b>	<b>\$ 572,351</b>	<b>\$ 1,578,829</b>
<b>Reconciliation of net operating income to net cash provided by operating activities:</b>			
<b>Net operating income (loss)</b>	<b>\$ 497,313</b>	<b>\$ 74,195</b>	<b>\$ 571,508</b>
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
Depreciation	\$ 184,390	\$ -	\$ 184,390
Changes in assets and liabilities			
(Increase) decrease in receivables	(48,524)	(98,820)	(147,344)
Increase (decrease) in payables	(2,912)	74,468	71,556
Increase (decrease) in customer deposits	6,634	-	6,634
Other	-	(1,134)	(1,134)
<b>Total adjustments</b>	<b>\$ 139,588</b>	<b>\$ (25,486)</b>	<b>\$ 114,102</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 636,901</b>	<b>\$ 48,709</b>	<b>\$ 685,610</b>

**UPSON COUNTY, GEORGIA**  
**Statement of Fiduciary Net Position**  
**Agency Funds**  
**December 31, 2018**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 94,376
Taxes receivable	<u>872,353</u>
<b>Total Assets</b>	<u>\$ 966,729</u>
<b>LIABILITIES AND NET POSITION</b>	
<b><u>Liabilities</u></b>	
Due to others	<u>\$ 966,729</u>
<b>Total Liabilities</b>	<u>\$ 966,729</u>
<b><u>Net Position</u></b>	
<b>Total Net Position</b>	<u><u>\$ -</u></u>

# **Notes to the Financial Statements**

## **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The County of Upson (the “County”) was created by act of the legislature on December 15 and 20, 1824. The Commissioners serve staggered terms of four years. Four are elected by district and the Chairman is elected at large.

The Upson County Courthouse was built in 1908 and is considered a historical landmark by area residents and visitors throughout the State of Georgia.

The County provides ambulance service, waste collection from bins and water and sewer systems. The County also provides the full range of services contemplated by Charter. These include public safety, road construction, paving and maintenance, court systems, and general administration.

Upson County is located approximately 68 miles south of Atlanta. The County has an area of approximately 333 square miles, ranking it 84th in size among Georgia's 159 counties. In 2010, the County's census population was 27,153. Thomaston is the County seat. There are two municipalities within the County – Thomaston and Yatesville.

The accounting policies of the County conform to generally accepted accounting principles applicable to governments. The following is a summary of the more significant policies:

### **1. Reporting Entity:**

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Accounting Standards Board Statement No. 14, “The Financial Reporting Entity.”:

- the organization is legally separate (can sue and sued in their own name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization’s board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County

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

The component units discussed below are included in the County’s reporting entity because of the significance of the operational and financial relationships with the County. In conformity with generally accepted accounting principles as set forth in Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity*, which was adopted by the County as of July 1, 1993, the financial statements of the component units have been included as discretely presented component units. The component unit columns in the basic financial statements include the financial data for the County’s component units, as reflected in their most recently audited financial statements. This is reported in columns separate from the County’s financial information to emphasize that they are legally separate from the County.

**Upson County Department of Public Health** – The governing board consists of seven members, of which four members are appointed by the Upson County Board of Commissioners. The County contributes significant funding to the Board of Health. An annual budget must be submitted for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Industrial Development Authority** – The Chairman of the County Commissioners and the Mayor of the City of Thomaston are members of the Authority and they appoint additional members. The Authority receives significant appropriations from Upson County. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.



**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:(CONTINUED)**

**Thomaston-Upson County Airport Authority** – The governing board is appointed by Upson County and the City of Thomaston. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Recreation Commission** – The County contributes significant funding to the Recreation Commission. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Solid Waste Disposal Facility** – The purpose of the entity is to account for closure and post-closure care of the Zorn Street landfill, as well as provide an organizational structure for planning and constructing future landfills. The County contributes significant funding. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

Complete financial statements of the individual component units can be obtained directly from their administrative office as follows:

Upson County Department of  
Public Health  
East Lee Street  
Thomaston, Georgia 30286

Thomaston-Upson County  
Industrial Development Authority  
213 East Gordon Street  
Thomaston, Georgia 30286

Thomaston-Upson County  
Recreation Commission  
101 Civic Center Drive  
Thomaston, Georgia 30286

Thomaston-Upson County  
Airport Authority  
Delray Road  
Thomaston, Georgia 30286

Thomaston-Upson County  
Solid Waste Disposal Facility  
East Lee Street  
Thomaston, Georgia 30286

A joint venture has the following characteristics:

1. It is a legal entity that results from a contractual arrangement.
2. It is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control.
3. Participants retain an ongoing financial interest or an ongoing financial responsibility.

Although Upson County does not own an equity interest in the Three Rivers Regional Commission, membership is automatic for all counties and municipalities within its geographic boundaries. The board of directors includes a county commissioner from each county and the mayor or council member from the largest city of each county.

Under Georgia law, the County, in conjunction with other cities and counties in the five county membership, is a member of the Three Rivers Regional Commission and is required to pay annual dues thereto. During the year 2018, the County paid \$17,380 in such dues.

O. C. G. A. §50-8-34 sets forth the organizational structure of RDC's, and O.C.G.A. §50-8-39-1 provides that member governments are liable for any debts or obligations of an RDC.

There have not been any related party transactions between Upson County and the Three Rivers Regional Commission.

## **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

The Three Rivers Regional Commission's most recent financial report reflects sufficient financial resources to continue its purpose without additional funding from its membership. Separate financial statements can be obtained by writing to Three Rivers Regional Commission, P.O. Box 818, Griffin, Georgia 30224.

### **2. Government-wide and Fund Financial Statements:**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the nonfiduciary activities of the primary government and its component units if any. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

### **3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation:**

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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.

## **FUND FINANCIAL STATEMENTS**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

Property 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish *operating* revenues and expenses from nonoperating 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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

County's enterprise fund are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The County applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, APB opinions, and ARBS.

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

The government reports the following major governmental funds:

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

**Special Revenue Fund - E -911 Fund** - The E-911 Fund is used to account for E-911 fund receipts and qualified expenditures.

**Unincorporated Services Fund** - This fund is used to account for receipts and disbursements specifically identified as benefiting only the unincorporated area of the county.

**Joint Projects Fund** - This fund is used to account for county unincorporated tax receipts and associated Upson County disbursements to fund the county's portion of joint projects with the City of Thomaston.

**Capital Projects Funds - 2011 and 2016 SPLOST Projects** - These funds are used to account for SPLOST receipts and qualified SPLOST project expenditures.

The government reports the following major proprietary funds:

**Enterprise Fund** - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing authority is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing authority has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital, maintenance, public policy, management control, accountability, or other purposes. The Lincoln Park, Upson County and Sunset Water Districts and the Waste Services Fund are accounted for using enterprise fund accounting.

Additionally, the government reports the following fund types:

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Hotel/Motel Tax Fund, Law Library Fund, the Unincorporated Services Fund, the Sprewell Bluff Recreation Area, the 911 Fund, and the Joint Projects Fund are currently established as Special Revenue Funds.

**FIDUCIARY FUNDS:**

**Agency Funds** - Agency Funds are used to account for assets held by the County as an agent for others. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**4. Budgets and Budgetary Accounting:**

An annual budget is prepared for all funds. Annual budgets that are prepared may not be exceeded at the departmental level. The budget officer is authorized to transfer budget amounts between expenditure character within individual departments. Transfers between departments or revisions, which increase total expenditures of a Fund, must be approved by the County Commission.

Budgeted amounts are as originally adopted or as amended by the County Commission.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:(CONTINUED)**

Budgets for all funds are adopted on the same basis which is consistent with generally accepted accounting principles (GAAP) for governmental fund types. Budgets for the proprietary fund type are for management control purposes only and are not required to be reported.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or about December 1, the County Budget Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. After revision, if any, by the Commissioners, the budget is legally enacted through passage of an ordinance.
4. Budgetary information is compared to actual revenue and expenditures on a monthly basis and reported to the County Commissioners.
5. All budgetary appropriations lapse at year end.

**5. Encumbrances:**

Encumbrances represented commitments related to contracts not yet performed. A governmental unit often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. These commitments, if any, are recorded as encumbrances for budgetary control. These encumbrances lapse at the end of the year and become part of the following year's budgetary amounts. All unencumbered budgeted appropriations lapse at the end of each fiscal year. No encumbrances existed at the end of December 31, 2018.

**6. Cash and Cash Equivalents::**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury, other U.S. Government agencies, State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of the State of Georgia, and the Local Government Investment Pool.

**7. Vacation, Sick Leave and Other Compensated Absences:**

County employees are entitled to vacation and sick leave. It is the intent of the rules surrounding vacation leave to have an employee to use vacation leave during the calendar year of accrual. In the event an employee resigns or retires, the employee may be eligible for payment of sick leave hours. If a proper two (2) weeks' notice is given, the employee can be paid up to 120 hours of accrued sick leave. The formula will be based on the number of years of service times 8 hours of leave. If no two (2) weeks' notice is given, no sick leave benefits will be paid out. For unused sick leave to be paid out, request must be made at time of termination. No provisions have been made for accrued sick leave due to the underlying contingencies associated with accrued sick leave payouts at resignation or retirement and the immateriality of the accrual.

The County does not provide post-employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

**8. Interfund Receivables, Payables and Transfers**

During the course of 2018, the county's normal operations consisted of numerous transactions between funds. Interfund transfers are recorded as "other financing sources and uses". Interfund receivables/payables are transfers to advance operating funds on a short term basis and are recorded in "due to/from accounts".

There were no interfund receivables or payables at December 31, 2018.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:(CONTINUED)**

Interfund transfers for the year ended December 31, 2018 consisted of the following:

Transfer To:	911 Fund	<u>\$ 226,932</u>
Transfer From:	General Fund	<u>\$ 226,932</u>
Transfer To:	Sprewell Bluff Fund	<u>\$ 93,541</u>
Transfer From:	General Fund	<u>\$ 93,541</u>

The purpose of these transfers was to supplement the funds' resources for making expenditures.

Transfer To:	General Fund	<u>\$ 2,297,179</u>
	General Fund	<u>\$ 833,746</u>
Transfer From:	Joints Project Fund	<u>\$ 2,297,179</u>
	Unincorporated Service Fund	<u>\$ 833,746</u>

The purpose of these transfers is to transfer property tax collections from these funds to the general fund. The general fund budgets expenditures associated with the property tax collections from these two special revenue funds.

**9. Inventories and Prepaid Items:**

Inventories of all funds, except the Sprewell Bluff Fund and Airport, are accounted for as expenditures at the time of purchase and are not inventoried at year end due to a lack of materiality.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**10. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**11. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverages for each of the past three fiscal years. The County had no significant reduction in insurance coverage from coverage in the prior year.

**12. Capital Assets**

Capital assets, which include property, plant and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings	40
Vehicles	5-7
Equipment	5-10
Water and Sewer System	40
Infrastructure	40

**13. Restricted and Unrestricted Net Position**

The government’s policy when both restricted and unrestricted Net Position are available, unrestricted resources are first applied, then restricted Net Position are applied based on their limited use.

**14. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The County has items that qualifies for report in this category. It is the deferred charge on pensions reported in the government-wide statement of net position. The deferred charge on pensions is the accumulation of contributions subsequent to the measurement date and the changes in the proportionate share of contributions.

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**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds and Net Position - governmental activities* as reported in the government-wide statement of Net Position.

Capital assets used in net governmental activities are not financial resources, and, therefore, are not reported in the funds.

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of Net Position. Long-term liabilities applicable to the County’s Governmental Activities in the Statement of Net Position.

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds and changes in Net Position - governmental activities* as reported in the government-wide statement of activities.

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS: (CONTINUED)**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of these differences are as follows:

Capital outlay	\$ 3,634,468
Depreciation expense	(1,442,337)
Principal repayments on long term debt	—
Deferred outflows of resources	(738,549)
Deferred inflows of resources - pension	1,005,676
Net pension fund asset	(319,795)
Other	<u>(77,070)</u>
Net adjustment	<u>\$ 2,062,393</u>

Issuance of long-term debt provides current resources in the governmental funds. In the government-wide statements, issuance represents a liability rather than a resource. Total long-term debt issued in 2018 was \$ -0-.

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, principal payments do not affect Net Position in the government-wide statement of activities. During 2018, principal paid by governmental funds totaled \$ -0-.

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**NOTE C - PROPERTY TAXES**

All real and personal property (including motor vehicles) are valued as of January 1 of each year. With the exception of motor vehicles, which are valued by the State Revenue Department, all assessments are made by the Upson County Board of Tax Assessors. This Board is appointed by the Upson County Commissioners. Exceptions are permitted for certain inventories as well as homestead and age exemptions.

The following dates are applicable to property taxes:

	Lien date	November 19
	Levy date	September 18
***	Due dates	November 18
***	Collection date	November 18

Upon completion of all assessments and tax returns, the information is compiled to form the tax digest, which is submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the State mandated forty percent (40%) of fair market value. If not, the State Commissioner may reject the digest until such values are appropriately adjusted.

All property taxes are recognized in compliance with National Council on Governmental Accounting Interpretation No. 3 (Revenue Recognition - Property Taxes), which states that such revenue should be recorded when it becomes measurable and available. Available means due, or past-due, and receivable within the current period and collected no longer than 60 days after the close of the current period.

**Property Tax Calendar**

Property taxes are levied each year based on assessed values determined the previous January 1. The County Commissioners officially set mill rates during September of each year, mail property tax bills on September 18, and establish November 18 as the due date. Unpaid property taxes are attached as an enforceable lien on property as of November 19 (lien date). Judicial property sales are commenced on November 19 of the following year.

**NOTE D - CAPITAL ASSETS:**

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

	<b>Restated Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 2,207,310	\$ 29,673	\$ -	\$ 2,236,983
Total capital assets, not being depreciated	<u>\$ 2,207,310</u>	<u>\$ 29,673</u>	<u>\$ -</u>	<u>\$ 2,236,983</u>
Other capital assets:				
Buildings	\$ 25,388,200	\$ 495,807	\$ -	\$ 25,884,007
Equipment	851,593	1,725,677	-	2,577,270
Vehicles	2,964,802	614,760	-	3,579,562
Infrastructure	36,001,332	768,551	-	36,769,883
Total capital assets, at cost	<u>\$ 65,205,927</u>	<u>\$ 3,604,795</u>	<u>\$ -</u>	<u>\$ 68,810,722</u>
Less accumulated depreciation for:				
Buildings	\$ 11,715,306	\$ 744,215	\$ -	\$ 12,459,521
Equipment	1,657,921	296,760	-	1,954,681
Vehicles	1,325,183	90,693	-	1,415,876
Infrastructure	25,226,490	310,668	-	25,537,158
Total accumulated depreciation	<u>\$ 39,924,900</u>	<u>\$ 1,442,336</u>	<u>\$ -</u>	<u>\$ 41,367,236</u>
Other capital assets, net	<u>\$ 25,281,027</u>	<u>\$ 2,162,459</u>	<u>\$ -</u>	<u>\$ 27,443,486</u>
<b>Governmental activities capital assets, net</b>	<b><u>\$ 27,488,337</u></b>	<b><u>\$ 2,192,132</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 29,680,469</u></b>
<b>Business-Type Activities</b>				
Capital assets, not being depreciated				
Land	\$ 381,300	\$ -	\$ -	\$ 381,300
Total capital assets, not being depreciated	<u>\$ 381,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 381,300</u>
Other capital assets				
Water distribution system	\$ 8,336,182	\$ -	\$ -	\$ 8,336,182
Equipment and vehicles	231,969	-	-	231,969
Total other capital assets, at cost	<u>\$ 8,568,151</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,568,151</u>
Less accumulated depreciation for:				
Water distribution system	\$ 2,407,039	\$ 180,140	\$ -	\$ 2,587,179
Equipment and vehicles	193,802	4,250	-	198,052
Total accumulated depreciation	<u>\$ 2,600,841</u>	<u>\$ 184,390</u>	<u>\$ -</u>	<u>\$ 2,785,231</u>
Other Capital assets, net	<u>\$ 5,967,310</u>	<u>\$ (184,390)</u>	<u>\$ -</u>	<u>\$ 5,782,920</u>
<b>Business-type activities capital assets, net</b>	<b><u>\$ 6,348,610</u></b>	<b><u>\$ (184,390)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6,164,220</u></b>
<b>Total governmental and business-type activities, net</b>	<b><u>\$ 33,836,947</u></b>	<b><u>\$ 2,007,742</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 35,844,689</u></b>



**NOTE D – CAPITAL ASSETS: (CONTINUED)**

Depreciation expense was charged to functions, as follows:

Governmental activities:		
General government	\$	609,690
Public safety		120,948
Public works		565,671
Health and welfare		51,907
Culture and recreation		94,121
Total depreciation expense - governmental activities	\$	<u>1,442,337</u>
Business-type activities:		
Water system	\$	<u>184,390</u>
Total depreciation expense - business-type activities	\$	<u>184,390</u>
Total depreciation expense	\$	<u><u>1,626,727</u></u>

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**NOTE E - CHANGES IN LONG-TERM DEBT:**

1. The following is a summary of debt service requirements to maturity for the following notes payable due from the proprietary fund at December 31, 2018:

**ENTERPRISE FUND**

- A. Note Payable - Georgia Environmental Facilities Authority - Loan #2**  
Upson County Water System  
Project: Grand Monde' (\$145,488) & Logan's Landing (\$112,895) Water Lines  
Original loan amount - \$265,768  
Annual Interest Rate - 5.15%  
Quarterly Payments – \$5,687.19

<b>Debt Service to Maturity:</b>			
	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
2019	18,919	3,830	22,749
2020	19,910	2,839	22,749
2021	20,957	1,792	22,749
2022	<u>21,678</u>	<u>1,071</u>	<u>22,749</u>
<b>TOTAL</b>	<b><u>\$ 81,464</u></b>	<b><u>\$ 9,532</u></b>	<b><u>\$ 90,996</u></b>

**NOTE E - CHANGES IN LONG-TERM DEBT: (CONTINUED)**

**B. Note Payable - Georgia Environmental Facilities Authority - Loan #1**

Sunset Water System  
 Note dated April 1, 2000  
 4.760% - Term 20 Years  
 First payment due - June 1, 2000  
 With quarterly payments of \$8,868.39 thereafter  
 Original Loan Amount – \$454,311  
 Purpose of Loan – Water Line Construction

<b>Debt Service to Maturity</b>			
	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
2019	34,039	5,403	39,442
2020	<u>8,739</u>	<u>2,622</u>	<u>11,361</u>
<b>TOTAL</b>	<b><u>\$ 42,778</u></b>	<b><u>\$ 8,025</u></b>	<b><u>\$ 50,803</u></b>

All proprietary fund debt is expected to be paid with resources of the proprietary fund, and is appropriately reported in this fund.

**C. Note Payable - Georgia Environmental Facilities Authority - Loan #4**

Note dated August 15, 2012 – 1.13%  
 Loan Commitment – \$ 1,800,000  
 Less Principal  
 Forgiveness - (500,000)  
 Note Due - \$ 1,300,000

Loan Payment – \$6,054.32 Monthly

<b>Debt Service to Maturity</b>			
	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
2019	61,939	10,713	72,652
2020	62,642	10,010	72,652
2021	63,354	9,298	72,652
2022	64,073	8,579	72,652
2023	64,801	7,851	72,652
2024-2031	<u>659,581</u>	<u>36,665</u>	<u>696,246</u>
<b>TOTAL</b>	<b><u>\$ 976,390</u></b>	<b><u>\$ 83,116</u></b>	<b><u>\$ 1,059,506</u></b>

**NOTE E - CHANGES IN LONG-TERM DEBT: (CONTINUED)**

**D. Note Payable - Georgia Environmental Facilities Authority - Loan #3**

Note Agreement dated December 1, 2011 - 4.02%  
 Note Amount - \$3,626,025 – 20-year note  
 Note Payment - \$22,011.23 monthly

<b>Debt Service to Maturity</b>			
	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
2019	159,683	104,452	264,135
2020	166,222	97,919	264,135
2021	173,029	91,106	264,135
2022	180,114	84,021	264,135
2023	187,490	91,106	264,135
2024-2031	<u>1,804,411</u>	<u>302,625</u>	<u>2,107,036</u>
<b>TOTAL</b>	<b>\$ 2,670,949</b>	<b>\$ 771,229</b>	<b>\$ 3,427,711</b>

The following is a summary of long-term debt transactions of the County for the year ending December 31, 2018:

	<b>Business Activities</b>				<b>Governmental</b>
	<b>Note Payable -</b>	<b>Note Payable -</b>	<b>Note Payable -</b>	<b>Note Payable -</b>	<b>Activities</b>
	<b>GEFA #1</b>	<b>GEFA #2</b>	<b>GEFA #3</b>	<b>GEFA #4</b>	<b>Total</b>
Amounts payable at 1/1/2017	\$ 75,244	\$ 99,438	\$ 2,824,351	\$ 1,037,633	\$ 4,036,666
Loan Proceeds	-	-	-	-	-
Principal Payments	<u>(32,466)</u>	<u>(17,974)</u>	<u>(153,402)</u>	<u>(61,243)</u>	<u>(265,085)</u>
Long-Term Debt payable at 12/31/2018	<u>\$ 42,778</u>	<u>\$ 81,464</u>	<u>\$ 2,670,949</u>	<u>\$ 976,390</u>	<u>\$ 3,771,581</u>
Amounts Due Within 1 Year from 12/31/2018	<u>\$ 34,039</u>	<u>\$ 18,919</u>	<u>\$ 159,683</u>	<u>\$ 61,939</u>	<u>\$ 274,580</u>

**NOTE F - RISK MANAGEMENT AND LITIGATION:**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has obtained coverage from commercial insurance companies and does not retain risk. There has been no significant reduction in insurance coverage during 2017 from coverage in the prior year. There were no settlements that exceeded insurance coverage for the past three fiscal years. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The County Attorney estimates that the amount of actual or potential claims against the County as of December 31, 2018 will not materially affect the financial condition of the County.

As to pending litigation:

1. **MARY TRAYLOR VS. THREE RIVERS, ET AL.** This case involves alleged injuries to a lady in a wheel chair who was being transported in TRRC/TRS van. Lawsuit expected.
2. **CURTIS PERRY, JR. VS. UCSO;** Allegation of excessive force. Lawsuit expected.
3. **DANIEL ET AL. VS. UPSON COUNTY ET AL;** This is a pending certiorari to Superior Court. Involves granting of a special exception to zoning.

**NOTE F - RISK MANAGEMENT AND LITIGATION (CONTINUED):**

4. **FORTNER VS. UPSON COUNTY, ET AL.**; this is an appeal/certiorari to the Superior Court of Upson County. It involves a zoning decision by the Board of Commissioners.

As to pending contingencies:

1. Proposed civil penalties for untimely or non-filing of payroll related documents to Social Security Administration for the period ending December 31, 2012. Total penalty of \$584,328 and associated interest charges of \$72,177. Request for abatement has been made. Additionally, Upson County has evidence that the payroll related documents were mailed timely by certified mail with return receipt. It is anticipated that abatement of penalties and interest charges will be received once an IRS agent is assigned to this case.
2. On the 26<sup>th</sup> day of August 2004, the Board of Commissioners of Upson County signed a resolution that Upson County will guarantee the approximate \$16,000,000, twenty-year bond issue of the Upson Regional Medical Center, in accordance with OCGA 31-7-71 et seq. Such guaranty would be conditioned such that Upson County would be obligated to make payment on such financing only if Upson Regional Medical Center was financially incapable of doing so. As of December 31, 2018, the bond payments are current, and all payments were made timely. The current balance of the outstanding bond is \$6,205,000.

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**NOTE G - EMPLOYEE RETIREMENT PLAN:**

**A. Plan Description**

The county sponsors the Association County Commissioners of Georgia (ACCG) Restated Pension Plan for Upson 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 the Government Employee Benefits Corporation (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.

**Summary of Significant Accounting Policies**

*Pensions.* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County Employees Pension Plan (CEPP) and additions to and deductions from CEPP's fiduciary net position have been determined on the same basis as they are reported by CEPP. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at their fair value.

**Basis of Accounting**

The accrual basis of accounting is used in the pension trust fund. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred. Employer contributions to the plan are recognized when due and the County has made a formal commitment to provide the contribution. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Investment Values**

Investments of the pension trust fund are reported at their fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates market value. Securities traded on a national or international exchange are valued at last reported sales price at current exchange rates. Investments that do not have an established market value are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value.

**B. Contributions and Funding Policies**

The County's employees' participation is non-contributory. The County is required to contribute at an actuarially determined rate; the current rate is 3.5% of covered payroll. The contribution requirements of plan members and the County are established and may be amended by the Board of County Commissioners.

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

The County Employee’s Pension Plan provides retirement benefits for substantially all full-time employees except certain employees in the State Court, Agriculture Agent’s Office, and the Tax Commissioner.

Actuarial valuations are performed biannually. There are no loans to any County officials nor are there any other “party-in-interest” or prohibited transactions. The funds are managed by GEBCorp. A financial report is issued and filed with the Georgia Department of Audits bi-annually.

The County has a 457B Deferred Compensation Plan available for employees’ voluntary participation and is funded by employee only. The County has a 457A Defined Contribution Plan available for the County Manager. The County contributes 7% of his compensation annually.

**C. Benefits Provided**

CEPP provides retirement, disability, and death benefits. Retirement benefits for all employees are calculated as 2 percent of the employee’s career earnings. General employees with 10 years of continuous service are eligible to retire at age 60. Public safety employees with 10 years of continuous service are eligible to retire at age 55. General employees may retire at any age after 30 years of service. Public safety employees may retire at any age after 20 years of service. All employees are eligible for non-duty disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal two times the employee’s final full-year salary. An employee who leaves County service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms provide for annual cost-of-living adjustments to each employee’s retirement allowance subsequent to the employee’s retirement date. The annual adjustments are one-half of the change in the Consumer Price Index, limited to a maximum increase in retirement allowance of 2 percent for general employees and 3 percent for public safety employees.

**Net Pension Liability of the County**

The County’s net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Inflation	3.5%
Salary Increases	3.7%, including inflation
Investment rate of return	6%, net pension plan investment expense, including inflation

Mortality rates were based on the 1994 Group Annuity Mortality Table set forward two years for the period after service retirement and for dependent beneficiaries as well as for deaths in active service. The RP-2000 Disability Mortality Table set forward three years is used for the period after disability retirement.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2018.

The long-term expected rate of return on 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 Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of December 31, 2018 are 6% per year.

*Discount Rate.* The discount rate used to measure the total pension liability was 6%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to



**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

3. Mortality: RP-2000 projected with Scale AA to 2018

The Society of Actuaries are developing a new mortality table for governmental employees. As the mortality rates in Georgia are in the highest quartile in the nation, in the opinion of the actuary use of the RP-2014 mortality table with full generational projection of future mortality improvements would not appropriately reflect anticipated plan experience. Until such time as the mortality table for governmental employees is released, the RP-2000 mortality table for governmental employers is released, the table will be reviewed in light of the mortality rates experienced in the state of Georgia. The RP-2000 mortality table projects mortality improvements with Scale AA.

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

4. Termination An experience based, age and service-based set of rates:  
Sample rates as follows:

<u>Age</u>	<u>Probability of Termination</u>	<u>Age</u>	<u>Probability of Termination</u>
25	10.80%	45	5.50%
35	8.30%	55	0.00%

(Linear interpolation between ages)

<u>Years of Service</u>	<u>Probability of Termination</u>
3 or less	175% of the age-based assumption
4	150% of the age-based assumption
5	125% of the age-based assumption
6	Same as the age-based assumption

Based on results of February, 2014 experience study.

5. Disability: Male rates (used for both sexes) derived from a 1977 Social Security Administration study. Incidence of disability resulting in Eligibility for both disability benefits under the County retirement Plan and the Social Security:  
Sample rates as follows:

<u>Age</u>	<u>Probability of Disability</u>	<u>Age</u>	<u>Probability of Disability</u>
Under 20	0.0000%	20	0.0100%
25	0.1131%	30	0.1900%
35	0.2712%	40	40.0000%
45	0.6331%	50	1.0400%
55 & over	0.0000%		

Professional judgment was used to select the above disability rates:





**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

**Discount Rate**  
**For the Measurement Period Ended December 31, 2018**

The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%, as well as the forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS.

Building block expected return based on 20-year benchmarks (see following page for details.)	6.82%
Building block expected return based on a30-year benchmarks (see following page for details.)	8.28%
UBS capital market assumption for a moderate asset allocation.	6.40%
20-year building blocks return (6.82% x .3333):	2.27%
30-year building blocks return (8.28% x .3333):	2.76%
UBS capital market assumption for a moderate asset allocation (6.40% x .3334):	2.13%
Discount Rate (rounded to the nearest .25%):	<u>7.16%</u>
	7.25%

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

**Reconciliation of TPL/FNP/NPL**

**For the Measurement Period Ended December 31, 2018**

	<b>Total Pension Liability</b>	<b>Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</b>
Balance at December 31, 2017	\$ 6,221,436	\$ 7,116,802	\$ (895,366)
Changes for the year:			
Service Cost	344,138	-	344,138
Interest	449,498	-	449,498
Liability Experience (Gain)/Loss	291,361	-	291,361
Assumption Change	226,921	-	226,921
Employer Contributions	-	276,772	(276,772)
Employee Contributions	-	-	-
Net Investment Income	-	(342,740)	342,740
Benefit Payments	(42,918)	(42,918)	-
Administrative Expense	-	(59,741)	59,741
Other Changes	-	(33,310)	33,310
Net Changes	<u>1,269,000</u>	<u>(201,937)</u>	<u>1,470,937</u>
Balance at December 31, 2018	\$ 7,490,436	\$ 6,914,865	\$ 575,571

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)****Liability (Gain)/Loss**

The following table illustrates the liability (gain)/loss under GASB 68:

	Fiscal Year Ending 12/31/2015	Fiscal Year Ending 12/31/2016	Fiscal Year Ending 12/31/2017	Fiscal Year Ending 12/31/2018
(1) Pension Liability Prior Measurement Date	\$ 8,145,444	\$ 8,833,975	\$ 13,098,970	\$ 6,221,436
(2) Service Cost	\$ 481,598	\$ 524,767	895,262	344,138
(3) Interest Cost	508,573	533,122	458,460	451,054
(4) Plan Changes	-	-	-	-
(5) Benefit Payments	<u>(301,640)</u>	<u>(947,073)</u>	<u>(723,102)</u>	<u>(44,474)</u>
(6) Expected Pension Liability	\$ 8,833,975	\$ 8,944,791	\$ 13,729,590	\$ 6,972,154
(7) Actual Pension Liability	<u>8,833,975</u>	<u>9,288,552</u>	<u>12,990,316</u>	<u>7,263,515</u>
(8) Pension Liability (Gain)/Loss	\$ -	\$ 343,761	\$ (739,274)	\$ 291,361

**Asset (Gain)/Loss**

The following table illustrates the asset (gain)/loss under GASB 68:

	Fiscal Year Ending 12/31/2015	Fiscal Year Ending 12/31/2016	Fiscal Year Ending 12/31/2017	Fiscal Year Ending 12/31/2018
(1) Pension Asset Prior Measurement Date	\$ 6,696,874	\$ 7,392,149	\$ 7,009,094	\$ 7,116,802
(2) Contributions - Employer	\$ 755,763	\$ 321,506	483,495	276,772
(3) Expected Investment Income	415,436	424,762	516,748	(140,803)
(4) Benefit Payments	(301,640)	(947,073)	(710,665)	(42,918)
(5) Administrative Expense	-	-	(7,585)	(59,741)
(6) Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,310)</u>
(7) Expected Pension Asset	\$ 7,566,433	\$ 7,191,344	\$ 7,291,087	\$ 7,116,802
(8) Actual Pension Asset	<u>7,392,149</u>	<u>7,009,094</u>	<u>7,116,802</u>	<u>6,914,865</u>
(9) Pension Asset (Gain)/Loss	\$ 174,284	\$ 182,250	\$ 174,285	\$ 201,937
(10) Amortization Factor	5	5	5	5
(11) Pension Asset (Gain)/Loss Amortization	34,857	36,450	34,857	40,387

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

**Reconciliation of Net Pension Liability**

**For the Measurement Period Ended December 31, 2018**

	Net Deferred Outflows	Net Deferred Inflows
Asset (Gain)/Loss	\$ 830,962	\$ (53,321)
Liability (Gain)/Loss	\$ 506,567	\$ (544,654)
(Gain)/Loss due to Assumption Change	<u>\$ 3,007,298</u>	<u>\$ (5,391,622)</u>
Total	\$ 4,344,827	\$ (5,989,597)

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Amounts Recognized in the deferred outflows of resources and deferred in flows of resources related to pensions will be recognized in the pension expense as follows:

**Year End December 31:**

2019	\$ 434,743
2020	\$ 399,887
2021	\$ 363,437
Thereafter	\$ 1,973,467

**Sensitivity**

The following table illustrates the impact of interest rate sensitivity on the Net Pension Liability for fiscal year ending December 31, 2018:

	Current Rate 6.00%	2% Increase 8.00%
Total Pension Liability	\$ 8,555,646	\$ 6,606,945
Fuduciary Net Position	<u>\$ 6,914,865</u>	<u>\$ 6,914,865</u>
Net Pension Liability	\$ 1,640,781	\$ (307,920)

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**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

**Disclosure - Changes in the Net Pension Liability and Related Ratios**

**Changes in the Net Pension Liability and Related Ratios**

**FISCAL YEAR ENDING:**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Total Pension Liability</b>					
Service Cost	N/A	\$ 481,598	\$ 524,767	\$ 895,262	\$ 344,138
Interest Cost	N/A	508,573	533,112	458,460	449,498
Changes in Benefit Terms	N/A	-	-	-	-
Differences Between Expected and Actual Experiences	N/A	-	343,771	(739,174)	291,361
Changes of Assumptions	N/A	-	3,810,318	(6,768,880)	226,921
Benefit Payments, Including Refunds of Member Contributions	N/A	(301,640)	(947,073)	(723,102)	(42,918)
<b>Net Change in Total Pension Liability</b>	N/A	\$ 688,531	\$ 4,264,895	\$ (6,877,434)	\$ 1,269,000
<b>Total Pension Liability (Beginning)</b>	N/A	8,145,444	8,833,975	13,098,870	6,221,436
<b>Total Pension Liability (Ending)</b>	<b>\$ 8,145,444</b>	<b>\$ 8,833,975</b>	<b>\$ 13,098,870</b>	<b>\$ 6,221,436</b>	<b>\$ 7,490,436</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	N/A	\$ 742,247	\$ 321,506	\$ 483,495	\$ 276,772
Contributions - Member	N/A	-	-	-	-
Net Investment Income	N/A	254,668	242,512	342,463	(342,740)
Benefit Payments, Including Refunds of Member Contributions	N/A	(301,640)	(947,073)	(710,665)	(42,918)
Administrative Expense	N/A	-	-	(7,585)	(59,741)
Other	N/A	-	-	-	(33,310)
<b>Net Change in Plan Fiduciary Net Position</b>	N/A	\$ 695,275	\$ (383,055)	\$ 107,708	\$ (201,937)
<b>Plan Fiduciary Net Position (Beginning)</b>	N/A	6,696,874	7,392,149	7,009,094	7,116,802
<b>Plan Fiduciary Net Position (Ending)</b>	<b>\$ 6,696,874</b>	<b>\$ 7,392,149</b>	<b>\$ 7,009,094</b>	<b>\$ 7,116,802</b>	<b>\$ 6,914,865</b>
<b>Net Pension Liability - Ending</b>	<b>\$ 1,448,570</b>	<b>\$ 1,441,826</b>	<b>\$ 6,089,776</b>	<b>\$ (895,366)</b>	<b>\$ 575,571</b>
<b>Net Position as a % of Pension Liability</b>	<b>82.2%</b>	<b>83.7%</b>	<b>53.5%</b>	<b>114.4%</b>	<b>92.3%</b>
<b>Covered Payroll</b>	<b>\$ 4,867,632</b>	<b>\$ 5,037,999</b>	<b>\$ 5,552,055</b>	<b>\$ 5,418,930</b>	<b>\$ 5,553,314</b>
<b>Net Pension Liability as a % of Covered Payroll</b>	<b>29.8%</b>	<b>28.6%</b>	<b>109.7%</b>	<b>-16.5%</b>	<b>10.4%</b>

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

**Summary of Main Plan Provisions for Valuation Purposes**

1. Effective Date: January 1, 1970; amended and restated July 1, 1984.  
Amended and restated July 1, 2015.
2. Participant: Any employees meeting the provisions as set out in Article 4.
3. Eligibility: Upon date of hire. No age or service requirements.
4. Plan Year: Period from January 1 to the next December 31, inclusive.
5. Service: Hours of Service Method. One year of service for every calendar year in which participant works 1,000 hours.
6. Annual compensation: Total remuneration required to be reported as taxable income on Form W-2.
7. Eligibility for Benefits:
  - a. Normal Retirement Attained age 65.
  - b. Late Retirement Any date subsequent to Normal Retirement.
  - c. Early Retirement Attained age 55, 7 years of Service.
  - d. Disability Retirement Ten year of Service and deemed to be totally and permanently disabled.
  - e. Vested Termination One hundred percent vested after seven years of Service.
  - f. Pre-Retirement Death Benefit Spouse of active participant that dies after age 55 and completion of 7 years of Vesting Service.
8. Accrued Benefit: 2.0% of Annual Compensation for current year plus prior year accrued benefit.
9. Benefit Amounts:
  - a. Normal Retirement A benefit payable monthly for life equal to the Participant's Accrued Benefit at Normal Retirement.
  - b. Late Retirement A benefit payable monthly for life equal to the Participant's Accrued Benefit at Late Retirement.

**NOTE G - EMPLOYEE RETIREMENT PLAN: (CONTINUED)**

**Summary of Main Plan Provisions for Valuation Purposes (continued)**

- |                                    |   |  |
|------------------------------------|---|--|
| c. Early Retirement                | A benefit payable monthly for life equal to the Participant's Accrued Benefit reduced at Early Retirement.  |  |
| d. Disability Retirement           | A benefit payable monthly for life equal to the Participant's Accrued Benefit at Disability Retirement.   |  |
| e. Vested Termination              | A benefit payable monthly for life beginning at Normal Retirement equal to the Participant's Accrued Benefit at termination. Participants with 7 years of Service may elect to receive benefits at an Early Retirement date calculated in the same manner as an early retirement benefit. |  |
| f. Pre-Retirement Death Benefit:   | Life Annuity  | The Spouse of active Participants eligible for this benefit will receive a monthly death benefit equal to 50% of the joint and 50% survivor benefit calculated as if the Participant retired on the day before his or her death. |
| 10. Contributions:                 | Participants are not required to contribute to the plan.  |  |
| 11. Changes Since Prior Valuation: | There have been no substantive changes since the last actuarial valuation.  |  |

## **NOTE H - RETIREMENT PLAN - UPSON COUNTY BOARD OF HEALTH (COMPONENT UNIT)**

### **A. Plan Description**

The Employee's Retirement System of Georgia, a cost-sharing, multiple-employer defined benefit pension plan, was established by the Georgia Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees and has the powers and privileges of a corporation. The Plan is administered by the Employees' Retirement System of Georgia. The ERS is being funded in conformity with the minimum funding standard set forth in Code Section 47-20-10 of the Public Retirement Systems Standards Law and the funding policy adopted by the Board of Trustees. Each plan and fund, including benefit contribution provisions, was established and can be amended by state law. The Plan issues a publicly available financial report that can be obtained [www.ers.ga.gov](http://www.ers.ga.gov).

### **B. Benefits Provided**

The ERS Plan supports three benefits tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest salary over a 24 consecutive calendar month period, multiplied by a number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

### **C. Contributions**

Member contributions under the old plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Health Department's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2018 was 24.69% of annual covered payroll for old and new plan members and 21.69% for SEPS members. The Health Department's contributions to ERS totaled \$102,850 for the year ended June 30, 2018. Contributions are expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

### **D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Inflows of Resources Related to Pensions**

At June 30, 2018, the Health Department reported a liability of \$675,644 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2016. An expected total pension liability as of June 30, 2017 was determined using standard roll-forward techniques. The Health Department's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2017. At June 30, 2017, The Health Department's proportion was .016636%, which was a decrease of (.001939)% from its proportion measured as of June 30, 2016.



**NOTE H - RETIREMENT PLAN - UPSON COUNTY BOARD OF HEALTH (COMPONENT UNIT): (CONTINUED)**

For the year ended June 30, 2016, The Health Department recognized pension expense of \$85,984. At June 30, 2016, The Health Department 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
Differences between expected and actual experience	\$ 7,403	\$ 5
Changes of assumptions	1,538	—
Net difference between projected and actual earnings on pension plan investments	—	1,682
Changes in proportion and differences between employer contributions and proportionate share of contributions	8,277	50,539
Employer contributions subsequent to the measurement date	<u>102,805</u>	<u>—</u>
Total	<u>\$ 120,023</u>	<u>\$ 52,046</u>

The Health Department’s contributions subsequent to the measurement date of \$102,805 are reported as deferred outflows and will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred in flows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ (31,128)
2020	\$ 7,872
2021	\$ 7,585
2022	\$ (19,157)
2023	\$ —
Thereafter	\$ —

**E. Actuarial Assumptions**

The total pension liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increase	3.25-7.00%, including inflation
Investment rate of return	7.50%, net pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disable Mortality Table set back eleven years for males for the period after disability retirement.

**NOTE H - RETIREMENT PLAN - UPSON COUNTY BOARD OF HEALTH (COMPONENT UNIT): (CONTINUED)**

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2009-June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return*
Fixed Income	30.00%	0.50%
Domestic large stocks	37.20%	9.00%
Domestic mid stocks	3.40%	12.00%
Domestic small stocks	1.40%	13.50%
International developed market stocks	17.80%	8.00%
International emerging market stocks	5.20%	12.00%
Alternatives	<u>5.00%</u>	10.50%
Total	<u>100.00%</u>	

\*Rates shown are net of the 2.75% assumed rate of inflation

**F. Discount Rate**

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**H. Sensitivity of the Health Department’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-rate higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
Employer’s proportionate share of net pension liability	<u>\$ 983,489</u>	<u>\$ 693,802</u>	<u>\$ 446,832</u>

## **NOTE I – SPECIAL FUNDING DEFINED BENEFIT PENSION PLANS**

### **1. Employees' Retirement System**

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

### **2. Sheriff's Retirement Fund of Georgia**

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

### **3. Judges on the Probate Courts Retirement Fund of Georgia**

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

### **4. Magistrate Retirement Fund**

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

### **5. Georgia's Judicial Retirement System**

The County's Juvenile Court Judge is covered by the Georgia Judicial Retirement System. The County makes no contributions to this plan. The State of Georgia provides employer contributions for juvenile court judges. These nonemployer contributions are recognized as revenue by the Fund when collected from the State. The Georgia Judicial Retirement System of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to Upson County's financial statements.

### **6. Georgia Firefighters' Pension Fund**

The County's Volunteer Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The County makes no contributions to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in the plan and non-employer contributions which consist of insurance premium taxes collected and remitted by insurers directly to the pension fund in accordance with the law. The plan is administered by Georgia Firefighters' Pension Fund located at 2171 Eastview parkway NE in Conyers, Georgia where separate financial statements may be obtained. This plan is considered immaterial to Upson County's financial statements.

### **7. Peace Officers' Annuity and Benefit Fund of Georgia**

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

**NOTE J- CONTINGENT LIABILITIES:**

There are no known contingent liabilities to report at December 31, 2018.

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**NOTE K – CASH AND CASH EQUIVALENTS:**

The County of Upson's deposits at December 31, 2018 were entirely covered by Federal depository insurance or by collateral held by the County's custodial banks in the County's name.

During the year 2018 and at December 31, 2018, the County's cash was held in interest-bearing deposit accounts at Federally insured depository institutions. All deposits are covered by Federal depository insurance or collateralized by pledged marketable securities.

BALANCE SHEET - The captions on the combined balance sheet related to cash and in the Total columns are as follows:

	<u>Total</u>
Cash in Banks	\$ 7,823,307
Restricted Cash	<u>5,607,109</u>
TOTAL	<u>\$ 13,430,416</u>

Deposits - All deposits are carried at cost.

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**NOTE L - SCHEDULE OF CASH DEPOSITS:**

	<u>BALANCE</u>	<u>FUND</u>
Cash deposits	94,376	Agency Funds
Cash deposits	7,823,307	General Fund
Cash deposits	256,176	Special Revenue Funds
Cash deposits	1,578,829	Enterprise Funds
Cash deposits	<u>3,677,728</u>	Capital Project Fund
Total	<u>\$ 13,430,416</u>	

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**NOTE M – HOTEL/MOTEL TAX:**

Hotel/Motel taxes received and expended amounted to \$4,456, an amount representing .0054% of tax receipts for the year ended December 31, 2018. The County has complied with the expenditure requirements of OCGA §48-13-51 by expending or contractually committed for expenditure, as provided with this code section, for the year ending December 31, 2018.

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**NOTE N – FUND EQUITY:**

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

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

**NOTE N – FUND EQUITY: (CONTINUED)**

- Restricted – amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Commissioners through adoption of a resolution. Commissioners also may modify or rescind the commitment.
- Assigned – amounts that are constrained by the Commissioners intent to be used for specific purposes, but are neither restricted nor committed. By resolution, the Commissioners has authorized the Manager to assign fund balances.
- Unassigned – amounts that have not been assigned to other funds and that are not restricted, committed or assigned to specific purposes within the General Fund.

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

- Committed
- Assigned
- Unassigned

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**NOTE O – RESTATEMENT OF NET POSITION-GOVERNMENTAL ACTIVITIES:**

An extensive analysis of the governmental depreciation schedules necessitates a restatement of the December 31, 2017 balances in the amount of \$4,431,961, resulting in a decrease of the net position:

The effect of the adjustment is as follows:

	<b>Business-Type Activities</b>
Net position - December 31, 2017	\$ 41,815,593
Capital Asset and Accumulated Depreciation adjustment	<u>(4,431,961)</u>
<b>Restated Net position at December 31, 2017</b>	<b><u>\$ 37,383,632</u></b>

Restatement of Net Position – Component Units:

Analysis of depreciation schedules require a restatement of December 31, 2017 balances:

	<u>Airport Authority</u>	<u>Recreation Commission</u>
Net Position – December 31, 2017	\$ 14,170,760	\$ 1,224,708
Capital asset and accumulated Depreciation adjustment	<u>( 101,129)</u>	<u>(228,295)</u>
 Restated net position at December 31, 2017	 <u>\$ 14,069,631</u>	 <u>\$ 1,016,413</u>

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**NOTE P – SUBSEQUENT EVENTS:**

Subsequent events have been evaluated through June 1, 2019, which is the date of the auditors’ opinion.

# **Schedule of Required Supplementary Information**

**Disclosure - Changes in the Net Pension Liability and Related Ratios**

**Last Ten Fiscal Years**

(Years Prior to 2014 Unavailable)

**Changes in the Net Pension Liability and Related Ratios**

GASB 68 is effective for fiscal year ending December 31, 2015. The following exhibit shows the change in Net Pension Liability in recent years ending in 2014, 2015, 2016, 2017 and 2018.

	FISCAL YEAR ENDING:				
	2014	2015	2016	2017	2018
<b>Total Pension Liability</b>					
Service Cost	N/A	\$ 481,598	\$ 524,767	\$ 895,262	\$ 344,138
Interest Cost	N/A	508,573	533,112	458,460	449,498
Changes in Benefit Terms	N/A	-	-	-	-
Differences Between Expected and Actual Experiences	N/A	-	343,771	(739,174)	291,361
Changes of Assumptions	N/A	-	3,810,318	(6,768,880)	226,921
Benefit Payments, Including Refunds of Member Contributions	N/A	(301,640)	(947,073)	(723,102)	(42,918)
<b>Net Change in Total Pension Liability</b>	N/A	\$ 688,531	\$ 4,264,895	\$ (6,877,434)	\$ 1,269,000
<b>Total Pension Liability (Beginning)</b>	N/A	8,145,444	8,833,975	13,098,870	6,221,436
<b>Total Pension Liability (Ending)</b>	<b>\$ 8,145,444</b>	<b>\$ 8,833,975</b>	<b>\$ 13,098,870</b>	<b>\$ 6,221,436</b>	<b>\$ 7,490,436</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	N/A	\$ 742,247	\$ 321,506	\$ 483,495	\$ 276,772
Contributions - Member	N/A	-	-	-	-
Net Investment Income	N/A	254,668	242,512	342,463	(342,740)
Benefit Payments, Including Refunds of Member Contributions	N/A	(301,640)	(947,073)	(710,665)	(42,918)
Administrative Expense	N/A	-	-	(7,585)	(59,741)
Other	N/A	-	-	-	(33,310)
<b>Net Change in Plan Fiduciary Net Position</b>	N/A	\$ 695,275	\$ (383,055)	\$ 107,708	\$ (201,937)
<b>Plan Fiduciary Net Position (Beginning)</b>	N/A	6,696,874	7,392,149	7,009,094	7,116,802
<b>Plan Fiduciary Net Position (Ending)</b>	<b>\$ 6,696,874</b>	<b>\$ 7,392,149</b>	<b>\$ 7,009,094</b>	<b>\$ 7,116,802</b>	<b>\$ 6,914,865</b>
<b>Net Pension Liability - Ending</b>	<b>\$ 1,448,570</b>	<b>\$ 1,441,826</b>	<b>\$ 6,089,776</b>	<b>\$ (895,366)</b>	<b>\$ 575,571</b>
<b>Net Position as a % of Pension Liability</b>	<b>82.2%</b>	<b>83.7%</b>	<b>53.5%</b>	<b>114.4%</b>	<b>92.3%</b>
<b>Covered Payroll</b>	<b>\$ 4,867,632</b>	<b>\$ 5,037,999</b>	<b>\$ 5,552,055</b>	<b>\$ 5,418,930</b>	<b>\$ 5,553,314</b>
<b>Net Pension Liability as a % of Covered Payroll</b>	<b>29.8%</b>	<b>28.6%</b>	<b>109.7%</b>	<b>-16.5%</b>	<b>10.4%</b>

**Schedule of the Net Pension Liability**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Share of the net pension liability	\$ 1,448,570	\$ 1,441,826	\$ 6,089,776	\$ (895,366)	\$ 575,571
Covered employee payroll	\$ 4,867,632	\$ 5,037,999	\$ 5,552,055	\$ 5,418,930	\$ 5,553,314
Proportionate share of the net pension liability as a percentage of covered-employee payroll	29.8%	28.6%	109.7%	-16.5%	10.4%
Plan fiduciary net position as a percentage of the total pension liability	82.2%	83.7%	53.5%	114.4%	92.3%

Years prior to 2014 are not available.



**Non-Major  
Governmental  
Funds**

**UPSON COUNTY, GEORGIA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
December 31, 2018

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Hotel/Motel Tax	Law Library Fund	
<b>ASSETS</b>			
Cash in banks	\$ -	\$ 18,300	\$ 18,300
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 18,300</u>	<u>\$ 18,300</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ -
Due to general fund	-	-	-
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Restricted as reported in Special Revenue Funds	\$ -	\$ 18,300	\$ 18,300
<b>Total Fund Balance</b>	<u>\$ -</u>	<u>\$ 18,300</u>	<u>\$ 18,300</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ -</u>	<u>\$ 18,300</u>	<u>\$ 18,300</u>

**UPSON COUNTY, GEORGIA**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
For the Year Ending December 31, 2018

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Hotel/Motel Tax	Law Library Fund	
<b>Revenues</b>			
Taxes			
Hotel/Motel Tax	\$ 4,456	\$ -	\$ 4,456
Charges for services	-	-	-
Investment earnings	-	-	-
Fines and forfeitures	-	16,750	16,750
<b>Total revenues</b>	<b>\$ 4,456</b>	<b>\$ 16,750</b>	<b>\$ 21,206</b>
<b>Expenditures</b>			
Current:			
General government	\$ -	\$ 14,700	\$ 14,700
Public safety	-	-	-
Capital outlay	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ 14,700</b>	<b>\$ 14,700</b>
Excess of revenues and other financing sources (uses) over (under) expenditures	<u>\$ 4,456</u>	<u>\$ 2,050</u>	<u>\$ 6,506</u>
<b>Other financing sources (uses)</b>			
Transfer from General Fund	\$ -	\$ -	\$ -
Payment to Chamber of Commerce Tourism Fund	(4,456)	-	(4,456)
<b>Total other financing sources (uses)</b>	<b>\$ (4,456)</b>	<b>\$ -</b>	<b>\$ (4,456)</b>
Net change in fund balance	\$ -	\$ 2,050	\$ 2,050
Fund balance - beginning of year	-	16,250	16,250
<b>Fund balance - end of year</b>	<b>\$ -</b>	<b>\$ 18,300</b>	<b>\$ 18,300</b>

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**General Fund** - to account for general operations of the county, including all financial transactions not required to be accounted for in another method.

**UPSON COUNTY, GEORGIA**  
**General Fund**  
**Comparative Balance Sheet**  
December 31, 2018

	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ 7,823,307	\$ 5,691,050
Receivables (net of allowances for estimated uncollectibles):		
Taxes	872,353	1,182,881
Prepays	-	1,197
<b>Total Assets</b>	<b>\$ 8,695,660</b>	<b>\$ 6,875,128</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 368,566	\$ 251,670
<b>Total Liabilities</b>	<b>\$ 368,566</b>	<b>\$ 251,670</b>
<b>Fund Balance</b>		
Nonspendable	\$ -	\$ 1,197
Unassigned	8,327,094	6,622,261
<b>Total Fund Balance</b>	<b>\$ 8,327,094</b>	<b>\$ 6,623,458</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 8,695,660</b>	<b>\$ 6,875,128</b>

**UPSON COUNTY, GEORGIA**  
**General Fund**  
**Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance**  
December 31, 2018

	<u>2018</u>	<u>2017</u>
<b>Revenues</b>		
Taxes	\$ 9,900,522	\$ 9,361,729
Licenses and permits	163,420	243,325
Intergovernmental revenue	1,617,420	1,164,225
Charges for services	699,768	738,383
Fines and forfeitures	783,486	721,038
Interest earnings	69,567	32,100
Miscellaneous	264,582	234,738
<b>Total revenues</b>	<b>\$ 13,498,765</b>	<b>\$ 12,495,538</b>
<b>Expenditures</b>		
Current:		
General government	\$ 6,329,560	\$ 5,705,438
Public safety	4,386,583	4,233,896
Public works	1,794,979	1,746,696
Health and welfare	605,503	553,122
Culture and recreation	161,039	118,541
Payments to other governmental agencies	1,074,276	1,728,183
Debt service:		
Principal	-	-
Interest	30,191	43,330
Capital outlay:		
Culture and recreation	41,216	-
General government	88,349	98,686
Public safety	93,884	126,153
<b>Total expenditures</b>	<b>\$ 14,605,580</b>	<b>\$ 14,354,045</b>
<b>Other financing sources (uses)</b>		
Transfer from (to) Special Revenue Funds:		
Joint Projects Fund	\$ 2,297,179	\$ 2,620,623
Unincorporated Services Fund	833,745	880,089
Sprewell Bluff Recreation Area Fund	(93,541)	-
911 Fund	(226,932)	(181,036)
<b>Total other financing sources (uses)</b>	<b>\$ 2,810,451</b>	<b>\$ 3,319,676</b>
<b>Excess of revenues and other financing sources</b>		
<b>(uses) over (under) expenditures</b>	<b>\$ 1,703,636</b>	<b>\$ 1,461,169</b>
Fund balance - beginning of year	6,623,458	5,162,289
<b>Fund balance - end of year</b>	<b>\$ 8,327,094</b>	<b>\$ 6,623,458</b>

**UPSON COUNTY, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Estimated Budget 12 Months	Additional Estimated Revenues	Total Estimated Revenues	2018 Actual Revenues	Variance	2017 Actual Revenues
<b>Taxes</b>						
General property taxes	\$ 6,036,013	\$ -	\$ 6,036,013	\$ 5,712,213	\$ (323,800)	\$ 5,496,855
Local option sales tax	1,815,703	-	1,815,703	1,779,761	(35,942)	1,647,854
Other taxes:						
Insurance premium tax	1,055,456	-	1,055,456	1,136,937	81,481	1,054,410
T.A.V.T. tax	746,894	-	746,894	861,527	114,633	740,325
Beer and wine tax	120,984	-	120,984	120,870	(114)	122,050
Franchise tax	193,135	-	193,135	172,259	(20,876)	171,481
Intangible tax	92,420	-	92,420	90,897	(1,523)	99,241
Real estate transfer tax	18,042	-	18,042	26,058	8,016	29,513
<b>Total taxes</b>	<b>\$ 10,078,647</b>	<b>\$ -</b>	<b>\$ 10,078,647</b>	<b>\$ 9,900,522</b>	<b>\$ (178,125)</b>	<b>\$ 9,361,729</b>
<b>Licenses and permits</b>						
Business licenses	\$ 89,434	\$ -	\$ 89,434	\$ 129,058	\$ 39,624	\$ 124,709
Bank licenses	26,192	-	26,192	34,362	8,170	118,616
<b>Total licenses and permits</b>	<b>\$ 115,626</b>	<b>\$ -</b>	<b>\$ 115,626</b>	<b>\$ 163,420</b>	<b>\$ 47,794</b>	<b>\$ 243,325</b>
<b>Intergovernmental revenues</b>						
E.M.A. Hazard Mitigation Grant	\$ -	\$ -	\$ -	\$ 8,896	\$ 8,896	\$ 23,060
LMIG Proceeds	580,278	-	580,278	1,162,712	582,434	574,392
F.E.M.A. Grants	-	-	-	107,310	107,310	44,577
C.D.B.G. Housing Grant	263,738	-	263,738	25,142	(238,596)	69,056
City of Thomaston reimbursements	431,300	-	431,300	190,305	(240,995)	237,115
BYRNE - JAG Grant	111,766	-	111,766	123,055	11,289	115,609
CHIP Grant	196,427	-	196,427	-	(196,427)	100,416
<b>Total intergovernmental revenues</b>	<b>\$ 1,583,509</b>	<b>\$ -</b>	<b>\$ 1,583,509</b>	<b>\$ 1,617,420</b>	<b>\$ 33,911</b>	<b>\$ 1,164,225</b>
<b>Charges for services</b>						
Tax commissioner - costs, commissions, and fees	\$ 309,120	\$ -	\$ 309,120	\$ 495,070	\$ 185,950	\$ 504,825
Prisoner expense reimbursements	79,169	-	79,169	94,085	14,916	83,121
Sheriff - costs and fees	79,037	-	79,037	82,052	3,015	74,516
Clerk of Superior Court - costs and fees	53,811	-	53,811	28,561	(25,250)	75,921
<b>Total charges for services</b>	<b>\$ 521,137</b>	<b>\$ -</b>	<b>\$ 521,137</b>	<b>\$ 699,768</b>	<b>\$ 178,631</b>	<b>\$ 738,383</b>

NOTE: This financial presentation continues on the next page.



**UPSON COUNTY, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	Estimated Budget 12 Months	Additional Estimated Revenues	Total Estimated Revenues	2018 Actual Revenues	Variance	2017 Actual Revenues
<b>Fines and forfeitures</b>						
Probate Court	\$ 465,500	\$ -	\$ 465,500	\$ 502,253	\$ 36,753	\$ 444,219
Superior Court	92,069	-	92,069	126,841	34,772	114,216
Juvenile Court	4,226	-	4,226	9,360	5,134	13,387
Magistrate Court	138,654	-	138,654	145,032	6,378	149,216
<b>Total fines and forfeitures</b>	<b>\$ 700,449</b>	<b>\$ -</b>	<b>\$ 700,449</b>	<b>\$ 783,486</b>	<b>\$ 83,037</b>	<b>\$ 721,038</b>
<b>Interest earnings</b>						
Finance office	\$ 27,697	\$ -	\$ 27,697	\$ 69,567	\$ 41,870	\$ 32,100
<b>Total interest earnings</b>	<b>\$ 27,697</b>	<b>\$ -</b>	<b>\$ 27,697</b>	<b>\$ 69,567</b>	<b>\$ 41,870</b>	<b>\$ 32,100</b>
<b>Miscellaneous</b>						
Miscellaneous	\$ 70,248	\$ -	\$ 70,248	\$ 254,582	\$ 184,334	\$ 212,738
Archives contributions	6,000	-	6,000	10,000	4,000	22,000
<b>Total miscellaneous</b>	<b>\$ 76,248</b>	<b>\$ -</b>	<b>\$ 76,248</b>	<b>\$ 264,582</b>	<b>\$ 188,334</b>	<b>\$ 234,738</b>
<b>TOTAL REVENUES</b>	<b>\$ 13,103,313</b>	<b>\$ -</b>	<b>\$ 13,103,313</b>	<b>\$ 13,498,765</b>	<b>\$ 395,452</b>	<b>\$ 12,495,538</b>
<b>Other financing sources</b>						
Transfer from Special Revenue Funds:						
Joint Projects Fund	\$ 2,300,000	\$ -	\$ 2,300,000	\$ 2,297,179	\$ (2,821)	\$ 2,620,623
Waste Services Enterprise Fund	-	-	-	-	-	-
Uincorporated Services Fund	835,000	-	835,000	833,745	(1,255)	880,089
<b>Total other financing sources</b>	<b>\$ 3,135,000</b>	<b>\$ -</b>	<b>\$ 3,135,000</b>	<b>\$ 3,130,924</b>	<b>\$ (4,076)</b>	<b>\$ 3,500,712</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 16,238,313</b>	<b>\$ -</b>	<b>\$ 16,238,313</b>	<b>\$ 16,629,689</b>	<b>\$ 391,376</b>	<b>\$ 15,996,250</b>

NOTE: This financial presentation continues on the next page.

**UPSON COUNTY, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Description	Initial Annual Budget	Additional Appropriations	Total Appropriations	2018 Actual Expenditures	Variance	2017 Actual Expenditures
<b>General government</b>						
Superior Court	\$ 177,580	\$ -	\$ 177,580	\$ 191,443	\$ (13,863)	\$ 205,429
Indigent Defense/Public Defender	372,136	-	372,136	372,136	-	372,136
District Attorney	285,000	-	285,000	284,058	942	284,355
Clerk of Superior Court	480,309	-	480,309	399,253	81,056	394,148
Probate Court	368,349	-	368,349	324,005	44,344	253,691
Magistrate Court	289,147	-	289,147	256,315	32,832	234,163
Juvenile court	148,000	-	148,000	147,933	67	127,777
Coroner	41,000	-	41,000	40,656	344	44,881
Board of Elections/Registrar	217,274	-	217,274	176,156	41,118	108,933
Finance and administrative	1,345,695	-	1,345,695	1,176,846	168,849	910,712
Senior Center	256,000	-	256,000	255,527	473	153,655
Tax Assessors	607,167	-	607,167	531,666	75,501	479,551
Information Technology	285,811	-	285,811	259,887	25,924	197,750
Tax Commissioner	428,704	-	428,704	396,280	32,424	384,283
General government buildings	935,152	-	935,152	911,341	23,811	882,484
Agricultural Resources	116,318	-	116,318	97,205	19,113	65,007
Archives	206,923	-	206,923	156,774	50,149	153,431
Building & Zoning/Code Enforcement	211,273	-	211,273	183,361	27,912	163,671
Conservation expenditures	6,500	-	6,500	6,500	-	19,938
Grant expenditures	571,961	-	571,961	123,214	448,747	269,443
Heart & Soul	26,704	-	26,704	\$ 21,624	5,080	-
<b>Total General Government</b>	<b>\$ 7,377,003</b>	<b>\$ -</b>	<b>\$ 7,377,003</b>	<b>\$ 6,312,180</b>	<b>\$ 1,064,823</b>	<b>\$ 5,705,438</b>
<b>Public Safety</b>						
Sheriff administration, patrol and crime	\$ 2,502,895	\$ -	\$ 2,502,895	\$ 1,980,447	\$ 522,448	\$ 1,922,746
Custody of prisoners	2,478,468	-	2,478,468	2,258,472	219,996	2,231,754
Emergency management	88,000	-	88,000	87,157	843	40,676
Fire fighting	61,000	-	61,000	60,507	493	38,720
<b>Total Public Safety</b>	<b>\$ 5,130,363</b>	<b>\$ -</b>	<b>\$ 5,130,363</b>	<b>\$ 4,386,583</b>	<b>\$ 743,780</b>	<b>\$ 4,233,896</b>

Note: This financial presentation continues on the next page.

**UPSON COUNTY, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Description	Initial Annual Budget	Additional Appropriations	Total Appropriations	2018 Actual Expenditures	Variance	2017 Actual Expenditures
<b>Public Works</b>						
Roads construction and maintenance	\$ 1,681,288	\$ -	\$ 1,681,288	\$ 1,463,376	\$ 217,912	\$ 1,421,760
Shop and garage	394,889	-	394,889	331,603	63,286	324,936
<b>Total Public Works</b>	<b>\$ 2,076,177</b>	<b>\$ -</b>	<b>\$ 2,076,177</b>	<b>\$ 1,794,979</b>	<b>\$ 281,198</b>	<b>\$ 1,746,696</b>
<b>Health and Welfare</b>						
Animal Control	\$ 289,943	\$ -	\$ 289,943	\$ 229,731	\$ 60,212	\$ 184,379
Family and Children Services	40,000	-	40,000	12,893	27,107	17,964
Physical and mental health	277,873	-	277,873	277,748	125	275,873
EMS operations	-	-	-	-	-	-
Gilmore Center	86,752	-	86,752	85,131	1,621	74,906
<b>Total Health and Welfare</b>	<b>\$ 694,568</b>	<b>\$ -</b>	<b>\$ 694,568</b>	<b>\$ 605,503</b>	<b>\$ 89,065</b>	<b>\$ 553,122</b>
<b>Culture and Recreation</b>						
Hightower Memorial Library	\$ 118,000	\$ -	\$ 118,000	\$ 117,548	\$ 452	\$ 114,541
Thomaston-Upson Arts Council	5,000	-	5,000	4,000	1,000	4,000
Other parks appropriation	54,946	-	54,946	39,491	15,455	-
<b>Total Culture and Recreation</b>	<b>\$ 177,946</b>	<b>\$ -</b>	<b>\$ 177,946</b>	<b>\$ 161,039</b>	<b>\$ 16,907</b>	<b>\$ 118,541</b>
<b>Payments to Other Governmental Agencies</b>						
Thomaston-Upson County:						
Recreation Commission	\$ 662,259	\$ -	\$ 662,259	\$ 662,259	\$ -	\$ 637,674
Airport Authority	-	-	-	-	-	-
Solid Waste Disposal Facility	65,885	-	65,885	65,885	-	220,601
Industrial Development Authority	346,132	-	346,132	346,132	-	852,535
Three Rivers Regional Commission	17,380	-	17,380	17,380	-	17,373
<b>Total payments to Other Governmental Agencies</b>	<b>\$ 1,091,656</b>	<b>\$ -</b>	<b>\$ 1,091,656</b>	<b>\$ 1,091,656</b>	<b>\$ -</b>	<b>\$ 1,728,183</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 16,547,713</b>	<b>\$ -</b>	<b>\$ 16,547,713</b>	<b>\$ 14,351,940</b>	<b>\$ 2,195,773</b>	<b>\$ 14,085,876</b>

Note: This financial presentation continues on the next page.

**UPSON COUNTY, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

Description	Initial Annual Budget	Additional Appropriations	Total Appropriations	2018 Actual Expenditures	Variance	2017 Actual Expenditures
<b>Debt Service</b>						
Tax Anticipation Note:						
Interest	\$ 51,000	\$ -	\$ 51,000	\$ 30,191	\$ 20,809	43,330
<b>Total Debt Service</b>	<b>\$ 51,000</b>	<b>\$ -</b>	<b>\$ 51,000</b>	<b>\$ 30,191</b>	<b>\$ 20,809</b>	<b>\$ 43,330</b>
<b>Capital Outlay</b>						
General Government	\$ 90,000	\$ -	\$ 90,000	\$ 88,349	\$ 1,651	\$ 98,686
Public Safety	95,000	-	95,000	93,884	1,116	126,153
Public Works	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Culture and Recreation	45,000	-	45,000	41,216	3,784	-
<b>Total Capital Outlay</b>	<b>\$ 230,000</b>	<b>\$ -</b>	<b>\$ 230,000</b>	<b>\$ 223,449</b>	<b>\$ 6,551</b>	<b>\$ 224,839</b>
<b>Other financing uses</b>						
Transfer to Sprewell Bluff Recreation	\$ 93,541	\$ -	\$ 93,541	\$ 93,541	\$ -	\$ 181,036
Transfer to 911 Fund	226,932	-	226,932	226,932	-	-
<b>Total other financing uses</b>	<b>\$ 320,473</b>	<b>\$ -</b>	<b>\$ 320,473</b>	<b>\$ 320,473</b>	<b>\$ -</b>	<b>\$ 181,036</b>
<b>TOTAL OPERATING EXPENDITURES, DEBT SERVICE, CAPITAL OUTLAY, AND OTHER FINANCING USES</b>	<b>\$ 17,149,186</b>	<b>\$ -</b>	<b>\$ 17,149,186</b>	<b>\$ 14,926,053</b>	<b>\$ 2,223,133</b>	<b>\$ 14,535,081</b>

**Sprewell Bluff Recreation Area** – to account for fees collected and the various expenditures of Sprewell Bluff Recreation Area.

**911 Fund** – to account for funds collected and disbursed from the 911 Fund for the safety and security of the citizens of Upson County, Georgia.

**Hotel/Motel Tax Fund** – to account for funds collected from the hotel/motel tax and disbursed to other agencies.

**Law Library Fund** – to account for resources received from the various courts of Upson county and disbursements for the support of a centralized law library.

**Unincorporated Service Fund** – to account for receipts and disbursements specifically identified as benefiting on the unincorporated area of the county.

**Joint Projects Fund** – to account for County Unincorporated tax receipts and associated county disbursements to fund the county's portion of joint projects with the City of Thomaston.

**UPSON COUNTY, GEORGIA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
FOR THE YEAR ENDED DECEMBER 31, 2018  
With Comparative Totals for December 31, 2017

	Sprewell Bluff						Total Special Revenue Funds	
	Recreation Area	911 Fund	Hotel/Motel Tax Fund	Law Library fund	Unincorporated Services Fund	Joint Projects Fund	2018	2017
<b>ASSETS</b>								
Cash in banks	\$ 54,535	\$ 182,341	\$ -	\$ 18,300	\$ -	\$ -	\$ 255,176	\$ 79,000
Inventory	13,396	-	-	-	-	-	13,396	6,699
Taxes Receivable	-	-	-	-	155,116	302,914	458,030	724,918
<b>Total Assets</b>	<b><u>\$ 67,931</u></b>	<b><u>\$ 182,341</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 18,300</u></b>	<b><u>\$ 155,116</u></b>	<b><u>\$ 302,914</u></b>	<b><u>\$ 726,602</u></b>	<b><u>\$ 810,617</u></b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ 28,482	\$ 6,837	\$ -	\$ -	\$ -	\$ -	\$ 35,319	\$ 1,038
Due to General Fund	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b><u>\$ 28,482</u></b>	<b><u>\$ 6,837</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 35,319</u></b>	<b><u>\$ 1,038</u></b>
<b>FUND BALANCES</b>								
Restricted	\$ 39,449	\$ 175,504	\$ -	\$ 18,300	\$ 155,116	\$ 302,914	\$ 691,283	\$ 809,579
<b>Total Fund Balances</b>	<b><u>\$ 39,449</u></b>	<b><u>\$ 175,504</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 18,300</u></b>	<b><u>\$ 155,116</u></b>	<b><u>\$ 302,914</u></b>	<b><u>\$ 691,283</u></b>	<b><u>\$ 809,579</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 67,931</u></b>	<b><u>\$ 182,341</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 18,300</u></b>	<b><u>\$ 155,116</u></b>	<b><u>\$ 302,914</u></b>	<b><u>\$ 726,602</u></b>	<b><u>\$ 810,617</u></b>

**UPSON COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
 FOR THE YEAR ENDED DECEMBER 31, 2018  
 With Comparative Totals for December 31, 2017

	<b>Sprewell Bluff</b>						<b>Total Special Revenue Funds</b>	
	<b>Recreation Area</b>	<b>911 Fund</b>	<b>Hotel/Motel Tax Fund</b>	<b>Law Library fund</b>	<b>Unincorporated Services Fund</b>	<b>Joint Projects Fund</b>	<b>2018</b>	<b>2017</b>
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ 4,456	\$ -	\$ 773,035	\$ 2,091,002	\$ 2,868,493	\$ 3,517,827
Fines and forfeitures	136,866	444,336	-	16,750	-	-	597,952	11,220
Charges for services	-	-	-	-	-	-	-	572,077
Intergovernmental revenue	-	-	-	-	-	-	-	-
Investment earnings	-	168	-	-	-	-	168	145
<b>Total Revenues</b>	<b>\$ 136,866</b>	<b>\$ 444,504</b>	<b>\$ 4,456</b>	<b>\$ 16,750</b>	<b>\$ 773,035</b>	<b>\$ 2,091,002</b>	<b>\$ 3,466,613</b>	<b>\$ 4,101,269</b>
<b>Expenditures</b>								
Current:								
General government	\$ 200,978	\$ -	\$ -	\$ 14,700	\$ -	\$ -	\$ 215,678	\$ 194,933
Public safety	-	684,316	-	-	-	-	684,316	725,656
Capital outlay expenditures	-	-	-	-	-	-	-	8,355
Payments to Chamber Tourism	-	-	4,456	-	-	-	4,456	5,071
<b>Total Expenditures</b>	<b>\$ 200,978</b>	<b>\$ 684,316</b>	<b>\$ 4,456</b>	<b>\$ 14,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 904,450</b>	<b>\$ 934,015</b>
Excess (Deficit) of Revenues over (Under) Expenses	\$ (64,112)	\$ (239,812)	\$ -	\$ 2,050	\$ 773,035	\$ 2,091,002	\$ 2,562,163	\$ 3,167,254
<b>Other Financing Sources (Uses)</b>								
Transfers To (From) General Fund	\$ 93,541	\$ 226,932	\$ -	\$ -	\$ (833,746)	\$ (2,297,179)	\$ (2,810,452)	\$ (3,319,676)
Transfers From City of Thomaston	-	129,992	-	-	-	-	129,992	106,049
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 93,541</b>	<b>\$ 356,924</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (833,746)</b>	<b>\$ (2,297,179)</b>	<b>\$ (2,680,460)</b>	<b>\$ (3,213,627)</b>
Excess (Deficit) of Revenues and Other Sources Over (Under)								
Expenditures and Other Uses	\$ 29,429	\$ 117,112	\$ -	\$ 2,050	\$ (60,711)	\$ (206,177)	\$ (118,297)	\$ (46,373)
Fund Balance - Beginning of Year	10,020	58,391	-	16,250	215,827	509,091	809,579	855,952
<b>Fund Balance - End of Year</b>	<b>\$ 39,449</b>	<b>\$ 175,503</b>	<b>\$ -</b>	<b>\$ 18,300</b>	<b>\$ 155,116</b>	<b>\$ 302,914</b>	<b>\$ 691,282</b>	<b>\$ 809,579</b>

**UPSON COUNTY, GEORGIA**  
**SPREWELL BLUFF RECREATION AREA**  
 COMPARATIVE BALANCE SHEET  
 December 31, 2018 and December 31, 2017

	<b>TOTALS</b>	
	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ 54,535	\$ 4,158
Inventory	13,396	6,699
<b>Total Assets</b>	<b>\$ 67,931</b>	<b>\$ 10,857</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable	\$ 28,482	\$ 837
Due to General Fund	-	-
<b>Total Liabilities</b>	<b>\$ 28,482</b>	<b>\$ 837</b>
<b>Fund Balance</b>		
Restricted	\$ 39,449	\$ 10,020
<b>Total Fund Balance</b>	<b>\$ 39,449</b>	<b>\$ 10,020</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 67,931</b>	<b>\$ 10,857</b>



**UPSON COUNTY, GEORGIA**  
**SPREWELL BLUFF RECREATION AREA**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Year Ending December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Store sales and other revenue	\$ 195,500	\$ 136,866	\$ (58,634)
<b>Total Revenues</b>	<u>\$ 195,500</u>	<u>\$ 136,866</u>	<u>\$ (58,634)</u>
<b>Expenditures</b>			
Current:			
General government	\$ 235,120	\$ 200,978	\$ 34,142
<b>Total Expenditures</b>	<u>\$ 235,120</u>	<u>\$ 200,978</u>	<u>\$ 34,142</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	<u>\$ (39,620)</u>	<u>\$ (64,112)</u>	<u>\$ (24,492)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers From General Fund	\$ -	\$ 93,541	\$ 93,541
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ 93,541</u>	<u>\$ 93,541</u>
<b>Excess (Deficit) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ (39,620)	\$ 29,429	\$ 69,049
<b>Fund Balance - Beginning of Year</b>	<u>10,020</u>	<u>10,020</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ (29,600)</u></u>	<u><u>\$ 39,449</u></u>	<u><u>\$ 69,049</u></u>

**UPSON COUNTY, GEORGIA**  
**911 FUND**  
 COMPARATIVE BALANCE SHEET  
 December 31, 2018 and December 31, 2017

	<b>TOTALS</b>	
	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ 182,341	\$ 58,592
<b>Total Assets</b>	<u>\$ 182,341</u>	<u>\$ 58,592</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable	\$ 6,837	\$ 201
Due to General Fund	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>\$ 6,837</u>	<u>\$ 201</u>
<b>Fund Balance</b>		
Restricted	\$ 175,504	\$ 58,391
<b>Total Fund Balance</b>	<u>\$ 175,504</u>	<u>\$ 58,391</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 182,341</u>	<u>\$ 58,592</u>

**UPSON COUNTY, GEORGIA**  
**911 FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL

For the Year Ending December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Store sales and other revenue	\$ 500,000	\$ 444,336	\$ (55,664)
Interest earned on investments	<u>148</u>	<u>168</u>	<u>20</u>
<b>Total Revenues</b>	<u>\$ 500,148</u>	<u>\$ 444,504</u>	<u>\$ (55,644)</u>
<b>Expenditures</b>			
Public Safety	\$ 870,627	\$ 684,316	\$ 186,311
Capital Outlay Expenditures	<u>-</u>	<u>-</u>	<u>\$ -</u>
<b>Total Expenditures</b>	<u>\$ 870,627</u>	<u>\$ 684,316</u>	<u>\$ 186,311</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	<u>\$ (370,479)</u>	<u>\$ (239,812)</u>	<u>\$ 130,667</u>
<b>Other Financing Sources (Uses)</b>			
Transfers From General Fund	\$ 226,914	\$ 226,932	\$ 18
Transfers From City of Thomaston	<u>129,982</u>	<u>129,992</u>	<u>\$ 10</u>
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 356,896</u>	<u>\$ 356,924</u>	<u>\$ 28</u>
<b>Excess (Deficit) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ (13,583)</u>	<u>\$ 117,112</u>	<u>\$ 130,695</u>
<b>Fund Balance - Beginning of Year</b>	<u>58,391</u>	<u>58,391</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 44,808</u></u>	<u><u>\$ 175,503</u></u>	<u><u>\$ 130,695</u></u>

**UPSON COUNTY, GEORGIA**  
**HOTEL/MOTEL TAX FUND**  
 COMPARATIVE BALANCE SHEET  
 December 31, 2018 and December 31, 2017

	<b>TOTALS</b>	
	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ _____ -	\$ _____ -
<b>Total Assets</b>	<u>\$ _____ -</u>	<u>\$ _____ -</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
<b>Total Liabilities</b>	\$ _____ -	\$ _____ -
<b>Fund Balance</b>		
<b>Total Fund Balance</b>	\$ _____ -	\$ _____ -
<b>Total Liabilities and Fund Balance</b>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

**UPSON COUNTY, GEORGIA**  
**HOTEL/MOTEL TAX FUND**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Year Ending December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Hotel/Motel taxes	\$ 4,000	\$ 4,456	\$ 456
<b>Total Revenues</b>	<u>\$ 4,000</u>	<u>\$ 4,456</u>	<u>\$ 456</u>
<b>Expenditures</b>			
Payments to Chamber - Tourism	\$ 4,000	\$ 4,456	\$ (456)
<b>Total Expenditures</b>	<u>\$ 4,000</u>	<u>\$ 4,456</u>	<u>\$ (456)</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Other Financing Sources (Uses)</b>			
Transfers From General Fund	\$ -	\$ -	\$ -
Transfers From City of Thomaston	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (Deficit) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**UPSON COUNTY, GEORGIA**  
**LAW LIBRARY FUND**  
 COMPARATIVE BALANCE SHEET  
 December 31, 2018 and December 31, 2017

	<b>TOTALS</b>	
	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ 18,300	\$ 16,250
<b>Total Assets</b>	<u>\$ 18,300</u>	<u>\$ 16,250</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance</b>		
Restricted	\$ 18,300	\$ 16,250
<b>Total Fund Balance</b>	<u>\$ 18,300</u>	<u>\$ 16,250</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 18,300</u>	<u>\$ 16,250</u>

**UPSON COUNTY, GEORGIA**  
**LAW LIBRARY FUND**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Year Ending December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Costs	\$ 18,000	\$ 16,750	\$ (1,250)
Interest earned	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>\$ 18,000</u>	<u>\$ 16,750</u>	<u>\$ (1,250)</u>
<b>Expenditures</b>			
Current:			
General government	\$ 18,000	\$ 14,700	\$ 3,300
<b>Total Expenditures</b>	<u>\$ 18,000</u>	<u>\$ 14,700</u>	<u>\$ 3,300</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ 2,050</u>	<u>\$ 2,050</u>
<b>Other Financing Sources (Uses)</b>			
Transfers From General Fund	\$ -	\$ -	\$ -
Transfers From City of Thomaston	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (Deficit) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ -</u>	<u>\$ 2,050</u>	<u>\$ 2,050</u>
<b>Fund Balance - Beginning of Year</b>	<u>16,250</u>	<u>16,250</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 16,250</u></u>	<u><u>\$ 18,300</u></u>	<u><u>\$ 2,050</u></u>

**UPSON COUNTY, GEORGIA**  
**UNINCORPORATED SERVICES FUND**  
**COMPARATIVE BALANCE SHEET**  
December 31, 2018 and December 31, 2017

	<b>TOTALS</b>	
	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ -	\$ -
Taxes receivable	115,116	215,827
<b>Total Assets</b>	<u>\$ 115,116</u>	<u>\$ 215,827</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance</b>		
Restricted	\$ 115,116	\$ 215,827
<b>Total Fund Balance</b>	<u>\$ 115,116</u>	<u>\$ 215,827</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 115,116</u>	<u>\$ 215,827</u>



**UPSON COUNTY, GEORGIA**  
**UNINCORPORATED SERVICES FUND**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Year Ending December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Property Taxes	\$ 775,000	\$ 773,035	\$ (1,965)
<b>Total Revenues</b>	<u>\$ 775,000</u>	<u>\$ 773,035</u>	<u>\$ (1,965)</u>
<b>Expenditures</b>			
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	<u>\$ 775,000</u>	<u>\$ 773,035</u>	<u>\$ (1,965)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers To General Fund	\$ (775,000)	\$ (833,746)	\$ (58,746)
<b>Total Other Financing Sources (Uses)</b>	<u>\$ (775,000)</u>	<u>\$ (833,746)</u>	<u>\$ (58,746)</u>
<b>Excess (Deficit) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ -	\$ (60,711)	\$ (60,711)
<b>Fund Balance - Beginning of Year</b>	<u>215,827</u>	<u>215,827</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 215,827</u>	<u>\$ 155,116</u>	<u>\$ (60,711)</u>

**UPSON COUNTY, GEORGIA**  
**JOINT PROJECTS FUND**  
 COMPARATIVE BALANCE SHEET  
 December 31, 2018 and December 31, 2017

	<b>TOTALS</b>	
	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash in banks	\$ -	\$ -
Taxes receivable	302,914	509,091
<b>Total Assets</b>	<u>\$ 302,914</u>	<u>\$ 509,091</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance</b>		
Restricted	\$ 302,914	\$ 509,091
<b>Total Fund Balance</b>	<u>\$ 302,914</u>	<u>\$ 509,091</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 302,914</u>	<u>\$ 509,091</u>

**UPSON COUNTY, GEORGIA**  
**JOINT PROJECTS FUND**  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Year Ending December 31, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Property Taxes	\$ 2,300,000	\$ 2,091,002	\$ (208,998)
<b>Total Revenues</b>	<u>\$ 2,300,000</u>	<u>\$ 2,091,002</u>	<u>\$ (208,998)</u>
<b>Expenditures</b>			
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (Deficit) of Revenues Over (Under) Expenditures</b>	<u>\$ 2,300,000</u>	<u>\$ 2,091,002</u>	<u>\$ (208,998)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers To General Fund	\$ (2,300,000)	\$ (2,297,179)	\$ 2,821
<b>Total Other Financing Sources (Uses)</b>	<u>\$ (2,300,000)</u>	<u>\$ (2,297,179)</u>	<u>\$ 2,821</u>
<b>Excess (Deficit) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ -	\$ (206,177)	\$ (206,177)
<b>Fund Balance - Beginning of Year</b>	<u>509,091</u>	<u>509,091</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 509,091</u>	<u>\$ 302,914</u>	<u>\$ (206,177)</u>

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**Capital Projects Fund** - to account for the funds provided by  
the 2011 and 2016 S.P.L.O.S.T. proceeds

UPSON COUNTY, GEORGIA

Capital Projects Funds

Balance Sheet

December 31, 2018

With Comparative Totals as of December 31, 2017

	2016	2011	Total	
	Special Local Options Sales Tax Projects Fund	Special Local Options Sales Tax Projects Fund	Capital Projects Funds	
			2018	2017
<b>Assets</b>				
Cash - construction account	\$ 2,020,940	\$ 1,656,788	\$ 3,677,728	\$ 4,551,860
<b>Total Assets</b>	<b>\$ 2,020,940</b>	<b>\$ 1,656,788</b>	<b>\$ 3,677,728</b>	<b>\$ 4,551,860</b>
<b>Liabilities and Fund Balances</b>				
<b>Total liabilities</b>	\$ -	\$ -	\$ -	\$ -
<b>Fund balances</b>				
Restricted for project completion	\$ 2,020,940	\$ 1,656,788	\$ 3,677,728	\$ 4,551,860
<b>Total fund balances</b>	<b>\$ 2,020,940</b>	<b>\$ 1,656,788</b>	<b>\$ 3,677,728</b>	<b>\$ 4,551,860</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,020,940</b>	<b>\$ 1,656,788</b>	<b>\$ 3,677,728</b>	<b>\$ 4,551,860</b>

**UPSON COUNTY, GEORGIA**  
**Capital Projects Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
For the Year Ended December 31, 2018  
With Comparative Totals as of December 31, 2017

	2016 Special Local Option Sales Tax Projects Fund			2011 Special Local Option Sales Tax Projects Fund			Total Capital Projects Funds	
	2018 Budget	2018 Actual	Variance	2018 Budget	2018 Actual	Variance	2018 Actual	2017 Actual
<b>Revenues</b>								
SPLOST proceeds	\$ 3,200,000	\$ 3,191,281	\$ (8,719)	\$ -	\$ -	\$ -	\$ 3,191,281	\$ 2,993,979
Interest earned on investments	5,000	4,623	(377)	5,000	4,769	(231)	9,392	3,773
<b>Total revenues</b>	<b>\$ 3,205,000</b>	<b>\$ 3,195,904</b>	<b>\$ (9,096)</b>	<b>\$ 5,000</b>	<b>\$ 4,769</b>	<b>\$ (231)</b>	<b>\$ 3,200,673</b>	<b>\$ 2,997,752</b>
<b>Expenditures</b>								
Capital Outlay - general government	\$ 2,400,000	\$ 2,370,147	\$ 29,853	\$ 1,200,000	\$ 1,040,872	\$ 159,128	\$ 3,411,019	\$ 1,585,751
<b>Total expenditures</b>	<b>\$ 2,400,000</b>	<b>\$ 2,370,147</b>	<b>\$ 29,853</b>	<b>\$ 1,200,000</b>	<b>\$ 1,040,872</b>	<b>\$ 159,128</b>	<b>\$ 3,411,019</b>	<b>\$ 1,585,751</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 805,000	\$ 825,757	\$ (38,949)	\$(1,195,000)	\$(1,036,103)	\$ (159,359)	\$ (210,346)	\$ 1,412,001
<b>Other financing sources (uses)</b>								
Transfer to City of Thomaston	\$ (640,000)	\$ (638,256)	\$ 1,744	\$ -	\$ -	\$ -	\$ (638,256)	\$ (598,796)
Transfer to City of Yatesville	(28,000)	(25,530)	2,470	-	-	-	(25,530)	(23,952)
<b>Total other financing sources (uses)</b>	<b>\$ (668,000)</b>	<b>\$ (663,786)</b>	<b>\$ 4,214</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (663,786)</b>	<b>\$ (622,748)</b>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 137,000	\$ 161,971	\$ (34,735)	\$(1,195,000)	\$(1,036,103)	\$ (159,359)	\$ (874,132)	\$ 789,253
Fund balance - beginning of year	1,858,968	1,858,968	-	2,692,891	2,692,891	-	4,551,859	3,762,606
<b>Fund balance - end of year</b>	<b>\$ 1,995,968</b>	<b>\$ 2,020,939</b>	<b>\$ (34,735)</b>	<b>\$ 1,497,891</b>	<b>\$ 1,656,788</b>	<b>\$ (159,359)</b>	<b>\$ 3,677,727</b>	<b>\$ 4,551,859</b>

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**Water Systems Enterprise Fund** - to account for the provision of water services to the residents and customers of the Upson County Water District, Sunset Water District and Lincoln Park Water District.

**UPSON COUNTY, GEORGIA**  
**Comparative Statement of Net Position**  
**Water System Enterprise Fund**  
December 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
<b>Current assets</b>		
Petty Cash	\$ 100	\$ 100
Cash in banks	761,801	520,627
Accounts receivable	137,263	88,739
<b>Total current assets</b>	<b>\$ 899,164</b>	<b>\$ 609,466</b>
<b>Restricted Assets</b>		
Customer deposits	\$ 244,677	\$ 241,997
<b>Total restricted assets</b>	<b>\$ 244,677</b>	<b>\$ 241,997</b>
<b>Total Current Assets</b>	<b>\$ 1,143,841</b>	<b>\$ 851,463</b>
 <b>Property, Plant, and Equipment</b>		
Land	\$ 381,300	\$ 381,300
Water distribution and storage system	8,313,213	8,313,213
Equipment and vehicles	254,937	254,937
<b>Total property, plant, and equipment</b>	<b>\$ 8,949,450</b>	<b>\$ 8,949,450</b>
Less accumulated depreciation	(2,785,231)	(2,600,841)
<b>Net Property, Plant, and Equipment</b>	<b>\$ 6,164,219</b>	<b>\$ 6,348,609</b>
 <b>Total Assets</b>	 <b>\$ 7,308,060</b>	 <b>\$ 7,200,072</b>
<b>Liabilities</b>		
<b>Current liabilities (payable from current assets)</b>		
Current portion of notes payable	\$ 273,636	\$ 259,039
Accounts payable	31,764	34,676
<b>Total current liabilities (payable from current assets)</b>	<b>\$ 305,400</b>	<b>\$ 293,715</b>
<b>Current liabilities (payable from restricted assets)</b>		
Customer deposits	\$ 158,823	\$ 152,189
<b>Total current liabilities (payable from restricted assets)</b>	<b>\$ 158,823</b>	<b>\$ 152,189</b>
<b>Total current liabilities</b>	<b>\$ 464,223</b>	<b>\$ 445,904</b>
 <b>Long-term liabilities</b>		
Notes payable (net of current portion)	\$ 3,497,945	\$ 3,777,627
<b>Total long-term liabilities</b>	<b>\$ 3,497,945</b>	<b>\$ 3,777,627</b>
 <b>Total Liabilities</b>	 <b>\$ 3,962,168</b>	 <b>\$ 4,223,531</b>
<b>Net Position</b>		
Net investment in capital assets	\$ 2,392,638	\$ 2,311,943
Restricted for customer deposits	85,854	89,808
Unassigned	857,420	574,790
<b>Total Net Position</b>	<b>\$ 3,345,892</b>	<b>\$ 2,976,541</b>

The notes to financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Comparative Statement of Revenues, Expenditures, and Changes in Fund Net Positions**  
**Water System Enterprise Fund**  
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b><u>Operating Revenues</u></b>		
Charges for services:		
Water	\$ 1,365,408	\$ 1,288,572
Sewer	139,450	149,663
Tap-on and other charges	<u>26,779</u>	<u>113,692</u>
Total Operating Revenues	<u>\$ 1,531,637</u>	<u>\$ 1,551,927</u>
<b><u>Operating Expenses</u></b>		
Personnel services	\$ 296,749	\$ 295,152
Purchases of water	74,278	176,617
Sewer fees	134,144	96,611
Vehicle expenses	16,234	11,125
Materials, supplies, and maintenance	208,300	179,192
Utilities and telephone	74,880	72,137
Administrative expenses and insurance	45,349	36,603
Depreciation	<u>184,390</u>	<u>184,390</u>
Total Operating Expenses	<u>\$ 1,034,324</u>	<u>\$ 1,051,827</u>
Operating Income (Loss)	<u>\$ 497,313</u>	<u>\$ 500,100</u>
<b><u>Nonoperating Revenues (Expenses)</u></b>		
Interest income	\$ 1,960	\$ 505
Interest expense and fiscal charges	<u>(129,922)</u>	<u>(139,043)</u>
Total Nonoperating Revenues (Expenses)	<u>\$ (127,962)</u>	<u>\$ (138,538)</u>
<b>Change in net position</b>	<b>\$ 369,351</b>	<b>\$ 361,562</b>
<b>Net position at beginning of year</b>	<b><u>2,976,541</u></b>	<b><u>2,614,979</u></b>
<b>Net position at end of year</b>	<b><u>\$ 3,345,892</u></b>	<b><u>\$ 2,976,541</u></b>

**UPSON COUNTY, GEORGIA**  
**Comparative Statement of Cash Flows**  
**Water System Enterprise Fund**  
December 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Cash flows from operating activities:</b>		
Receipts from customers	\$ 1,486,835	\$ 1,546,472
Payments to employees	(296,749)	(295,152)
Payments to suppliers	(553,185)	(569,065)
<b>Net cash provided (used) by operating activities</b>	<b>\$ 636,901</b>	<b>\$ 682,255</b>
<b>Cash flows from capital and related financing activities:</b>		
Principal payments on notes	\$ (265,085)	\$ (255,966)
Interest and fiscal charges on revenue bonds and notes	(129,922)	(139,043)
Increase (decrease) in general fund advances	-	(75,552)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>\$ (395,007)</b>	<b>\$ (470,561)</b>
<b>Cash flows from investing activities:</b>		
Interest income	\$ 1,960	\$ 505
<b>Net cash provided (used) by investing activities</b>	<b>\$ 1,960</b>	<b>\$ 505</b>
Net increase (decrease) in cash and cash equivalents	\$ 243,854	\$ 212,199
Cash and cash equivalents - beginning of year	762,624	550,425
<b>Cash and cash equivalents - end of year</b>	<b>\$ 1,006,478</b>	<b>\$ 762,624</b>
<b>Classified as:</b>		
Current assets	\$ 761,801	\$ 520,627
Restricted assets	244,677	241,997
<b>Total</b>	<b>\$ 1,006,478</b>	<b>\$ 762,624</b>
<b>Reconciliation of net operating income to net cash provided by operating activities:</b>		
Net operating income (loss)	\$ 497,313	\$ 500,100
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	\$ 184,390	\$ 184,390
Changes in assets and liabilities:		
(Increase) decrease in receivables	(48,524)	5,455
Increase (decrease) in payables	(2,912)	(25,899)
Increase (decrease) in customer deposits	6,634	18,209
Other	-	-
<b>Total adjustments</b>	<b>\$ 139,588</b>	<b>\$ 182,155</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 636,901</b>	<b>\$ 682,255</b>

**Waste Services Enterprise Fund** - to account for the provision  
of waste services to the residents and customers of  
Upson County, Georgia

**UPSON COUNTY, GEORGIA**  
**Comparative Statement of Net Position**  
**Waste Services Enterprise Fund**  
December 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
<b>Current assets</b>		
Petty Cash	\$ -	\$ -
Cash in banks	572,351	522,369
Accounts receivable	400,706	301,886
Total current assets	<u>\$ 973,057</u>	<u>\$ 824,255</u>
<b>Restricted Assets, Cash, and Investments</b>		
Total restricted assets	<u>\$ -</u>	<u>\$ -</u>
<b>Total Current Assets</b>	<u>\$ 973,057</u>	<u>\$ 824,255</u>
<b>Property, Plant, and Equipment</b>		
Total property, plant, and equipment	\$ -	\$ -
Less accumulated depreciation	-	-
<b>Net Property, Plant, and Equipment</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Total Assets</b>	<u><u>\$ 973,057</u></u>	<u><u>\$ 824,255</u></u>
<b>Liabilities</b>		
<b>Current liabilities (payable from current assets)</b>		
Due to general fund	\$ -	\$ -
Accounts payable	97,822	23,215
Total current liabilities (payable from current assets)	<u>\$ 97,822</u>	<u>\$ 23,215</u>
<b>Total Liabilities</b>	<u>\$ 97,822</u>	<u>\$ 23,215</u>
<b>Net Position</b>		
Net investment in capital assets	\$ -	\$ -
Unassigned	875,235	801,040
<b>Total Net Position</b>	<u><u>\$ 875,235</u></u>	<u><u>\$ 801,040</u></u>

**UPSON COUNTY, GEORGIA**  
**Comparative Statement of Revenues, Expenditures, and Changes in Fund Net Positions**  
**Waste Services Enterprise Fund**  
December 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b><u>Operating Revenues</u></b>		
Charges for services	\$ 1,121,590	\$ 1,256,484
Total Operating Revenues	\$ 1,121,590	\$ 1,256,484
<b><u>Operating Expenses</u></b>		
Personnel services	\$ 65,116	\$ 59,126
Transwaste payments	959,450	863,700
Materials, supplies, and maintenance	24,102	33,432
Total Operating Expenses	\$ 1,048,668	\$ 956,258
<b>Operating Income (Loss)</b>	<b>\$ 72,922</b>	<b>\$ 300,226</b>
<b><u>Nonoperating Revenues (Expenses)</u></b>		
Interest income	\$ 1,273	\$ 468
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 1,273</b>	<b>\$ 468</b>
<b>Change in net position</b>	<b>\$ 74,195</b>	<b>\$ 300,694</b>
<b>Net position at beginning of year</b>	<b>801,040</b>	<b>500,346</b>
<b>Net position at end of year</b>	<b>\$ 875,235</b>	<b>\$ 801,040</b>

**UPSON COUNTY, GEORGIA**  
**Comparative Statement of Cash Flows**  
**Waste Services Enterprise Fund**  
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities:</b>		
Receipts from customers	\$ 1,097,239	\$ 1,065,278
Payments to employees	(65,116)	(59,126)
Payments to suppliers	(983,414)	(878,070)
<b>Net cash provided (used) by operating activities</b>	<u>\$ 48,709</u>	<u>\$ 128,082</u>
<b>Cash flows from capital and related financing activities:</b>		
Transfer (to) from General Fund	\$ -	\$ -
Principal payments on notes	-	-
Interest and fiscal charges	-	-
Acquisition of capital assets	-	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash flows from investing activities:</b>		
Interest income	\$ 1,273	\$ 468
<b>Net cash provided (used) by investing activities</b>	<u>\$ 1,273</u>	<u>\$ 468</u>
Net increase (decrease) in cash and cash equivalents	\$ 49,982	\$ 128,550
Cash and cash equivalents - beginning of year	522,369	393,819
<b>Cash and cash equivalents - end of year</b>	<u>\$ 572,351</u>	<u>\$ 522,369</u>
<b>Classified as:</b>		
Current assets	\$ 572,351	\$ 522,369
Restricted assets	-	-
<b>Total</b>	<u>\$ 572,351</u>	<u>\$ 522,369</u>
<b>Reconciliation of net operating income to net cash provided by operating activities:</b>		
Net operating income (loss)	\$ 74,195	\$ 300,226
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	\$ -	\$ -
Changes in assets and liabilities:		
(Increase) decrease in receivables	(98,820)	(191,067)
Increase (decrease) in payables	74,468	18,923
Other	(1,134)	-
<b>Total adjustments</b>	<u>\$ (25,486)</u>	<u>\$ (172,144)</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 48,709</u>	<u>\$ 128,082</u>



## **AGENCY FUNDS**

The following Agency Funds are used by the County:

**Tax Commissioner** – to account for tax billings, collections, and remittances by the County on behalf of other governmental agencies.

**Sheriff** – to account for the collection and remittance of the county of fines, costs, bond forfeitures and various fees.

**Clerk of Superior Court** – to account for the receipt of disbursements of court-ordered fines and fees made on behalf of third parties.

**Superior Court** – to account for the collection of charges for court costs, filings, and settlements and the subsequent remittances to the applicable parties.

**Probate Court** – to account for the receipt and disbursements of funds held on behalf of minors and others.

**Magistrate Court** – to account for the receipt and disbursement of bonds (posted to secure release of individuals charged with various crimes) and court-ordered fines and fees made on behalf of third parties.

**Juvenile Court** – to account for the collection and payment of fines and restitution as directed by the Juvenile Court.

**UPSON COUNTY, GEORGIA**  
**AGENCY FUNDS**  
COMBINING BALANCE SHEET  
December 31, 2018

	<b>AGENCY FUNDS</b>							<b>2018 TOTAL</b>
	<b>PROBATE COURT</b>	<b>CLERK OF SUPERIOR COURT</b>	<b>SUPERIOR COURT</b>	<b>SERIFF'S DEPARTMENT</b>	<b>MAGISTRATE COURT</b>	<b>JUVENILE COURT</b>	<b>TAX COMMISSIONER</b>	
<b>ASSETS</b>								
Cash	\$ 22,610	\$ 4,665	\$ 6,211	\$ 22,610	\$ 22,110	\$ 16,170	\$ -	\$ 94,376
Taxes Receivable	-	-	-	-	-	-	872,353	872,353
<b>Total Assets</b>	<b><u>\$ 22,610</u></b>	<b><u>\$ 4,665</u></b>	<b><u>\$ 6,211</u></b>	<b><u>\$ 22,610</u></b>	<b><u>\$ 22,110</u></b>	<b><u>\$ 16,170</u></b>	<b><u>\$ 872,353</u></b>	<b><u>\$ 966,729</u></b>
<b>LIABILITIES</b>								
Due to others	\$ 22,610	\$ 4,665	\$ 6,211	\$ 22,610	\$ 22,110	\$ 16,170	\$ 872,353	\$ 966,729
<b>Total Liabilities &amp; Fund Equity</b>	<b><u>\$ 22,610</u></b>	<b><u>\$ 4,665</u></b>	<b><u>\$ 6,211</u></b>	<b><u>\$ 22,610</u></b>	<b><u>\$ 22,110</u></b>	<b><u>\$ 16,170</u></b>	<b><u>\$ 872,353</u></b>	<b><u>\$ 966,729</u></b>

**UPSON COUNTY, GEORGIA**  
**AGENCY FUNDS**  
COMBINING STATEMENTS OF CHANGES IN  
ASSETS AND LIABILITIES  
FOR THE YEAR ENDING DECEMBER 31, 2018

	<u>December 31, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2018</u>
<b>Probation Court</b>				
<u>Assets</u>				
Cash	\$ 51,740	\$ 473,123	\$ 502,253	\$ 22,610
Total Assets	<u>\$ 51,740</u>	<u>\$ 473,123</u>	<u>\$ 502,253</u>	<u>\$ 22,610</u>
<u>Liabilities</u>				
Accounts Payable	\$ 51,740	\$ 473,123	\$ 502,253	\$ 22,610
Total Liabilities	<u>\$ 51,740</u>	<u>\$ 473,123</u>	<u>\$ 502,253</u>	<u>\$ 22,610</u>
<b>Clerk of Superior Court</b>				
<u>Assets</u>				
Cash	\$ 5,991	\$ 27,235	\$ 28,561	\$ 4,665
Total Assets	<u>\$ 5,991</u>	<u>\$ 27,235</u>	<u>\$ 28,561</u>	<u>\$ 4,665</u>
<u>Liabilities</u>				
Accounts Payable	\$ 5,991	\$ 27,235	\$ 28,561	\$ 4,665
Total Liabilities	<u>\$ 5,991</u>	<u>\$ 27,235</u>	<u>\$ 28,561</u>	<u>\$ 4,665</u>
<b>Superior Court</b>				
<u>Assets</u>				
Cash	\$ 7,937	\$ 125,115	\$ 126,841	\$ 6,211
Total Assets	<u>\$ 7,937</u>	<u>\$ 125,115</u>	<u>\$ 126,841</u>	<u>\$ 6,211</u>
<u>Liabilities</u>				
Accounts Payable	\$ 7,937	\$ 125,115	\$ 126,841	\$ 6,211
Total Liabilities	<u>\$ 7,937</u>	<u>\$ 125,115</u>	<u>\$ 126,841</u>	<u>\$ 6,211</u>
<b>Sheriff's Office</b>				
<u>Assets</u>				
Cash	\$ 64,936	\$ 39,726	\$ 82,052	\$ 22,610
Total Assets	<u>\$ 64,936</u>	<u>\$ 39,726</u>	<u>\$ 82,052</u>	<u>\$ 22,610</u>
<u>Liabilities</u>				
Accounts Payable	\$ 64,936	\$ 39,726	\$ 82,052	\$ 22,610
Total Liabilities	<u>\$ 64,936</u>	<u>\$ 39,726</u>	<u>\$ 82,052</u>	<u>\$ 22,610</u>

**UPSON COUNTY, GEORGIA**  
**AGENCY FUNDS**  
COMBINING STATEMENTS OF CHANGES IN  
ASSETS AND LIABILITIES  
FOR THE YEAR ENDING DECEMBER 31, 2018

	<u>December 31, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2018</u>
<b>Magistrate Court</b>				
<u>Assets</u>				
Cash	\$ 27,932	\$ 139,210	\$ 145,032	\$ 22,110
Total Assets	<u>\$ 27,932</u>	<u>\$ 139,210</u>	<u>\$ 145,032</u>	<u>\$ 22,110</u>
<u>Liabilities</u>				
Accounts Payable	\$ 27,932	\$ 139,210	\$ 145,032	\$ 22,110
Total Liabilities	<u>\$ 27,932</u>	<u>\$ 139,210</u>	<u>\$ 145,032</u>	<u>\$ 22,110</u>
<b>Juvenile Court</b>				
<u>Assets</u>				
Cash	\$ 21,700	\$ 3,830	\$ 9,360	\$ 16,170
Total Assets	<u>\$ 21,700</u>	<u>\$ 3,830</u>	<u>\$ 9,360</u>	<u>\$ 16,170</u>
<u>Liabilities</u>				
Accounts Payable	\$ 21,700	\$ 3,830	\$ 9,360	\$ 16,170
Total Liabilities	<u>\$ 21,700</u>	<u>\$ 3,830</u>	<u>\$ 9,360</u>	<u>\$ 16,170</u>
<b>Tax Commissioner</b>				
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Taxes receivable	1,182,881	23,885,210	24,195,738	872,353
Total Assets	<u>\$ 1,182,881</u>	<u>\$ 23,885,210</u>	<u>\$ 24,195,738</u>	<u>\$ 872,353</u>
<u>Liabilities</u>				
Accounts Payable	\$ 1,182,881	\$ 23,885,210	\$ 24,195,738	\$ 872,353
Total Liabilities	<u>\$ 1,182,881</u>	<u>\$ 23,885,210</u>	<u>\$ 24,195,738</u>	<u>\$ 872,353</u>
<b>Totals - All Agency Funds</b>				
<u>Assets</u>				
Cash	\$ 180,236	\$ 808,239	\$ 894,099	\$ 94,376
Taxes receivable	1,182,881	23,885,210	24,195,738	872,353
Total Assets	<u>\$ 1,363,117</u>	<u>\$ 24,693,449</u>	<u>\$ 25,089,837</u>	<u>\$ 966,729</u>
<u>Liabilities</u>				
Accounts Payable	\$ 1,363,117	\$ 24,693,449	\$ 25,089,837	\$ 966,729
Total Liabilities	<u>\$ 1,363,117</u>	<u>\$ 24,693,449</u>	<u>\$ 25,089,837</u>	<u>\$ 966,729</u>

## **Non-Major Component Units**

**UPSON COUNTY, GEORGIA**  
**Combining Statement of Net Position**  
**Nonmajor Component Units**  
**December 31, 2018**

	Upson County Department of Public Health	Thomaston-Upson County Solid Waste Disposal Facility	Total Nonmajor Component Units
<b>ASSETS</b>			
Cash and cash equivalents	\$ 910,042	\$ 800,564	\$ 1,710,606
Receivables:			
Accounts	-	-	-
Capital assets, net of accumulated depreciation			
Land	-	-	-
Other capital assets, net of depreciation	234,135	1,532,775	1,766,910
Deferred outflows of resources:			
Employee pension contributions	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b><u>\$ 1,144,177</u></b>	<b><u>\$ 2,333,339</u></b>	<b><u>\$ 3,477,516</u></b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ 49,427	\$ -	\$ 49,427
Long-term liabilities:			
Due within one year	-	-	-
Due beyond one year	-	-	-
Deferred inflows of resources:			
Net difference between projected and actual investment earnings			-
on pension plan investments	153,230	-	153,230
Pension plan liability	<u>1,249,930</u>	<u>-</u>	<u>1,249,930</u>
<b>Total liabilities and deferred inflows of resources</b>	<b><u>\$ 1,452,587</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,452,587</u></b>
<b>Net Position</b>			
Invested in capital assets	\$ 234,135	\$ 1,532,775	\$ 1,766,910
Restricted	266,621	-	\$ 266,621
Unrestricted	<u>(809,166)</u>	<u>800,564</u>	<u>(8,602)</u>
<b>Total Net Position</b>	<b><u>\$ (308,410)</u></b>	<b><u>\$ 2,333,339</u></b>	<b><u>\$ 2,024,929</u></b>

**UPSON COUNTY, GEORGIA**  
**COMBINING STATEMENT OF ACTIVITIES**  
**NONMAJOR COMPONENT UNITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

	PROGRAM REVENUES				Upson County Dept. of Public Health	Thomaston- Upson County Solid Waste Disposal Facility	Total Nonmajor Component Units
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions			
<b>COMPONENT UNITS</b>							
Upson County Dept. of Public Health	\$ (1,169,624)	\$ 415,772	\$ -	\$ -	\$ (753,852)	\$ -	\$ (753,852)
Thomaston-Upson Solid Waste Disposal Facility	(32,610)	-	103,625	-	-	71,015	71,015
<b>Total Component Units</b>	<b>\$ (1,202,234)</b>	<b>\$ 415,772</b>	<b>\$ 103,625</b>	<b>\$ -</b>	<b>\$ (753,852)</b>	<b>\$ 71,015</b>	<b>\$ (682,837)</b>

**General Revenues**

Interest Income	\$ 2,231	\$ 2,598	\$ 4,829
<b>Total General Revenues</b>	<b>\$ 2,231</b>	<b>\$ 2,598</b>	<b>\$ 4,829</b>

Change in net position	\$ (751,621)	\$ 73,613	\$ (678,008)
Net position - beginning of year	443,211	2,259,726	2,702,937
<b>Net position - end of year</b>	<b>\$ (308,410)</b>	<b>\$ 2,333,339</b>	<b>\$ 2,024,929</b>

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## **Other Supplementary Schedules**

**Long-Term Debt Schedule** - this schedule provides detailed debt of Upson County, Georgia

**UPSON COUNTY, GEORGIA**  
**Comparative Schedule of Long-Term Debt**  
December 31, 2018 and 2017

	<b>2018</b>	<b>2017</b>
<b>Governmental Funds</b>		
Other Long-term liabilities:		
Capital leases	\$ -	\$ -
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>
 <b>Proprietary Funds</b>		
Note Payable - Georgia Environmental Facilities Authority	\$ 81,464	\$ 99,438
Note Payable - Georgia Environmental Facilities Authority	42,778	75,244
Note Payable - Georgia Environmental Facilities Authority	2,670,949	2,824,351
Note Payable - Georgia Environmental Facilities Authority	976,390	1,037,633
<b>Total Proprietary Funds</b>	<b>\$ 3,771,581</b>	<b>\$ 4,036,666</b>
 <b>Total Net Position</b>	<b>\$ 3,771,581</b>	<b>\$ 4,036,666</b>

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## STATISTICAL SECTION

This part of Upson County's comprehensive annual financial report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	100-104
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Statistical Tables #1 - #4	
<b>Revenue Capacity</b>	105-108
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Statistical Tables #5 - #8	
<b>Debt Capacity</b>	109-112
<i>These schedules contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Statistical Tables #9 - #12	
<b>Demographic and Economic Information</b>	113-114
<i>These schedules offer demographic and economic indicators to help the reader understand the environment in which the County's financial activities take place.</i>	
Statistical Tables #13 - #14	
<b>Operating Information</b>	115-117
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services to the government provides and the activities it performs.</i>	
Statistical Tables #15 - #17	
<b>Principal Property Tax Payers - Current Year and Nine Years Ago</b>	118

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive annual financial reports for the relevant year.

**Schedule 1**  
**UPSON COUNTY, GEORGIA**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
(accrual basis accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	Restated 2017	2018
<b><u>Governmental Activities</u></b>										
Net Investment in capital assets	\$ 31,829,427	\$ 32,402,303	\$ 32,510,266	\$ 33,112,589	\$ 32,380,606	\$ 32,688,422	\$ 31,866,060	\$ 32,548,859	\$ 27,488,338	\$ 29,680,469
Restricted	4,098,783	4,419,484	4,790,696	2,048,937	2,472,290	3,744,896	4,714,837	4,501,477	5,361,439	4,369,011
Unrestricted	<u>2,894,516</u>	<u>3,144,501</u>	<u>3,422,962</u>	<u>2,467,326</u>	<u>2,921,486</u>	<u>39,880</u>	<u>2,793,669</u>	<u>3,111,141</u>	<u>4,533,855</u>	<u>6,107,753</u>
Total Governmental Activities Net Position	<u>\$ 38,822,726</u>	<u>\$ 39,966,288</u>	<u>\$ 40,723,924</u>	<u>\$ 37,628,852</u>	<u>\$ 37,774,382</u>	<u>\$ 36,473,198</u>	<u>\$ 39,374,566</u>	<u>\$ 40,161,477</u>	<u>\$ 37,383,632</u>	<u>\$ 40,157,233</u>
<b><u>Business-Type Activities</u></b>										
Net Investment in capital assets	\$ 1,332,341	\$ 1,430,396	\$ 1,415,928	\$ 1,410,945	\$ 2,064,488	\$ 2,120,546	\$ 2,180,892	\$ 2,240,367	\$ 2,311,944	\$ 2,392,638
Restricted	-	-	-	-	-	-	-	-	-	85,855
Unrestricted	<u>202,681</u>	<u>487,997</u>	<u>640,365</u>	<u>691,676</u>	<u>426,008</u>	<u>342,179</u>	<u>482,619</u>	<u>874,958</u>	<u>1,465,638</u>	<u>1,742,635</u>
Total Business-Type Activities Net Position	<u>\$ 1,535,022</u>	<u>\$ 1,918,393</u>	<u>\$ 2,056,293</u>	<u>\$ 2,102,621</u>	<u>\$ 2,490,496</u>	<u>\$ 2,462,725</u>	<u>\$ 2,663,511</u>	<u>\$ 3,115,325</u>	<u>\$ 3,777,582</u>	<u>\$ 4,221,128</u>
<b><u>Primary Government</u></b>										
Net investment capital assets	\$ 33,161,768	\$ 33,832,699	\$ 33,926,194	\$ 34,523,534	\$ 34,445,094	\$ 34,808,968	\$ 34,046,952	\$ 34,789,226	\$ 29,800,282	\$ 32,073,107
Restricted	4,098,783	4,419,484	4,790,696	2,048,937	2,472,290	3,744,896	4,714,837	4,501,477	5,361,439	4,454,866
Unrestricted	<u>3,097,197</u>	<u>3,632,498</u>	<u>4,063,327</u>	<u>3,159,002</u>	<u>3,347,494</u>	<u>382,059</u>	<u>3,276,288</u>	<u>3,986,099</u>	<u>5,999,493</u>	<u>7,850,388</u>
Total Primary Government Net Position	<u>\$ 40,357,748</u>	<u>\$ 41,884,681</u>	<u>\$ 42,780,217</u>	<u>\$ 39,731,473</u>	<u>\$ 40,264,878</u>	<u>\$ 38,935,923</u>	<u>\$ 42,038,077</u>	<u>\$ 43,276,802</u>	<u>\$ 41,161,214</u>	<u>\$ 44,378,361</u>

**Schedule 2**  
**UPSON COUNTY, GEORGIA**  
**Changes in net Position**  
**Last Ten Fiscal Years**  
(accrual basis accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General government	\$ 7,275,699	\$ 6,901,756	\$ 6,656,811	\$ 7,254,484	\$ 7,877,480	\$ 6,034,931	\$ 5,975,817	\$ 7,320,468	\$ 6,345,907	\$ 7,159,384
Public safety	4,245,847	3,943,478	3,976,264	4,152,062	3,989,046	5,236,706	5,353,265	5,547,013	5,408,710	5,191,847
Public works	1,542,130	1,593,621	1,598,385	1,641,349	2,118,469	2,933,607	3,021,401	2,671,113	2,733,353	2,360,650
Miscellaneous general government	3,709,910	3,621,254	3,024,534	3,767,350	3,794,544	3,838,831	2,997,781	3,068,497	3,407,003	2,680,823
<b>Total Governmental Activities Expenses</b>	<b>\$ 16,773,586</b>	<b>\$ 16,060,109</b>	<b>\$ 15,255,994</b>	<b>\$ 16,815,245</b>	<b>\$ 17,779,539</b>	<b>\$ 18,044,075</b>	<b>\$ 17,348,264</b>	<b>\$ 18,607,091</b>	<b>\$ 17,894,973</b>	<b>\$ 17,392,704</b>
<b>Business-Type Activities</b>										
Water, sewer, and waste services	\$ 1,157,284	\$ 1,019,375	\$ 952,021	\$ 994,619	\$ 1,117,504	\$ 1,434,428	\$ 2,102,168	\$ 2,131,850	\$ 2,147,128	\$ 2,212,914
<b>Total Business-Type Activities Expenses</b>	<b>1,157,284</b>	<b>1,019,375</b>	<b>952,021</b>	<b>994,619</b>	<b>1,117,504</b>	<b>1,434,428</b>	<b>2,102,168</b>	<b>2,131,850</b>	<b>2,147,128</b>	<b>2,212,914</b>
<b>Total Primary Government Expenses</b>	<b>17,930,870</b>	<b>17,079,484</b>	<b>16,208,015</b>	<b>17,809,864</b>	<b>18,897,043</b>	<b>19,478,503</b>	<b>19,450,432</b>	<b>20,738,941</b>	<b>20,042,101</b>	<b>19,605,618</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for services:										
General government	\$ 1,717,719	\$ 1,821,741	\$ 1,653,075	\$ 1,517,914	\$ 1,321,221	\$ 915,834	\$ 819,998	\$ 799,909	\$ 1,850,688	\$ 1,800,290
Public safety	659,488	648,548	692,968	567,891	617,547	1,064,346	1,040,877	1,025,980	435,355	444,336
Operating grants and contributions	157,067	44,107	53,727	97,859	407,466	1,409,948	929,296	1,768,929	1,270,274	1,617,420
Capital grants and contributions	-	-	-	473,278.00	5,000.00	-	-	-	3,773.00	9,392
<b>Total Governmental Activities Program Revenues</b>	<b>\$ 2,534,274</b>	<b>\$ 2,514,396</b>	<b>\$ 2,399,770</b>	<b>\$ 2,656,942</b>	<b>\$ 2,351,234</b>	<b>\$ 3,390,128</b>	<b>\$ 2,790,171</b>	<b>\$ 3,594,818</b>	<b>\$ 3,560,090</b>	<b>\$ 3,871,438</b>
<b>Business-Type Activities:</b>										
Water, sewer, and waste services	\$ 989,518	\$ 1,163,488	\$ 1,089,790	\$ 1,040,855	\$ 1,005,302	\$ 1,406,583	\$ 2,302,820	\$ 2,583,387	\$ 2,808,411	\$ 2,653,227
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	105,437	239,074	-	-	500,000	-	-	-	-	-
<b>Total Business-Type Activities Program Revenues</b>	<b>\$ 1,094,955</b>	<b>\$ 1,402,562</b>	<b>\$ 1,089,790</b>	<b>\$ 1,040,855</b>	<b>\$ 1,505,302</b>	<b>\$ 1,406,583</b>	<b>\$ 2,302,820</b>	<b>\$ 2,583,387</b>	<b>\$ 2,808,411</b>	<b>\$ 2,653,227</b>
<b>Total Primary Government Revenues</b>	<b>\$ 3,629,229</b>	<b>\$ 3,916,958</b>	<b>\$ 3,489,560</b>	<b>\$ 3,697,797</b>	<b>\$ 3,856,536</b>	<b>\$ 4,796,711</b>	<b>\$ 5,092,991</b>	<b>\$ 6,178,205</b>	<b>\$ 6,368,501</b>	<b>\$ 6,524,665</b>
<b>Net (Expenses)/Revenue</b>										
Governmental Activities	\$ (14,239,312)	\$ (13,545,713)	\$ (12,856,224)	\$ (14,158,303)	\$ (15,428,305)	\$ (14,653,947)	\$ (14,558,093)	\$ (15,012,273)	\$ (14,334,883)	\$ (13,521,266)
Business-Type Activities	(62,329)	383,187	137,769	46,236	387,798	(27,845)	200,652	451,537	661,283	440,313
<b>Total Primary Government Net Expense</b>	<b>\$ (14,301,641)</b>	<b>\$ (13,162,526)</b>	<b>\$ (12,718,455)</b>	<b>\$ (14,112,067)</b>	<b>\$ (15,040,507)</b>	<b>\$ (14,681,792)</b>	<b>\$ (14,357,441)</b>	<b>\$ (14,560,736)</b>	<b>\$ (13,673,600)</b>	<b>\$ (13,080,953)</b>

**Schedule 2**  
**UPSON COUNTY, GEORGIA**  
**Changes in net Position**  
**Last Ten Fiscal Years**  
(accrual basis accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Revenue &amp; Other Changes in Net</b>										
<b>Governmental Activities:</b>										
Taxes:										
Property taxes	\$ 8,821,475	\$ 8,535,057	\$ 8,816,472	\$ 4,862,876	\$ 9,800,914	\$ 9,074,785	\$ 10,221,992	\$ 9,995,662	\$ 9,709,088	\$ 9,437,777
Sales taxes	4,842,702	4,980,673	3,672,882	4,889,905	4,434,859	4,876,295	5,170,194	4,213,835	4,641,833	4,971,042
Franchise taxes	117,702	90,501	90,804	126,681	129,542	140,312	181,441	166,453	171,481	172,259
Insurance premiums taxes	871,289	847,392	737,236	787,601	818,585	863,778	924,972	984,541	1,054,410	1,136,937
Other taxes	229,668	217,697	224,984	267,488	231,469	197,337	233,828	232,894	255,875	242,281
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Interest revenue	7,947	6,123	2,319	2,585	628	2,442	1,134	4,868	32,245	69,735
Miscellaneous	109,674	102,065	79,331	116,097	157,838	197,792	204,470	90,260	234,738	264,836
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 15,000,457</b>	<b>\$ 14,779,508</b>	<b>\$ 13,624,028</b>	<b>\$ 11,053,233</b>	<b>\$ 15,573,835</b>	<b>\$ 15,352,741</b>	<b>\$ 16,938,031</b>	<b>\$ 15,688,513</b>	<b>\$ 16,099,670</b>	<b>\$ 16,294,867</b>
<b>Business-Type Activities:</b>										
Unrestricted grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest revenue	242	184	131	92	77	74	134	278	974	3,233
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities Program Revenues</b>	<b>\$ 242</b>	<b>\$ 184</b>	<b>\$ 131</b>	<b>\$ 92</b>	<b>\$ 77</b>	<b>\$ 74</b>	<b>\$ 134</b>	<b>\$ 278</b>	<b>\$ 974</b>	<b>\$ 3,233</b>
<b>Total Primary Government</b>	<b>\$ 15,000,699</b>	<b>\$ 14,779,692</b>	<b>\$ 13,624,159</b>	<b>\$ 11,053,325</b>	<b>\$ 15,573,912</b>	<b>\$ 15,352,815</b>	<b>\$ 16,938,165</b>	<b>\$ 15,688,791</b>	<b>\$ 16,100,644</b>	<b>\$ 16,298,100</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 761,145	\$ 1,233,795	\$ 767,804	\$ (3,105,070)	\$ 145,530	\$ 698,794	\$ 2,379,938	\$ 676,240	\$ 1,764,787	\$ 2,773,601
Business-Type Activities	(62,087)	383,371	137,900	46,328	387,875	(27,771)	200,786	451,815	662,257	443,546
<b>Total Primary Government</b>	<b>\$ 699,058</b>	<b>\$ 1,617,166</b>	<b>\$ 905,704</b>	<b>\$ (3,058,742)</b>	<b>\$ 533,405</b>	<b>\$ 671,023</b>	<b>\$ 2,580,724</b>	<b>\$ 1,128,055</b>	<b>\$ 2,427,044</b>	<b>\$ 3,217,147</b>



**Schedule 3**  
**UPSON COUNTY, GEORGIA**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund</b>										
Non-spendable	\$ -	\$ -	\$ -	\$ 8,865	\$ 37,296	\$ 14,937	\$ 3,591	\$ 2,394	\$ 1,197	\$ -
Unassigned	2,894,516	3,144,501	3,422,962	2,458,461	2,884,190	2,544,943	4,371,331	5,159,895	6,622,261	8,327,094
<b>Total General Fund</b>	<b>\$ 2,894,516</b>	<b>\$ 3,144,501</b>	<b>\$ 3,422,962</b>	<b>\$ 2,467,326</b>	<b>\$ 2,921,486</b>	<b>\$ 2,559,880</b>	<b>\$ 4,374,922</b>	<b>\$ 5,162,289</b>	<b>\$ 6,623,458</b>	<b>\$ 8,327,094</b>
<b>All Other Governmental Funds</b>										
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:										
Capital Outlay	4,049,239	4,378,960	4,728,765	1,968,667	2,397,412	2,479,533	3,847,383	3,762,606	4,551,860	3,677,728
Restricted:										
Special Revenue Funds	49,544	40,534	61,931	80,270	74,880	745,563	867,454	855,952	809,579	691,283
<b>Total All Other Governmental Funds</b>	<b>4,098,783</b>	<b>4,419,494</b>	<b>4,790,696</b>	<b>2,048,937</b>	<b>2,472,292</b>	<b>3,225,096</b>	<b>4,714,837</b>	<b>4,618,558</b>	<b>5,361,439</b>	<b>4,369,011</b>

**Schedule 4**  
**UPSON COUNTY, GEORGIA**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Property taxes	\$ 8,821,475	\$ 8,535,057	\$ 8,816,472	\$ 4,862,876	\$ 9,800,914	\$ 9,074,785	\$ 10,221,992	\$ 9,995,662	\$ 9,749,936	\$ 9,437,777
Sales taxes	4,842,702	4,908,673	3,672,882	4,889,905	4,434,859	4,876,295	5,170,194	4,213,835	4,641,833	4,971,042
Other taxes	1,218,659	1,155,590	1,053,024	1,181,770	1,179,596	1,200,964	1,340,241	1,383,888	1,481,766	1,551,477
Licenses and permits	140,772	167,795	149,488	173,491	124,685	124,819	122,733	158,371	243,325	163,420
Intergovernmental	157,067	44,107	53,727	581,135	412,466	1,409,948	929,296	1,768,929	1,270,274	1,617,420
Fines and forfeitures	659,488	648,548	692,968	567,891	617,547	554,255	572,959	565,401	732,258	800,236
Charges for services	1,576,947	1,656,946	1,503,587	1,344,423	1,196,536	1,301,106	1,211,069	1,100,175	1,310,460	1,280,970
Interest earnings	7,947	6,123	2,319	2,585	628	2,442	2,714	6,810	36,018	79,127
Other revenues	109,674	102,065	79,331	116,097	157,820	198,275	194,352	90,260	234,734	264,835
<b>Total Revenue</b>	<b>\$ 17,534,731</b>	<b>\$ 17,224,904</b>	<b>\$ 16,023,798</b>	<b>\$ 13,720,173</b>	<b>\$ 17,925,051</b>	<b>\$ 18,742,889</b>	<b>\$ 19,765,550</b>	<b>\$ 19,283,331</b>	<b>\$ 19,700,604</b>	<b>\$ 20,166,304</b>
<b>Expenditures</b>										
General government	\$ 6,854,764	\$ 6,480,821	\$ 6,281,017	\$ 6,833,274	\$ 6,875,100	\$ 5,609,977	\$ 5,550,872	\$ 6,316,146	\$ 5,905,442	\$ 6,549,694
Public safety	3,840,502	3,533,228	3,600,442	3,754,762	3,593,314	4,826,117	4,942,676	5,136,424	4,959,552	5,070,899
Public works	858,782	874,143	939,119	913,049	1,213,635	1,981,006	2,068,800	1,718,512	1,746,696	1,794,979
Health and welfare	1,085,131	1,097,160	1,267,619	1,188,722	1,190,306	814,888	618,235	550,203	553,122	605,503
Other	2,390,384	2,378,041	1,612,828	2,435,385	2,284,437	2,699,688	2,099,281	2,224,874	2,469,472	1,899,354
Capital outlay	3,353,580	2,066,030	1,448,958	2,077,242	1,687,521	2,275,792	1,141,251	2,613,934	1,818,941	3,634,468
Debt service:										30,191
Interest	185,005	96,663	98,631	82,323	74,987	71,817	57,827	40,982	43,330	-
Principal	175,069	128,132	125,511	132,811	128,256	72,606	76,960	109,447	-	-
<b>Total Expenditures</b>	<b>\$ 18,743,217</b>	<b>\$ 16,654,218</b>	<b>\$ 15,374,125</b>	<b>\$ 17,417,568</b>	<b>\$ 17,047,556</b>	<b>\$ 18,351,891</b>	<b>\$ 16,555,902</b>	<b>\$ 18,710,522</b>	<b>\$ 17,496,555</b>	<b>\$ 19,585,088</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (1,208,486)</b>	<b>\$ 570,686</b>	<b>\$ 649,673</b>	<b>\$ (3,697,395)</b>	<b>\$ 877,495</b>	<b>\$ 390,998</b>	<b>\$ 3,209,648</b>	<b>\$ 572,809</b>	<b>\$ 2,204,049</b>	<b>\$ 581,216</b>
<b>Other Financing Sources (Uses)</b>										
Transfers from other funds	\$ 48,890	\$ -	\$ -	\$ 3,430,156	\$ -	\$ -	\$ 95,336	\$ 3,684,437	\$ 3,500,712	\$ 3,224,465
Transfers to other funds	(48,890)	-	-	(3,430,156)	-	1,817,488	3,402,045	(3,684,437)	(3,500,712)	(3,224,465)
Other proceeds	-	-	-	-	-	(1,817,488)	(3,402,045)	-	-	129,992
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 95,336</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,992</b>
<b>Net change in Fund Balances</b>	<b>\$ (1,208,486)</b>	<b>\$ 570,686</b>	<b>\$ 649,673</b>	<b>\$ (3,697,395)</b>	<b>\$ 877,495</b>	<b>\$ 390,998</b>	<b>\$ 3,304,984</b>	<b>\$ 572,809</b>	<b>\$ 2,204,049</b>	<b>\$ 711,208</b>

**Schedule 5**  
**UPSON COUNTY, GEORGIA**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis accounting)

**TAX REVENUES**

Year	General Property	Local Option (LOST) Sales	Special	Insurance Premiums	Intangible	Franchise	Real Estate	Beer & Wine	Hotel/Motel	Total
			Local Option (SPLOST) Sales				Transfer			
2009	8,052,832	1,780,815	3,231,895	883,964	87,065	117,853	27,777	125,971	4,613	14,312,785
2010	8,535,057	1,739,340	3,241,333	847,392	59,905	90,501	12,683	138,097	7,012	14,671,320
2011	8,816,472	1,596,149	2,076,733	737,236	49,224	90,804	32,558	139,389	3,813	13,542,378
2012	4,862,876	1,737,889	3,152,016	787,601	55,591	126,681	62,665	147,236	1,996	10,934,551
2013	9,800,914	1,570,138	2,864,721	818,585	43,478	129,542	52,829	130,641	4,521	15,415,369
2014	9,074,785	1,731,610	3,144,685	863,778	24,044	140,312	44,745	123,678	4,890	15,152,527
2015	10,221,992	1,834,720	3,335,474	924,972	56,250	181,441	46,401	126,214	4,963	16,732,427
2016	9,995,662	1,497,143	2,716,692	984,541	49,310	166,453	20,337	157,948	5,299	15,593,385
2017	9,749,936	1,647,854	2,993,929	1,054,410	99,241	171,481	29,513	122,050	5,071	15,873,485
2018	9,437,777	1,779,761	3,191,281	1,136,937	90,897	172,259	26,058	120,870	4,456	15,960,296

**Schedule 6**  
**UPSON COUNTY, GEORGIA**  
**Assessed and Estimated Actual Value of Real and Personal Property**  
**Last Ten Fiscal Years**

Fiscal Year	Real Property		Personal Property		Total Property		Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value (1)	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2009	394,415,751	986,039,377	262,943,834	657,359,585	657,359,585	1,643,398,962	40%
2010	387,605,087	969,012,720	258,403,392	646,008,480	646,008,479	1,615,021,200	40%
2011	381,072,816	952,682,040	254,048,544	635,121,360	635,121,360	1,587,803,400	40%
2012	369,218,908	923,047,269	246,145,938	615,364,846	615,364,846	1,538,412,115	40%
2013	362,191,531	905,978,827	241,594,354	603,985,885	603,785,885	1,509,964,712	40%
2014	323,583,485	808,958,712	215,722,323	539,305,808	539,305,808	1,348,264,520	40%
2015	314,883,592	787,208,980	209,922,394	524,805,986	524,805,986	1,312,014,966	40%
2016	312,007,059	780,017,647	208,004,706	520,011,765	520,011,765	1,300,029,412	40%
2017	319,631,583	799,078,958	213,087,722	532,719,305	532,719,305	1,331,798,263	40%
2018	356,471,840	891,179,600	237,647,893	594,119,733	594,119,733	1,485,299,333	40%

**SOURCE: Final Accounting Reports of Upson County Tax Commissioner**

**Schedule 7**  
**UPSON COUNTY, GEORGIA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Outstanding Taxes</b>
2009	8,425,654	6,816,975	81%	2,286,200	9,103,175	1,829,688
2010	8,999,153	7,544,290	84%	1,732,613	9,276,903	1,824,437
2011	8,471,861	6,888,299	81%	2,454,567	9,342,866	1,779,030
2012	5,086,092	4,046,787	80%	1,876,353	5,923,140	1,278,179
2013	9,998,244	7,752,684	78%	1,448,804	9,201,488	2,101,853
2014	10,858,923	8,379,742	77%	2,383,322	10,763,064	1,664,222
2015	10,569,880	8,577,688	81%	2,510,119	11,087,807	1,459,377
2016	10,387,939	8,486,982	82%	2,362,761	10,849,743	1,958,074
2017	10,813,009	8,650,427	80%	2,212,256	10,862,683	1,907,799
2018	10,459,835	8,372,698	80%	2,621,388	10,994,086	1,330,383

**SOURCE: Final Accounting Reports of Upson County Tax Commissioner**

**Schedule 8**  
**UPSON COUNTY, GEORGIA**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

Fiscal Year	City of Thomaston	State of Georgia	Consolidated School System	Upson County			
				Incorporated	Unincorporated	Unincorporated Services	Joint Projects
2009	3.62	0.25	14.30	12.72	12.72	0.00	0.00
2010	3.62	0.25	14.30	12.72	12.72	0.00	0.00
2011	3.62	0.03	14.30	12.72	12.72	0.00	0.00
2012	3.84	0.20	15.30	7.77	7.77	0.00	0.00
2013	3.84	0.15	15.34	16.50	16.50	0.00	0.00
2014	3.84	0.10	15.38	11.13	11.13	2.72	4.91
2015	3.80	0.05	15.38	9.76	9.76	2.72	6.28
2016	3.81	0.00	15.42	9.77	9.77	2.44	6.55
2017	3.77	0.00	15.11	9.52	9.52	2.44	6.55
2018	3.56	0.00	14.33	9.00	9.00	2.44	4.89

**NOTE: Tax per \$1,000 of assessed value**

**Schedule 9**  
**UPSON COUNTY, GEORGIA**  
**Ratio of Outstanding Dept by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Government Activities		Business-Type Activities		Total Primary Government	Per Capita
	General Obligation Bonds	Capital Leases	Water/Sewer Georgia Revolving Loan			
2009	0	773,732	3,585,086		4,358,818	1.61
2010	0	645,600	3,747,580		4,393,180	1.64
2011	0	520,089	3,752,002		4,272,091	1.56
2012	0	387,278	5,035,487		5,422,765	1.99
2013	0	259,022	5,021,682		5,280,704	1.94
2014	0	186,416	4,781,233		4,967,649	1.84
2015	0	109,447	4,536,497		4,645,944	1.71
2016	0	-	4,292,632		4,292,632	1.58
2017	0	-	4,036,666		4,036,666	1.48
2018	0	-	3,771,581		3,771,581	1.36

**Schedule 10**  
**UPSON COUNTY, GEORGIA**  
**Pledge-Revenue Coverage Public Utilities System Revenue Notes**  
**Last Ten Fiscal Years**

Fiscal Year	(1) Gross Revenue	(2) Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Per Capita
2009	989,518	1,050,385	(60,867)	32,644	25,578	58,222	(3.38)
2010	1,163,488	803,651	359,837	37,725	24,056	61,781	5.82
2011	1,089,790	737,036	352,754	35,900	23,326	59,226	5.96
2012	1,040,790	651,286	389,504	167,238	164,413	331,651	1.17
2013	1,005,302	762,424	242,878	191,378	170,690	362,068	(1.49)
2014	1,146,587	962,868	183,719	230,805	164,741	395,546	(2.15)
2015	1,279,519	770,311	509,208	244,736	157,247	401,983	1.25
2016	1,497,043	885,471	611,572	243,865	147,963	391,828	1.56
2017	1,551,927	867,437	684,490	255,966	139,043	395,009	1.73
2018	1,531,637	849,934	681,703	265,085	129,922	395,007	1.73

**NOTE: (1) Gross revenue equals operating revenues of the Public Utilities Water Revenue Fund.**

**(2) Expenses equal total operating expenses and excludes interest expenses and depreciation.**



**Schedule 11**  
**UPSON COUNTY, GEORGIA**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Net Assessed Value	\$ <u>657,359,585</u>	\$ <u>646,008,479</u>	\$ <u>635,121,360</u>	\$ <u>615,364,846</u>	\$ <u>603,985,885</u>	\$ <u>539,305,808</u>	\$ <u>524,805,986</u>	\$ <u>520,011,765</u>	\$ <u>532,719,305</u>	\$ <u>594,119,733</u>
Debt Limit - 10% of Assessed	\$ 65,735,959	\$ 64,600,848	\$ 63,512,136	\$ 61,536,485	\$ 60,398,589	\$ 53,930,581	\$ 52,480,599	\$ 52,001,177	\$ 53,271,931	\$ 59,411,973
Less Debt Applicable to Limit:										
General Obligation Debt	<u>773,732</u>	<u>645,600</u>	<u>520,089</u>	<u>445,278</u>	<u>259,022</u>	<u>186,416</u>	<u>109,447</u>	<u>-</u>	<u>-</u>	
Legal Debt Margin	\$ <u><u>64,962,227</u></u>	\$ <u><u>63,955,248</u></u>	\$ <u><u>62,992,047</u></u>	\$ <u><u>61,091,207</u></u>	\$ <u><u>60,139,567</u></u>	\$ <u><u>53,744,165</u></u>	\$ <u><u>52,371,152</u></u>	\$ <u><u>52,001,177</u></u>	\$ <u><u>53,271,931</u></u>	\$ <u><u>59,411,973</u></u>
Legal Debt Margin as a Percentage of Debt Limit	<u>99%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

**Schedule 12**  
**Upson County, Georgia**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2018**

Summary of Upson County Debt by Category and overlapping Debt

Set forth below is information concerning long-term tax supported debt of the County and the overlapping property tax supported debt of certain governmental entities that is attributable to property owners in the County based on proportion to which the jurisdiction of the County overlaps such entities. Although the County has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness of accuracy, as there is no central reporting entity which has the information available, and the amounts are based on information supplied by others.

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>
Direct Overlapping (3):	
Upson County - General Obligation Debt (1):	
GEFA Loans (2)	\$ 3,771,581
Capital Leases (4)	
Total Direct Debt	<u>\$ 3,771,581</u>
City's General Obligation Debt (1)	<u>\$ -</u>
Total Overlapping Debt	<u>\$ -</u>
Total Direct and Overlapping Debt	<u><u>\$ 3,771,581</u></u>

Notes:

- (1) Represents general obligations of the issuer to which its full faith and credit are pledged.
- (2) GEFA loans are general obligations of the issuer to which its full faith and credit and taxing power are pledged, but do not constitute debt for purposes of the constitutional debt limit. These loans are expected to be paid with moneys derived from the operation of the water and sewer system.
- (3) Approximately 36% of Upson County's debt is allocable to the City.
- (4) The financial obligation under capital leases do not constitute general obligations to which the taxing power is pledged, but are subject to and dependent upon lawful appropriations of general revenues being made to pay the capital lease payments due in such year. Obligations under capital leases do not constitute debt for purposes of the constitutional debt limit.

**Schedule 13**  
**UPSON COUNTY, GEORGIA**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities		Business-Type Activities	
	Population	Per Capita Income	Median Age	Unemployment Rate
2009	27,243	N/A	N/A	N/A
2010	27,153	N/A	N/A	N/A
2011	27,153	N/A	N/A	N/A
2012	27,153	N/A	N/A	N/A
2013	27,153	N/A	N/A	N/A
2014	27,153	N/A	N/A	N/A
2015	27,153	N/A	N/A	N/A
2016	27,153	N/A	N/A	N/A
2017	27,153	N/A	N/A	N/A
2018	27,153	N/A	N/A	N/A

**Sources: Three Rivers Commission**  
**N/A - Not available**

**Schedule 14**  
**UPSON COUNTY, GEORGIA**  
**Principal Employers**  
**Current Year and Nine Years Ago**

**2018**

<b>Employer</b>	<b>Number of Employees</b>	<b>Rank</b>
Thomaston-Upson County Schools	631	1
Upton Regional Medical Center	582	2
Department of Transportation	436	3
Standard Textiles	340	4
Quad/Graphics	311	5
DART Container	300	6
Upton County Government	189	7
Interfor	150	8
Walmart	125	9
Tencate	103	10

**2009**

<b>Employer</b>	<b>Number of Employees</b>	<b>Rank</b>
Thomaston-Upson County Schools	687	1
Quad/Graphics	620	2
Upton Regional Medical Center	464	3
Standard Textiles	225	4
Yamaha Music Mfg.	240	5
Department of Transportation	210	6
1888 Mills, LLC	185	7
Royal Cord, Inc.	172	8
Duni Corporation	170	9
City of Thomaston	129	10

**Source: Thomaston-Upson County Industrial Development Authority**

**Schedule 15**  
**UPSON COUNTY, GEORGIA**  
**Full-time Equivalent County Government Employees by Function/Program**  
**Last Ten Fiscal Years**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Public Safety:										
Sheriff	44	44	44	33	33	33	31	29	27	36
Jail	34	34	34	35	35	35	34	31	32	27
Public Works	24	24	24	24	24	24	21	23	22	23
General Government:										
Adminstration and Finance	6	6	6	5	5	6	7	7	8	8
Courts	22	22	22	17	17	17	17	17	17	18
All Other Departments	52	52	52	57	57	57	59	69	68	70
Water/Waste Water	8	8	8	8	8	8	7	6	6	7
<b>Total</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>179</b>	<b>179</b>	<b>180</b>	<b>176</b>	<b>182</b>	<b>180</b>	<b>189</b>

**Schedule 16**  
**UPSON COUNTY, GEORGIA**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
General Government:										
Building permits issued - commercial	13	12	11	15	8	12	4	9	24	24
Building permits issued - residential	275	257	273	239	193	202	330	403	433	433
Public Safety:										
Physical arrests	2,726	2,810	2,922	2,285	2,325	2,466	2,155	1,939	2,298	2,367
Citations	796	842	833	821	736	780	796	872	670	1109
Public Works:										
Road resurfaced (miles)	12.20	13.90	6.00	7.27	7.27	7.27	6.20	N/A	8.78	7652.00
Road maintained (miles)	463.25	463.25	463.25	463.25	463.25	463.25	468.81	468.81	468.81	468.81
Water and Sewer:										
Average daily	385,220	408,000	410,000	420,000	420,000	420,000	384,548	372,602	350,000	362,920
Average daily consumption - water	46,210	48,000	51,000	51,000	51,000	51,000	50,633	57,000	50,000	47,619

**Schedule 17**  
**UPSON COUNTY, GEORGIA**  
**Capital Asset Statistics by Functions**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Public Safety:										
Patrol Cars	36	41	44	44	44	44	44	44	43	43
Jail Facility Capacity	200	200	200	215	215	215	215	215	215	215
Stations	1	1	1	1	1	1	1	1	1	1
Public Works:										
Roads (miles)	463.25	463.25	463.25	463.25	463.25	463.25	468.81	468.81	468.81	468.81
Water/Waste Water:										
Water tanks	3	3	3	3	3	3	3	3	3	3
Water lines	482,550	482,550	482,550	482,550	482,550	482,550	444,328	444,328	444,328	444,328
Storage capacity	835,000	835,000	835,000	1,100,000	1,100,000	1,100,000	1,150,000	1,150,000	1,150,000	1,150,000
Sewer lines (linear feet)	88,200	88,200	88,200	88,200	88,200	88,200	46,250	46,250	46,250	46,250

**UPSON COUNTY, GEORGIA**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

2018					2009				
Taxpayer	Taxable	Rank	Percentage of	Tax	Taxpayer	Taxable	Rank	Percentage of	Tax
	Assessed		Total Taxable			Assessed		Total Taxable	
	Value		Assessed Value			Value		Assessed Value	
Southern Natural Gas	\$ 21,286,845	1	4.10%	\$ 347,846	West Georgia Generating Company	\$ 36,423,598	1	5.40%	\$ 503,091
QuadGraphics, Inc.	18,949,977	2	3.85%	327,164	QuadGraphics, Inc.	15,902,487	2	2.26%	188,979
West Georgia Generating Company	26,906,807	3	2.86%	242,152	Innoware Plastic	9,416,088	3	1.23%	84,113
Georgia Power Company	12,588,661	4	2.29%	194,078	Georgia Power Company	7,921,569	4	1.17%	99,796
Solo-Innoware	13,150,810	5	1.99%	168,938	Southern Natural Gas	7,386,278	5	1.10%	104,015
Interfor	7,685,488	6	1.30%	110,263	Walmart	7,136,190	6	1.02%	85,443
Southern Mills	15,211,618	7	1.19%	101,292	Southern Mills	14,743,318	7	0.87%	72,214
Walmart	6,040,665	8	0.64%	54,366	Keadle Lumber	6,529,953	8	0.77%	55,220
Upson EMC	3,063,181	9	0.60%	50,529	Home Depot	5,612,268	9	0.74%	63,439
Windstream	2,741,577	10	0.42%	35,592	Georgia Windstream	5,600,023	10	0.83%	56,134
<b>Total</b>	<b>\$ 127,625,629</b>		<b>19.24%</b>	<b>\$ 1,632,220</b>	<b>Total</b>	<b>\$ 116,671,772</b>		<b>15.39%</b>	<b>\$ 1,312,444</b>

Source: Provided by Upson County Tax Commissioner's Office

Total assessed value - \$ 594,119,733



# **Governmental Reports**

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

Honorable Board of Commissioners  
Thomaston, Georgia

We have audited in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits, contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Upson, Georgia as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise County of Upson, Georgia's basic financial statements, and have issued our report thereon dated June 1, 2019.

Our report includes reference to other auditors who audited the financial statements of the Board of Health, as described in our report on Upson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Our report includes reference to other auditors who audited the financial statements of the Upson County Board of Health, as described in our report on Upson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies and therefore material weakness or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

*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 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. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether County of Upson, 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Purpose of this Report**

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

*Driver & Adams*

Thomaston, Georgia  
June 1, 2019

**UPSON COUNTY, GEORGIA**  
**Year Ended December 31, 2018**  
**Schedule of Projects Constructed**  
**With Special Sales Tax Proceeds**  
**Series 2011**

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
County Level 2 Projects	\$ 3,200,000	\$ 2,661,160	\$ 1,679,016	\$ 267,559	\$ 1,946,575	73.15%
Roads	4,855,321	4,855,321	3,502,993	614,039	4,117,032	84.79%
Water System Project	765,000	765,000	413,691	2,342	416,033	54.38%
Sheriff Vehicles	520,000	406,003	406,004	-	406,004	100.00%
Building Improvements and Equipment	2,300,000	2,952,837	2,419,162	156,932	2,576,094	87.24%
City of Thomaston	4,183,276	4,183,276	3,985,318	-	3,985,318	95.27%
City of Yatesville	176,403	176,403	157,567	-	157,567	89.32%
<b>Totals</b>	<b>\$ 16,000,000</b>	<b>\$ 16,000,000</b>	<b>\$ 12,563,751</b>	<b>\$ 1,040,872</b>	<b>\$ 13,604,623</b>	<b>85.03%</b>

**UPSON COUNTY, GEORGIA**  
**Year Ended December 31, 2018**  
**Schedule of Projects Constructed**  
**With Special Sales Tax Proceeds**  
**Series 2016**

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
County Level 2 Projects	\$ 3,600,000	\$ 3,600,000	\$ 188,400	\$ 516,731	\$ 705,131	19.59%
Roads	4,688,000	4,688,000	330,957	852,631	1,183,588	25.25%
Water System Project	865,000	865,000	-	123,329	123,329	14.26%
Sheriff and Jail	1,462,000	1,462,000	142,070	254,338	396,408	27.11%
Building Improvements and Equipment	1,863,000	1,863,000	454,914	405,099	860,013	46.16%
County Parks	842,000	842,000	186,545	218,019	404,564	48.05%
City of Thomaston	4,500,000	4,500,000	798,070	638,256	1,436,326	31.92%
City of Yatesville	180,000	180,000	31,923	25,530	57,453	31.92%
<b>Totals</b>	<b>\$ 18,000,000</b>	<b>\$ 18,000,000</b>	<b>\$ 2,132,879</b>	<b>\$ 3,033,933</b>	<b>\$ 5,166,812</b>	<b>28.70%</b>

# **Certification of 9-1-1 Expenditures**

UPSON COUNTY, GEORGIA

Certification of 9-1-1 Expenditures

For the Year Ended December 31, 2018

Line No.		O.C.G.A. Reference:	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):  <input type="checkbox"/> Special Revenue Fund <input type="checkbox"/> Enterprise Fund		
2	Expenditures (UCOA Activity 3800) Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	_____		\$ _____
	_____		\$ _____
	_____		\$ _____
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
3a	Lease costs	46-5-134(f)(1)(A)	\$ _____
3b	Purchase costs	46-5-134(f)(1)(A)	\$ _____
3c	Maintenance costs	46-5-134(f)(1)(A)	\$ _____
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B)	\$ _____
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2		
5a	Salaries and wages	46-5-134(f)(1)(C)	\$ <u>413,637</u>
5b	Employee benefits	46-5-134(f)(1)(C)	\$ <u>184,087</u>
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	\$ _____
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E)	\$ _____
8	Building used as a public safety answering point:		
8a	Lease costs	46-5-134(f)(1)(F)	\$ _____
8b	Purchase costs	46-5-134(f)(1)(F)	\$ _____
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:		
9a	Lease costs	46-5-134(f)(1)(G)	\$ _____
9b	Purchase costs	46-5-134(f)(1)(G)	\$ _____
9c	Maintenance costs	46-5-134(f)(1)(G)	\$ _____



UPSON COUNTY, GEORGIA

Certification of 9-1-1 Expenditures

For the Year Ended December 31, 2018

Line No.		O.C.G.A. Reference:	\$
10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	\$ _____
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
11a	Lease costs	46-5-134(f)(1)(I)	\$ _____
11b	Purchase costs	46-5-134(f)(1)(I)	\$ _____
11c	Maintenance costs	46-5-134(f)(1)(I)	\$ _____
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	\$ _____
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center		
13a	Lease costs	46-5-134(f)(2)(B)(ii)	\$ _____
13b	Purchase costs	46-5-134(f)(2)(B)(ii)	\$ _____
13c	Maintenance costs	46-5-134(f)(2)(B)(ii)	\$ _____
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	\$ _____
15	Mobile public safety voice and data equipment, geo-targeted text messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations		
15a	Lease costs	46-5-134(f)(2)(B)(iv)	\$ _____
15b	Purchase costs	46-5-134(f)(2)(B)(iv)	\$ _____
15c	Maintenance costs	46-5-134(f)(2)(B)(iv)	\$ _____
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems		
16a	Lease costs	46-5-134(f)(2)(B)(v)	\$ _____
16b	Purchase costs	46-5-134(f)(2)(B)(v)	\$ _____
16c	Maintenance costs	46-5-134(f)(2)(B)(v)	\$ _____



# **Single Audit Section**

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

To the Board of Commissioners  
of Upson County, Georgia  
Thomaston, Georgia

We have audited in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits, contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Upson, Georgia as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise County of Upson, Georgia's basic financial statements, and have issued our report thereon dated June 1, 2019.

Our report includes reference to other auditors who audited the financial statements of the Upson County Board of Health, as described in our report on Upson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. This report does not include the results of our testing of internal control over financial reporting or compliance and other matters that have been reported in the separately issued financial statements and reports of the discretely presented component unit, the Upson County Board of Health.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material

weakness or significant deficiencies and therefore material weakness or significant deficiencies may exist that were not identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether County of Upson, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Driver & Adams*

Thomaston, Georgia  
June 1, 2019

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners of  
Upson County, Georgia  
Thomaston, Georgia

**Report on Compliance for Each Major Federal Program**

We have audited the County of Upson, Georgia’s compliance with the types of compliance requirements described in the Uniform Guidance that could have a direct and material effect on each of the county of Upson, Georgia’s major federal programs for the year ended December 31, 2018. The County of Upson, Georgia’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

***Management’s Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs.

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of the County of Upson, Georgia’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance required that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Upson, Georgia’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, the County of Upson, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

## Report on Internal Control Over Compliance

Management of the County of Upson, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County of Upson, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Upson, Georgia's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Driver & Adams*

Thomaston, Georgia  
June 1, 2019



**Upson County, Georgia**  
**Schedule of Federal Awards**  
**For the Year Ended December 31, 2018**

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal CFDA Number</u>	<u>Grant Identification Number</u>	<u>Toal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b>U.S. Department of Transportation</b>				
<u>(Passed through georgia Dept. of Transportation)</u>				
Airport Improvement Program				
Install New Localizer & DME	20-106	APO18-9033-48 (293)	\$ 444,630	\$ -
Apron Rehab, Taxiway, Widening & Papi Replacement	20-106	AO018-9033-42 (293)	635,249	
Land Acquisition	20-106	APO18-9024-44 (293)	158,759	-
<b>Total U.S. Department of Transportation</b>			<u>\$ 1,238,638</u>	<u>\$ -</u>
<b>U.S. Department of Housing and Urban Development</b>				
Community Development Block Grant	14.218	13h-y-145-1-5608	\$ 41,280	\$ -
Home Investment Partnership Program	14.239	2014-929	11,380	-
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 52,660</u>	<u>\$ -</u>
<b>U.S. Department of Justice</b>				
<u>(Pass Through Program - Criminal Justice Coordinating Council)</u>				
Edwarn Byrne Memorial Justice Assistance Grant	16.738	B15-8-021	\$ 63,164	\$ -
<b>Total U.S. Department of Justice</b>			<u>\$ 63,164</u>	<u>\$ -</u>
<b>F.E.M.A</b>				
Emergency Performance Grant	97.042	OEM18-147	\$ 8,896	\$ -
Public Assistance Disaster Grant	97.036	DR-4338	11,527	-
<b>Total F.E.M.A.</b>			<u>\$ 20,423</u>	<u>\$ -</u>
<b>Total Expenditures and Federal Awards</b>			<u>\$ 1,374,885</u>	<u>\$ -</u>

**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
FOR THE YEAR ENDED DECEMBER 31, 2018

**Note 1. Basis of Presentation**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Upson County, Georgia and is presented on the accrual basis of accounting.

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

**Note 2. De Minimis Indirect Cost Rate**

The County chose not to use the ten percent de minimis cost rate for the year ended December 31, 2018.

**Note 3. Non-cash Awards**

The County did not receive non-cash federal awards during the year ended December 31, 2018.

**Schedule of Findings and Questioned Costs  
For the Year ended December 31, 2018**

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**Section I  
Summary of Audit Results**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:  
Material weakness identified? \_\_\_ Yes  x  No

Significant deficiencies identified not considered  
to be material weakness? \_\_\_ Yes  x  None reported

Noncompliance material to financial statements noted? \_\_\_ Yes  x  No

**Federal Awards**

Internal Control over major programs:  
Material weakness identified? \_\_\_ Yes  x  No

Significant deficiencies identified not considered  
to be material weakness? \_\_\_ Yes  x  None reported

Type of auditor's report issued on compliance for  
major programs Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with the Uniform Guidance? \_\_\_ Yes  x  No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20-106	Airport Improvement Program

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

Auditee qualified as low-risk auditee?  x  Yes \_\_\_ No

**Schedule of Findings and Questioned Costs  
For the Year ended December 31, 2018**

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**Section II  
Financial Statement Findings and Responses**

None reported.

**Section III  
Federal Awards Findings and Questioned Costs**

None reported.