CATOOSA COUNTY, GEORGIA

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Year Ended September 30, 2025

JOHNSON, HICKEY & MURCHISON, P.C.
Certified Public Accountants
Chattanooga, Tennessee

TABLE OF CONTENTS

	Page
FINANCIAL SECTION	
INDEPENDENT AUDITORS' REPORT	iii-v
MANAGEMENT'S DISCUSSION AND ANALYSIS	vi-xv
BASIC FINANCIAL STATEMENTS	
GOVERNMENT WIDE FINANCIAL STATEMENTS	
Statement of Net Position	1
Statement of Activities	2
FUND FINANCIAL STATEMENTS	
Governmental Funds	
Balance Sheet	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Proprietary Funds	
Statement of Net Position	7
Statement of Revenues, Expenses and Changes in Net Position	8
Statement of Cash Flows	9-10
Custodial Funds	
Statement of Fiduciary Assets and Liabilities	11
Statement of Changes in Fiduciary Net Position	12
Component Unit	
Statement of Net Position	13
Statement of Activities	14
NOTES TO BASIC FINANCIAL STATEMENTS	15-47
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	50-54
Public Facilities Authority – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	55
Schedule of Proportionate Share of the Net Pension Liability – Health Department	56-57
Schedule of Contributions – Health Department	58-59

TABLE OF CONTENTS

	Page
REQUIRED SUPPLEMENTARY INFORMATION (continued)	
Notes to Required Supplementary Information – Health Department	60
Schedule of Proportionate Share of the Net OPEB Liability – State OPEB Fund – Health Department	61-62
Schedule of Contributions – State OPEB Fund – Health Department	63-64
Schedule of Proportionate Share of the Net OPEB Liability – SEAD OPEB Fund – Health Department	65-66
Schedule of Contributions – SEAD OPEB Fund – Health Department	67-68
Notes to Required Supplementary Information – OPEB Funds – Health Department	69
OTHER SUPPLEMENTARY INFORMATION	
Combining Financial Statements – Nonmajor Governmental Funds	
Combining Balance Sheet	72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	73
Special Revenue Funds – Combining Balance Sheet	74-75
Special Revenue Funds – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	76-77
Capital Projects Funds - Balance Sheet	78
Capital Projects Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances	79
Custodial Funds	
Combining Statement of Fiduciary Assets and Liabilities	81
Combining Statement of Changes in Assets and Liabilities	82
Financial Schedules	
Schedule of Changes in Property Taxes Receivable	84
State Compliance	
Schedule of Supplemental Income	86
INTERNAL CONTROL AND COMPLIANCE SECTION	
Schedule of Expenditures of Federal Awards	88-91
Notes to the Schedule of Expenditures of Federal Awards	92
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	93-94
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	95-97
Schedule of Findings and Questioned Costs	98-99
Corrective Action Plan	100-101
SPECIAL LOCAL OPTION SALES TAX	
Independent Auditors' Report on Special 1 Percent Sales and Use Tax	103
Schedule of Special Purpose Local Option Sales Tax Projects - 2009 Cycle	104
Schedule of Special Purpose Local Option Sales Tax Projects - 2014 Cycle	105
Schedule of Special Purpose Local Option Sales Tax Projects - 2019 Cycle	106
Schedule of Special Purpose Local Option Sales Tax Projects - 2024 Cycle	107

JHM Chattanooga
2215 Olan Mills Drive
Chattanooga, TN 37421
T: 423.756.0052
F: 423.267.5945
jhmcpa.com

EST JHM 1977
CERTIFIED PUBLIC ACCOUNTANTS

JHM Cleveland
650 25th St. NW, Suite 300
Cleveland, TN 37311
T: 423.472.6543
F: 423.472.6544
jhmcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Catoosa County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Catoosa County, Georgia, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Catoosa County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the 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 Catoosa County, Georgia, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component unit, which represents 100% of the assets, net position, and revenues of the component unit activities as of June 30, 2025, and the respective changes in financial position thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component unit, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Catoosa County, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation,

and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Catoosa County, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Catoosa County, Georgia's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Catoosa County, Georgia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages vi-xv and required supplementary information on pages 50-69 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the

required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Catoosa County, Georgia's basic financial statements. The accompanying combining nonmajor fund financial statements, custodial funds financial statements, financial schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of supplemental income is presented for purposes of additional analysis as required by Georgia House Bill 1149, an Act to amend Article 1 of Chapter 81 of Title 36 of the Official Code of Georgia Annotated, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements, custodial funds financial statements, financial schedules, schedule of expenditures of federal awards, and schedule of supplemental income are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2026, on our consideration of Catoosa County, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Catoosa County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catoosa County, Georgia's internal control over financial reporting and compliance.

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
March 31, 2026

Catoosa County, Georgia
Management's Discussion and Analysis
For the Year Ended September 30, 2025

Management's discussion and analysis provides an objective and easily readable analysis of the Government's financial activities. The analysis provides summary financial information for Catoosa County and should be read in conjunction with the Government's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Government's basic financial statements comprise three components: (1) *Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the financial statements.* The *Government-wide financial statements* present an overall picture of the Government's financial position and results of operations. The *Fund financial statements* present financial information for the Government's major funds. The *Notes to the financial statements* provide additional information concerning the Government's finances that are not disclosed in the Government-wide or Fund financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The *Government-wide financial statements* are the Statement of Net Position and the Statement of Activities. These statements use accounting methods like those used by private-sector companies. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position Governmental Activities are primarily supported by property taxes, sales taxes, other taxes, federal and state grants, fines, and charges for services. Business-type activities are supported by charges to the users of those activities.

The Statement of Net Position presents information on all assets and liabilities of the Government, with the difference between assets and liabilities reported as net position. Net position is reported in three categories: (1) net investment in capital assets, (2) restricted and (3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities separate from the assets, liabilities, and net position of Business-type activities. In addition, assets, liabilities, and net position are reported for the Catoosa County Health Department which is considered a component unit of the Government.

The Statement of Activities presents information on all revenues and expenses of the Government and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the Government. To assist in understanding the Government's operations, expenses have been reported as governmental activities or business-type activities. Governmental activities financed by the Government include public safety, judicial, public works, health and welfare, culture and recreation, and general government services. Business-type activities financed by user charges include storm water and solid waste collections. Again, expenses and revenues of the component unit are reported separately from the primary Government's financial information.

Fund financial statements present financial information for governmental funds, proprietary funds, and fiduciary funds. These statements provide financial information for the major funds of Catoosa County. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources. The proprietary funds financial statements

provide information on all assets and liabilities of the funds, changes in the economic resources (revenues and expenses), and total economic resources. The statement of fiduciary net position provides information concerning assets held in trust by the Government on behalf of others.

Fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all governmental funds. A schedule of revenues, expenditures, and changes in fund balances – budget and actual, is provided as required supplementary information for the Government's General Fund. For the proprietary funds, a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows are presented. A statement of fiduciary changes in assets and liabilities is presented for the Government's agency funds. *Fund financial statements* provide more detailed information about the Government's activities. Individual funds are established to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The *Government-wide financial statements* and the *Fund financial statement*s provide different pictures of the Government. The *Government-wide financial statements* provide an overall picture of the Government's financial standing, split between Governmental Activities and Business-type Activities. These statements are comparable to private-sector companies and give a good understanding of the Government's overall financial health and how the Government paid for the various activities, or functions, provided by the Government. All assets including land, buildings, equipment, and infrastructure (which include storm water systems, roads, bridges, traffic signals, etc.) are reported in the Statement of Net Position. All liabilities, including principal outstanding on bonds, leases, and future employee benefits obligated but not paid by the Government are reported in the Statement of Net Position. Transactions between the different functions of the Government, however, have been eliminated to avoid a duplication of the revenues and expenses. The *Fund financial statements* provide a picture of the major funds and a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *Fund financial statements* to the *Government-wide financial statements*, a reconciliation is provided from the *Fund financial statements* to the *Government-wide financial statements*.

The *Notes to the financial statements* provide additional details concerning the financial activities and financial balances of the Government. Additional information about the accounting practices of the Government; investments of the Government, long-term debt, and the pension plan are some of the items included in the Notes. The notes to the financial statements can be found on pages 15 to 47 of this report.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Catoosa County's total assets exceeded total liabilities by $471 million (net position). Total net position for governmental activities was $476 million; total net position for business-type activities was a deficit in the amount of $5 million. The following table provides a summary of the County's net position:

STATEMENT OF NET POSITION ($ IN MILLIONS)

	Governmental		Business-Type		Total Primary	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and Other Assets	$ 118.1	$ 106.7	$ (0.2)	$ (0.5)	$ 117.9	$ 106.2
Capital Assets	368.2	374.7	2.8	2.9	371.0	377.6
Total Assets	486.3	481.4	2.6	2.4	488.9	483.8
Total Deferred Outflows of Resources:	-	-	-	-	-	-
Liabilities:						
Current and Other Liabilities	3.6	3.1	-	-	3.6	3.1
Long-Term Liabilities	2.3	2.5	8.1	7.9	10.4	10.4
Total Liabilities	5.9	5.6	8.1	7.9	14.0	13.5
Total Deferred Inflows of Resources	4.0	5.5	-	-	4.0	5.5
Net Position:						
Invested in Capital Assets	367.0	373.6	2.7	2.8	369.7	376.4
Restricted	77.5	65.0	-	-	77.5	65.0
Unrestricted	31.8	31.7	(8.2)	(8.2)	23.6	23.5
Total Net Position	$ 476.3	$ 470.3	$ (5.5)	$ (5.4)	$ 470.8	$ 464.9

Total net position increased by $6 million. This $6 million increase was solely from governmental activities. The increase in the assets of $5 million is due to an increase in current and other assets of $11.7 million partially offset by a decrease in capital assets of $6.6 million. The increase in current and other assets is the result of increases of $12.3 million in cash, $600 thousand in CDs, $600 thousand due from other funds, $200 thousand in tax receivables, and $100 thousand in inventory, partially offset by a decrease of $1.9 million in lease receivables, and $200 thousand in prepaid expenses. The decrease in capital assets is the result of depreciation of $14 million and dispositions of $67 thousand partially offset by an increase in capital additions of $7.4 million. Liabilities increased by $500 thousand with an increase of $500 thousand in current liabilities in governmental activities. Net capital assets in the amount of $370 million comprised the bulk of the net assets of the County. This includes land, buildings, equipment, capital improvements, and infrastructure as well as assets currently under construction. Restricted net assets in the amount of $77.5 million are comprised of the SPLOST Funds, Capital Projects Funds, Public Facilities Authority Fund, Economic Development Fund, Confiscated Assets Fund and DATE Fund. The positive balance in unrestricted net assets of $23.6 million is composed of a positive balance of $31.8 million in governmental activities, mainly the General Fund reserve balance, and a negative of $8.2 million in the business-type activities due to the negative fund equity in the Solid Waste Management Fund which is mainly a result of accrued landfill post closure care costs.

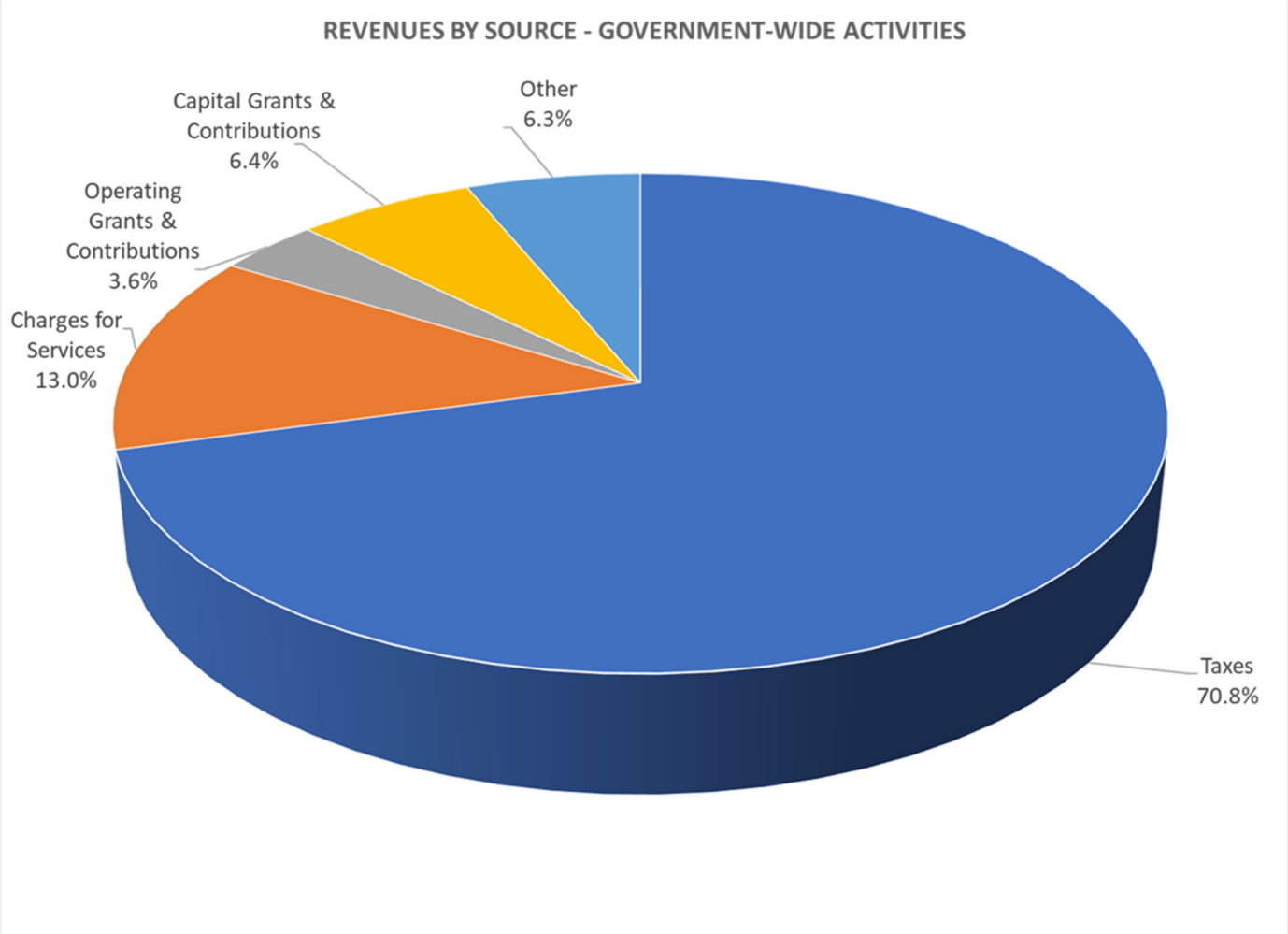
A comparative summary of the County's changes in net position is presented below:

CATOOSA COUNTY, GEORGIA
STATEMENT OF NET POSITION
($ IN MILLIONS)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Assets:						
Cash	$ 97.6	$ 85.3			$ 97.6	$ 85.3
CD	9.8	9.2			9.8	9.2
Invest	0.1	0.1			0.1	0.1
Due from other funds	0.1	0.3	(0.2)	(0.5)	(0.1)	-
Due from custodial funds	1.2	0.7			1.2	0.7
Due from other govts	2.1	2.0			2.1	2.0
Prop tax recv	0.4	0.3			0.4	0.3
Other tax recv	1.4	1.3			1.4	1.3
A/R	0.1	0.1			0.1	0.1
Inventory	0.2	0.1			0.2	0.1
Lease recv	2.3	4.2			2.3	4.2
Prepaid exp	0.3	0.6			0.3	0.6
Prepaid supp	0.1	0.1			0.1	0.1
Deposits	0.1	0.1			0.1	0.1
Land for resale	2.3	2.3			2.3	2.3
Land & other assets	12.5	8.9	1.8	1.8	14.3	10.7
Other capital assest, net	355.7	365.8	1.0	1.1	356.7	366.9
Total Assets	486.3	481.4	2.6	2.4	488.9	484.0
Total Deferred Outflows of Resources:	-	-	-	-	-	-
Liabilities:						
A/P	3.3	2.9	-	0.1	3.3	3.0
Due to heirs	0.2	0.1			0.2	0.1
Unearned Revenue	0.1	0.1			0.1	0.1
Long-Term due w/i year	1.6	2.4			1.6	2.4
Long-Term due more than yr	0.7	0.1	8.1	7.9	8.8	8.0
Total Liabilities	5.9	5.6	8.1	8.0	14.0	13.6
Total Deferred Inflows of Resources	4.0	5.5	-	-	4.0	5.5
Net Position:						
Invested in Capital Assets	367.0	373.6	2.7	2.8	369.7	376.4
Restricted	77.5	65.0	-	-	77.5	65.0
Unrestricted	31.8	31.7	(8.2)	(8.2)	23.6	23.5
Total Net Position	$ 476.3	$ 470.3	$ (5.5)	$ (5.4)	$ 470.8	$ 464.9

Catoosa County's total government-wide revenues for 2025 were $80 million, a decrease of $900 thousand from $80.9 million in 2024. The decrease was the result of decreases of $3.7 million in operating grants/contributions, $1 million in interest/other revenue, and $100 thousand in both federal payments in lieu of taxes and franchise fees, partially offset by increases of $1.9 million in property taxes, $700 thousand in capital grants/contributions, $600 thousand in charges for services, $400 thousand in special local option sales tax, $300 thousand in insurance premium tax, and $100 thousand in local option sales tax.

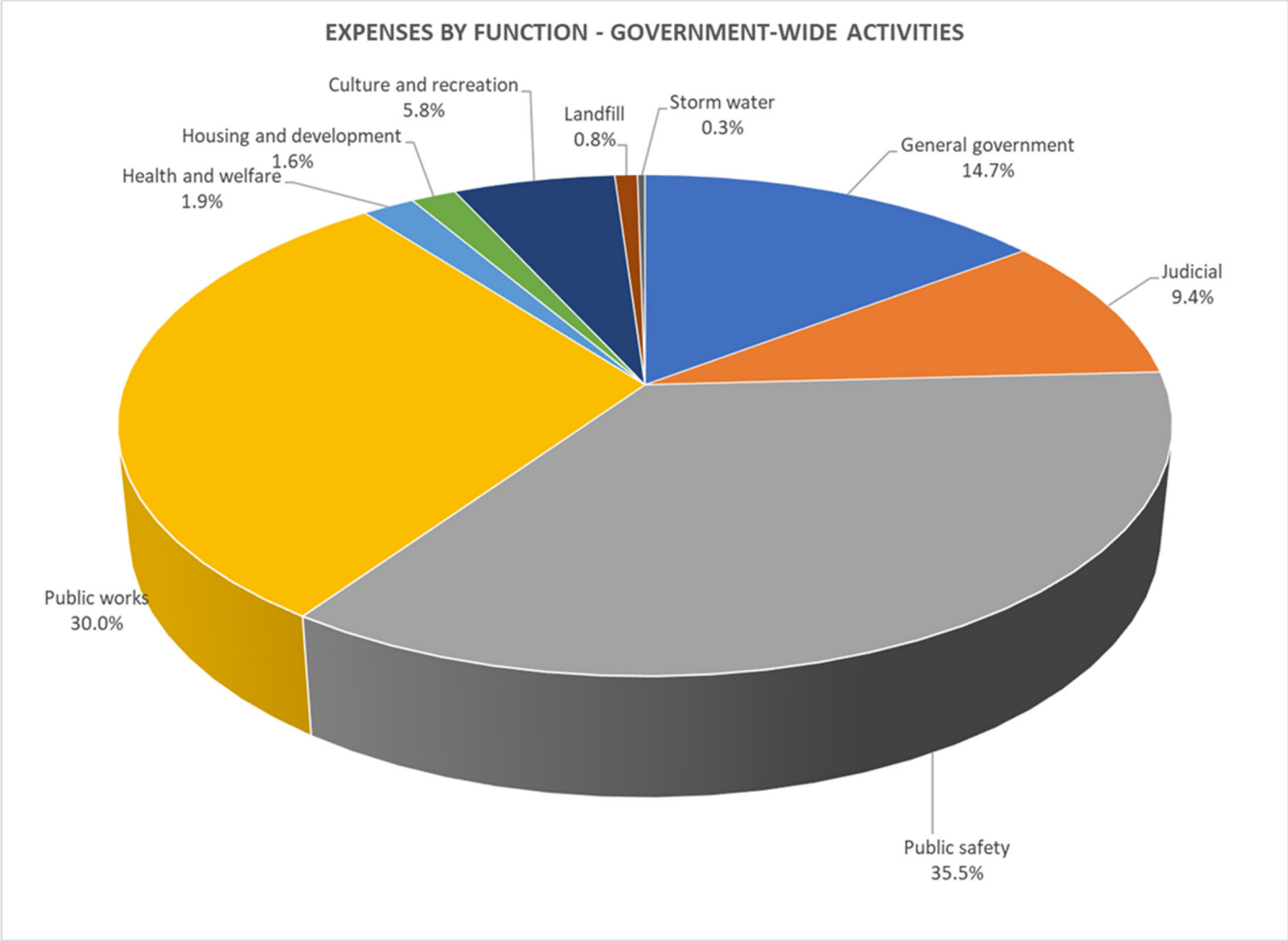
The chart below depicts the distribution of the government-wide revenues by source.



As indicated by the revenues chart, taxes were the largest source of revenue. The largest groups of taxes are property tax, sales tax, and insurance premium tax. The next largest source is charges for services. These charges include licenses and permits, fines and forfeitures related to judicial activity, fees charged through various County governmental departments, and others.

Catoosa County's total government-wide expenses for 2025 were $74.1 million, an increase of $2.1 million from $72 million for 2024. The increase was a result of increases of $1.3 million in public safety, $500 thousand in both general government and judicial, $300 thousand in both health/welfare and culture/recreation, and $100 thousand in stormwater. The increases were partially offset by decreases of $800 thousand in public works, and $100 thousand in the landfill.

The chart below depicts the distribution of the government-wide expenses by function.



As indicated by the expense chart, the largest use of County resources was for public safety services which include the Sheriff's Office, the jail, fire and rescue services and others. The second largest use was for public works which includes road, bridge, and culvert repair and replacement among other services.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Major Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Revenues in the governmental funds were $79 million, a decrease of $1.9 million from $80.8 million in 2024. The decrease was the result of a decrease in intergovernmental revenue of $3.2 million, $600 thousand in other revenue, and $200 thousand in both charges for services and investment earnings, partially offset by increases of $2 million in taxes and $400 thousand in fines, fees, and forfeitures. The decrease in intergovernmental revenue is mostly due to the decrease in ARPA funds. The decrease in other revenue is due to a refund received in 2024 for a SPLOST sewer expenditure; there was no such refund received in 2025. The decrease in charges for services is due to a decrease in inspection fees. The decrease in investment earnings is due to interest rates dropping slightly in 2025.

Expenditures in the governmental funds were $66.8 million, an increase of $6.1 million from $60.7 million in 2024. The increase was the result of a $2.5 million increase in capital outlay, $2.4 million in public works, $1.6 million in public safety, $600 thousand in both general government and health/welfare, $500 thousand in judicial, and $300 thousand in culture and recreation. This increase was partially offset by decreases of $2.3 million in intergovernmental expenditures and $100 thousand in housing and development. The increases in capital outlay expenditures and public works expenditures were in the SPLOST fund. The detention center expansion project began in 2025 and several pumper trucks were purchased for the fire department. There was also a significant amount of paving performed in 2025 as opposed to 2024. The increase in public safety expenditures was mostly in the general fund in various categories – salaries/wages, retirement, liability insurance, workers compensation, vehicle repairs, ambulance services, etc. The significant decrease in intergovernmental expenditures was in the ARPA fund. The majority of the ARPA funds were spent by the end of 2024.

There was no significant change in other financing sources and uses.

As the County completed the year, its governmental funds reported a combined fund balance of $108 million an increase of $12 million from $96 million in 2024. The General Fund, which is the chief operating fund of the County, decreased $200 thousand, SPLOST Capital Projects Fund increased $14 million, the Capital Projects Financed Fund decreased $1.8 million, the Public Facilities Authority Fund increased $300 thousand, and Other Governmental Funds decreased $100 thousand.

Major Proprietary Funds

The County's proprietary fund statements share the same focus as the government-wide financial statements, reporting both short-term and long-term information about financial status.

The County has two proprietary funds which fall under business-type activities. These are the Solid Waste Fund which operates the landfill operations and the Public Works Fund. Operating revenues in business type activities were $400 thousand, an increase of $100 thousand from 2024. This increase was split between Solid Waste and Public Works revenues. Operating expenses in business-type activities were $800 thousand, remaining the same from 2024. These two funds reported an operating loss of $400 thousand. After adding capital contributions and transfers from other funds of $300 thousand, there was a decrease in net position of $100 thousand for the period ended 2025.

The County has one proprietary fund which falls under governmental activities. This is the Internal Service Fund for the Self-Insured Health Insurance Fund. The operating revenues, which were received from other County operations and employee payroll deductions, were $6.9 million. The operating expenses, which include medical and pharmacy claims, were $7.1 million. The fund ended the year with a net position of $1.8 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

General fund operations for 2025 resulted in a fund balance of $30.7 million, a decrease of $200 thousand from $30.9 million in 2024. The $200 thousand decrease is the result of decreases in investment earnings, and inspection revenues combined with increases in a variety of expenditure categories for public safety.

Actual revenues and other financing sources exceeded budgeted revenues and other financing sources by $2 million. The excess was due to the following: $700 thousand taxes, $400 thousand charges for services, $400 thousand other revenue, $200 thousand fine & fees, and $300 thousand other miscellaneous.

Actual expenditures and other financing uses were less than budgeted expenditures by $3.5 million. The savings were due to the following: $1.1 million general government, $500 thousand judicial, $700 thousand public safety, $600 thousand public works, $400 thousand housing and development, $100 thousand culture and recreation, and $100 thousand transfers to other funds. The favorable variances were fairly distributed over all functions as the effort continues to control expenditures. The County erred on the side of caution with regard to risk management due to an unpredictable economic climate.

CAPITAL ASSETS ACTIVITY

Investment in capital assets, net of accumulated depreciation, of the primary government decreased $6.6 million. The beginning balance was $377.5 million plus current year additions of $7.4 million less current year depreciation of $14 million less current year dispositions of $67 thousand resulted in an ending balance of $370.8 million. The CIP ending balance includes $3.7 million for the 911 Tower, $252 thousand for the Jail camera system, $1.9 million for stormwater projects, $900 thousand for the detention center expansion, and $150 thousand for various other projects. In the Equipment and Vehicles category, the largest additions were $2 million for three pumper trucks for the fire department and various vehicles and equipment for several departments. SPLOST funded most capital additions. Additional information on the County's capital assets can be found in Note (5) on pages 29 to 32 of this report.

A summary of activity in capital assets, net of depreciation, of the primary government for the year ended September 30, 2025, is as follows:

	Beginning Balance	Additions	Depreciation	Dispositions/ Reclass	Ending Balance
Land	$ 6,633,673	$ 666,965	$ -	$ -	$ 7,300,638
CIP	4,007,363	3,717,253	-	(787,963)	6,936,653
Land Improvements	7,021,445	42,714	(746,210)	74,703	6,392,652
Infrastructure	322,710,014	132,240	(9,923,612)		312,918,642
Buildings	31,965,045		(1,072,027)		30,893,018
Equipment, Vehicles, Furniture, & Fixtures	4,969,988	2,697,501	(2,137,736)	674,991	6,204,744
Right-To-Use Assets	226,769	160,387	(165,904)	(28,641)	192,611
Total	$ 377,534,297	$ 7,417,060	$(14,045,489)	$ (66,910)	$ 370,838,958

THE GOVERNMENT'S DEBT

The outstanding balance of the note payable of the Catoosa County Development Authority to Financial Corporation of North Georgia, LLC, is $850,764, which is payable on or before October 1, 2025, with no interest. The post closure obligations are $2,287,702 for Site #1 and $5,800,047 for Site #2 which is the Georgia Environmental Protection Division estimate of the future liability for the next seventeen to twenty-three years, respectively. The compensated absences represent the cumulative and vesting for unpaid employee paid time off (PTO) leave. Additional information on the county's debt can be found in Note (6) on pages 32 to 36 of this report.

A summary of activity in long-term debt of the primary government for the year ended September 30, 2025, is as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital lease obligations	$ 89,765	$ 82,017	$ (44,853)	$ 126,929
SBITA obligations	147,720	$ 78,370	$ (153,790)	72,300
Notes payable	850,764			850,764
Landfill closure / postclosure obligation	7,944,201	143,548		8,087,749
Compensated absences	1,427,758		(141,912)	1,285,846
Total	$ 10,460,208	$ 303,935	$ (340,555)	$ 10,423,588

STATUS OF THE CATOOSA COUNTY ECONOMY

The County local option sales tax revenue (LOST) for the fiscal year 2025 showed minimal growth. LOST was up $100 thousand (0.9%) compared to fiscal year 2024. The net digest for real, personal, motor vehicle, mobile home, timber, and equipment also showed minimal growth. The net digest was up a total of $103 million (3.03%) for fiscal year 2025 over 2024.

REQUESTS FOR INFORMATION

This report is designed to present a general overview of Catoosa County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. For questions concerning this report or requests for additional information, please contact the Chief Financial Officer at rachel.clark@catoosa.com or at the following address and telephone number:

Catoosa County Government
Finance Department
800 Lafayette Street
Ringgold, Ga. 30736
706-965-2500

The Catoosa County Health Department, a component unit of Catoosa County, issues separately audited financial statements. Requests for additional information may be directed to:

Catoosa County Health Department
Finance Office
P.O. Box 609
Lafayette, Ga. 30728
706-638-5577

CATOOSA COUNTY, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents				
Available	$ 95,699,895	$ -	$ 95,699,895	$ 2,576,447
Restricted for specific use	1,910,576	-	1,910,576	-
Certificates of deposit				
Restricted for specific use	9,844,888	-	9,844,888	-
Investments	106,638	-	106,638	500,000
Due from other funds	128,517	(128,517)	-	-
Due from custodial funds	1,194,835	-	1,194,835	-
Due from other governmental entities	2,041,154	-	2,041,154	100,882
Property taxes receivable	361,267	-	361,267	-
Other taxes receivable	1,390,158	-	1,390,158	-
Accounts receivable	33,620	-	33,620	2,579
Inventory	192,956	-	192,956	-
Lease receivable	2,347,803	-	2,347,803	-
Prepaid expenses	347,425	-	347,425	-
Prepaid supplies	84,065	-	84,065	43,444
Deposits	128,549	-	128,549	-
Land held for resale	2,331,906	-	2,331,906	-
Land and other nondepreciable assets	12,468,155	1,769,137	14,237,292	-
Other capital assets, net	355,642,966	958,703	356,601,669	25,508
Total assets	$ 486,255,373	$ 2,599,323	$ 488,854,696	$ 3,248,860
DEFERRED OUTFLOWS OF RESOURCES				
Related to pension benefits	$ -	$ -	$ -	$ 306,903
Related to other post-employment benefits	-	-	-	105,212
Total deferred outflows of resources	$ -	$ -	$ -	$ 412,115
LIABILITIES				
Accounts payable and accrued expenses	$ 3,331,820	$ 3,424	$ 3,335,244	$ -
Due to heirs, litigants and others	168,424	-	168,424	-
Unearned revenue	100,000	-	100,000	-
Accrued interest	1,506	-	1,506	-
Long-term liabilities				
Due within one year	1,587,436	-	1,587,436	34,450
Due in more than one year	748,403	8,087,749	8,836,152	1,197,014
Total liabilities	$ 5,937,589	$ 8,091,173	$ 14,028,762	$ 1,231,464
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	$ 1,729,105	$ -	$ 1,729,105	$ -
Related to pension benefits	-	-	-	120,945
Leasing arrangements	2,255,762	-	2,255,762	-
Related to other post-employment benefits	-	-	-	79,704
Total deferred inflows of resources	$ 3,984,867	$ -	$ 3,984,867	$ 200,649
NET POSITION				
Net investment in capital assets	$ 367,061,128	$ 2,727,840	$ 369,788,968	$ 25,508
Restricted for				
Public buildings	598,163	-	598,163	-
Capital projects	73,384,251	-	73,384,251	-
Public safety	694,729	-	694,729	-
Judicial	124,634	-	124,634	-
Housing and development	2,671,349	-	2,671,349	-
Unrestricted	31,796,810	(8,219,690)	23,577,120	2,203,354
Total net position	$ 476,332,917	$ (5,491,850)	$ 470,841,067	$ 2,228,862

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
PRIMARY GOVERNMENT								
Governmental activities								
Judicial	$ 6,980,955	$ 2,093,795	$ 1,997,119	$ -	$ (2,890,041)	$ -	$ (2,890,041)	$ -
General government	10,850,083	1,506,803	87,165	2,340,614	(6,915,501)	-	(6,915,501)	-
Public safety	26,329,737	4,367,500	407,465	-	(21,554,772)	-	(21,554,772)	-
Public works	22,244,965	-	-	2,717,223	(19,527,742)	-	(19,527,742)	-
Health and welfare	1,353,931	-	181,621	63,004	(1,109,306)	-	(1,109,306)	-
Housing and development	1,183,836	816,368	-	-	(367,468)	-	(367,468)	-
Culture and recreation	4,281,001	1,078,159	276,297	-	(2,926,545)	-	(2,926,545)	-
Interest	4,630	-	-	-	(4,630)	-	(4,630)	-
Total governmental activities	73,229,138	9,862,625	2,949,667	5,120,841	(55,296,005)	-	(55,296,005)	-
Business-type activities								
Landfill services	635,483	237,235	-	-	-	(398,248)	(398,248)	-
Stormwater management	192,377	135,666	-	-	-	(56,711)	(56,711)	-
Total business-type activities	827,860	372,901	-	-	-	(454,959)	(454,959)	-
Total primary government	74,056,998	10,235,526	2,949,667	5,120,841	(55,296,005)	(454,959)	(55,750,964)	-
COMPONENT UNITS								
Health Department	1,933,533	798,141	936,136	-	-	-	-	(199,256)
Total component units	$ 1,933,533	$ 798,141	$ 936,136	$ -	-	-	-	(199,256)
		GENERAL REVENUES						
		Property taxes			21,512,211	-	21,512,211	-
		Special local option sales tax			17,009,281	-	17,009,281	-
		Local option sales tax			11,612,364	-	11,612,364	-
		Insurance premium tax			4,761,516	-	4,761,516	-
		Federal payments in lieu of			530,859	-	530,859	-
		Other taxes			1,006,458	-	1,006,458	-
		Franchise fees			236,967	-	236,967	-
		Rental income			2,025,884	-	2,025,884	-
		Investment earnings			2,683,103	-	2,683,103	60,926
		Gain on disposal of capital assets			65,512	-	65,512	-
		Other			195,618	-	195,618	41,070
		Total general revenues			61,639,773	-	61,639,773	101,996
		TRANSFERS			(354,914)	354,914	-	-
		Change in net position			5,988,854	(100,045)	5,888,809	(97,260)
		NET POSITION						
		Beginning			470,344,063	(5,391,805)	464,952,258	2,326,122
		Ending			$ 476,332,917	$ (5,491,850)	$ 470,841,067	$ 2,228,862

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	Public Facilities Authority	SPLOST Capital Projects	Capital Projects Financed	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 32,272,432	$ 1,863,728	$ 61,141,807	$ -	$ 421,928	$ 95,699,895
Certificates of deposit	9,844,888	-	-	-	-	9,844,888
Restricted cash	1,224,000	-	-	-	686,576	1,910,576
Investments	106,638	-	-	-	-	106,638
Due from other governmental entities	2,041,154	-	-	-	-	2,041,154
Due from custodial funds	1,194,835	-	-	-	-	1,194,835
Due from other funds	2,274,550	-	-	12,214,435	2,160,873	16,649,858
Property taxes receivable	361,267	-	-	-	-	361,267
Other taxes receivable	5,971	-	1,384,187	-	-	1,390,158
Lease receivable	-	2,347,803	-	-	-	2,347,803
Other receivables	-	-	2,923	-	30,697	33,620
Inventory	192,956	-	-	-	-	192,956
Prepaid expenses	338,958	8,467	-	-	-	347,425
Prepaid supplies	84,065	-	-	-	-	84,065
Land held for resale	-	-	-	-	2,331,906	2,331,906
Total assets	$ 49,941,714	$ 4,219,998	$ 62,528,917	$ 12,214,435	$ 5,631,980	$ 134,537,044
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 1,948,090	$ 87,616	$ 301,217	$ 707,157	$ 39,066	$ 3,083,146
Due to heirs, litigants and others	168,424	-	-	-	-	168,424
Unearned revenue	-	-	-	-	100,000	100,000
Due to other funds	16,323,260	1,109,883	356,073	-	680,046	18,469,262
Total liabilities	18,439,774	1,197,499	657,290	707,157	819,112	21,820,832
Deferred inflows of resources						
Deferred tax revenue	622,076	-	-	-	-	622,076
Deferred grant revenue	-	-	-	-	1,321,718	1,321,718
Leasing arrangements	-	2,255,762	-	-	-	2,255,762
Other deferred revenue	238,813	168,574	-	-	-	407,387
Total deferred inflows of resources	860,889	2,424,336	-	-	1,321,718	4,606,943
Fund balances						
Nonspendable						
Inventory	192,956	-	-	-	-	192,956
Prepaid items	423,023	-	-	-	-	423,023
Restricted for						
Public buildings	-	598,163	-	-	-	598,163
SPLOST projects	-	-	61,871,627	-	-	61,871,627
Capital projects	-	-	-	11,507,278	5,346	11,512,624
Public safety	-	-	-	-	694,729	694,729
Judicial	-	-	-	-	124,634	124,634
Housing and development	-	-	-	-	2,671,349	2,671,349
Culture and recreation	-	-	-	-	1,853	1,853
Unassigned	30,025,072	-	-	-	(6,761)	30,018,311
Total fund balances	30,641,051	598,163	61,871,627	11,507,278	3,491,150	108,109,269
Total liabilities, deferred inflows of resources and fund balances	$ 49,941,714	$ 4,219,998	$ 62,528,917	$ 12,214,435	$ 5,631,980	$ 134,537,044

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Differences in amounts reported for governmental activities in the statement of net position on page 1:

Fund balances – total governmental funds	$108,109,269
Amounts reported for governmental activities in the statement of net position are different because:	
Certain revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	622,076
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	368,111,121
Internal service funds are used by management to charge the costs of self-insurance. The assets and liabilities of the internal service funds are included in governmental activities columns in the statement of net position.	1,827,796
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	(1,506)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(2,335,839)
	$476,332,917

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Public Facilities Authority	SPLOST Capital Projects	Capital Projects Financed	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 38,315,077	$ -	$ 17,009,281	$ -	$ 868	$ 55,325,226
Licenses and franchises	320,176	-	-	-	-	320,176
Charges for services	1,334,050	-	-	-	1,473,287	2,807,337
Intergovernmental	3,080,610	-	2,329,539	-	942,993	6,353,142
Fines, fees and forfeitures	4,549,084	-	-	-	338,313	4,887,397
Investment earnings	2,561,810	110,382	2,266,211	-	10,911	4,949,314
Rental income	-	2,022,884	-	-	3,000	2,025,884
Other	2,209,154	-	44,242	-	143,283	2,396,679
Total revenues	52,369,961	2,133,266	21,649,273	-	2,912,655	79,065,155
EXPENDITURES						
Current						
Judicial	6,543,785	-	-	7,000	228,628	6,779,413
General government	8,125,133	1,874,566	197,184	52,091	17,043	10,266,017
Public safety	21,713,929	-	276,175	66,564	2,646,708	24,703,376
Public works	2,892,011	-	5,041,308	284,813	-	8,218,132
Health and welfare	1,590,576	-	-	-	28,248	1,618,824
Housing and development	936,616	-	-	-	119,603	1,056,219
Culture and recreation	3,439,576	-	151,145	-	272,359	3,863,080
Intergovernmental	-	-	3,685,058	-	-	3,685,058
Capital outlay	-	-	4,384,916	1,926,804	137,407	6,449,127
Debt service						
Principal	170,599	-	-	-	715	171,314
Interest	6,727	-	-	-	57	6,784
Total expenditures	45,418,952	1,874,566	13,735,786	2,337,272	3,450,768	66,817,344
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,951,009	258,700	7,913,487	(2,337,272)	(538,113)	12,247,811
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of assets	103,781	-	-	-	-	103,781
Insurance proceeds	28,382	-	-	-	-	28,382
Proceeds from lease transactions	82,017	-	-	-	-	82,017
Subscription-based IT arrangements	78,370	-	-	-	-	78,370
Transfers from other funds	-	-	6,100,000	550,000	469,869	7,119,869
Transfers to other funds	(7,474,783)	-	-	-	-	(7,474,783)
NET CHANGE IN FUND BALANCES	(231,224)	258,700	14,013,487	(1,787,272)	(68,244)	12,185,447
FUND BALANCES						
Beginning	30,872,275	339,463	47,858,140	13,294,550	3,559,394	95,923,822
Ending	$ 30,641,051	$ 598,163	$ 61,871,627	$ 11,507,278	$ 3,491,150	$ 108,109,269

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

Differences in amounts reported for governmental activities in the statement of activities on page 2:

Net change in fund balances – total governmental funds	$ 12,185,447
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlay reported as expenditures in the governmental funds are reported as capital assets in the statement of activities.	7,417,060
Depreciation expense on governmental capital assets are included in the statement of activities.	(13,773,512)
Amortization expense on governmental right-to-use assets are included in the statement of activities.	(165,904)
Long-term liabilities in the statement of net position include an estimated liability for compensated absences. These are planned to be liquidated with future resources; therefore, the increase or decrease in the liability does not affect expenditures in the governmental funds.	141,912
The net effect of various transactions involving capital assets (i.e. sales, trade-ins, and disposals) is to decrease net position.	(38,269)
The net effect of various transactions involving leases and subscription-based IT arrangements (i.e. accrued interest and cancellation of agreements) is to increase net position.	842
Certain governmental revenues will not be collected for several months after the fiscal year and are deferred in the governmental funds.	413,857
Internal service funds are used by management to charge the costs of self-insurance. The income and expenses of the internal service funds are included in governmental activities columns in the statement of net position.	(203,506)
Proceeds from lease obligations and subscription-based IT arrangements and repayment of long-term leases and subscription-based IT arrangements is a financing source and an expenditure in the governmental funds, respectively, but the proceeds are eliminated and the repayment reduces long-term liabilities in the statement of net position, respectively.	10,927
	$ 5,988,854

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Activities			Governmental Activities
	Major Fund	Nonmajor Fund		
	Solid Waste Management	Public Works	Total	Internal Service Fund
ASSETS				
CURRENT ASSETS				
Deposits	$ -	$ -	$ -	$ 128,549
Due from other funds	-	31	31	1,947,921
Total current assets	-	31	31	2,076,470
CAPITAL ASSETS				
Land	1,738,360	30,777	1,769,137	-
Land improvements	6,601,955	1,663,466	8,265,421	-
Buildings	40,465	-	40,465	-
Equipment and vehicles	1,818,988	18,741	1,837,729	-
	10,199,768	1,712,984	11,912,752	-
Less accumulated depreciation	8,143,722	1,041,190	9,184,912	-
Net capital assets	2,056,046	671,794	2,727,840	-
Total assets	$ 2,056,046	$ 671,825	$ 2,727,871	$ 2,076,470
LIABILITIES AND NET POSITION				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$ 3,024	$ 400	$ 3,424	$ 23,754
Claims payable	-	-	-	224,920
Due to other funds	128,548	-	128,548	-
Total current liabilities	131,572	400	131,972	248,674
LONG-TERM LIABILITIES				
Accrued postclosure care costs	8,087,749	-	8,087,749	-
Total long-term liabilities	8,087,749	-	8,087,749	-
Total liabilities	8,219,321	400	8,219,721	248,674
NET POSITION				
Investment in capital assets	2,056,046	671,794	2,727,840	-
Unrestricted	(8,219,321)	(369)	(8,219,690)	1,827,796
	(6,163,275)	671,425	(5,491,850)	1,827,796
Total liabilities and net position	$ 2,056,046	$ 671,825	$ 2,727,871	$ 2,076,470

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities			
	Major Fund	Nonmajor Fund		Governmental Activities
	Solid Waste Management	Public Works	Total	Internal Service Fund
OPERATING REVENUES				
Charges for services	$ 237,235	$ 135,666	$ 372,901	$ 6,945,399
Total revenues	237,235	135,666	372,901	6,945,399
OPERATING EXPENSES				
Depreciation	46,112	59,961	106,073	-
General operating expenses	589,371	132,416	721,787	7,148,905
Total expenses	635,483	192,377	827,860	7,148,905
OPERATING LOSS	(398,248)	(56,711)	(454,959)	(203,506)
TRANSFERS				
Transfers from other funds	354,914	-	354,914	-
CHANGE IN NET ASSETS	(43,334)	(56,711)	(100,045)	(203,506)
NET POSITION				
Beginning	(6,119,941)	728,136	(5,391,805)	2,031,302
Ending	$ (6,163,275)	$ 671,425	$ (5,491,850)	$ 1,827,796

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities			Governmental Activities
	Major Fund	Nonmajor Fund		
	Solid Waste Management	Public Works	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from user fees	$ 237,235	$ 135,666	$ 372,901	$ 6,890,883
Payments to suppliers for goods or services	(448,604)	(135,666)	(584,270)	(7,172,128)
Net cash used by operating activities	(211,369)	-	(211,369)	(281,245)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Loans from other funds	(143,545)	-	(143,545)	281,245
Net cash provided (used) by capital and related financing activities	(143,545)	-	(143,545)	281,245
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	354,914	-	354,914	-
Net cash provided by non-capital financing activities	354,914	-	354,914	-
NET CHANGE IN CASH	-	-	-	-
CASH				
Beginning	-	-	-	-
Ending	$ -	$ -	$ -	$ -

(The accompanying notes are an integral part of these statements.)

	Business-Type Activities			Governmental Activities
	Major Fund	Nonmajor Fund		
	Solid Waste Management	Public Works	Total	Internal Service Fund
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES				
Operating loss	$ (398,248)	$ (56,711)	$ (454,959)	$ (203,506)
Adjustments to reconcile operating loss to net cash used by operating activities				
Depreciation	46,112	59,961	106,073	-
Net change in operating assets	-	-	-	(54,516)
Net change in operating liabilities	140,767	(3,250)	137,517	(23,223)
Net cash used by operating activities	$ (211,369)	$ -	$ (211,369)	$ (281,245)

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 4,043,905
Total assets	$ 4,043,905
LIABILITIES	
Due to other taxing districts	$ 2,265,071
Due to others	1,778,834
Total liabilities	$ 4,043,905

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Custodial Funds
ADDITIONS	
Taxes collected for other government agencies	$ 63,422,759
Court fees collected for other agencies and individuals	4,743,736
Total additions	68,166,495
DEDUCTIONS	
Payment of taxes to other government agencies	63,422,759
Court payments to other agencies and individuals	4,743,736
Total deductions	68,166,495
CHANGE IN NET POSITION	-
NET POSITION	
Beginning	-
Ending	$ -

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF NET POSITION
COMPONENT UNIT
SEPTEMBER 30, 2025

	Catoosa County Health Department June 30, 2025
ASSETS	
Cash	$ 2,576,447
Investments	500,000
Accounts receivable	2,579
Due from other governments	100,882
Inventory	43,444
Right-to-use leased assets, net of amortization	13,207
Depreciable capital assets, net	12,301
Total assets	$ 3,248,860
DEFERRED OUTFLOWS OF RESOURCES	
Related to pension benefits	$ 306,903
Related to other post-employment benefits	105,212
	$ 412,115
LIABILITIES	
Long-term liabilities	
Due within one year	$ 34,450
Due in more than one year	1,197,014
Total liabilities	$ 1,231,464
DEFERRED INFLOWS OF RESOURCES	
Related to pension benefits	$ 120,945
Related to other post-employment benefits	79,704
	$ 200,649
NET POSITION	
Net investment in capital assets	$ 25,508
Unrestricted	2,203,354
Total net position	$ 2,228,862

(The accompanying notes are an integral part of these statements.)

CATOOSA COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
COMPONENT UNIT
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total
Catoosa County Health Department				
Health Department operations	$ 1,933,533	$ 798,141	$ 936,136	$ (199,256)
Total component units	$ 1,933,533	$ 798,141	$ 936,136	$ (199,256)
GENERAL REVENUES				
Intergovernmental funding				41,070
Interest				60,926
Total general revenues				101,996
Change in net position				(97,260)
NET POSITION				
Beginning				2,326,122
Ending				$ 2,228,862

(The accompanying notes are an integral part of these statements.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Catoosa County, Georgia (the County) was organized by Georgia Acts of 1853. The County is governed by a five-member Board of Commissioners, with day-to-day operations vested in an appointed county manager.

The accounting policies of the County conform to generally accepted accounting principles applicable to local governments. The more significant accounting policies of the County are summarized below.

Reporting Entity

The accompanying financial statements include all funds of Catoosa County, Georgia (the primary government) as well as its component units, entities for which the County is financially accountable.

The County's financial statements also include the financial statements (the only ones available) of the Catoosa County Development Authority. The development authority is reported as a blended component unit. The Catoosa County Development Authority was created by legislative act in the State of Georgia. The Board is appointed by the County Board of Commissioners which must approve Authority debt for which the Board is ultimately responsible. The purpose of the development authority is to develop industry in the County by assisting in the purchase and financing of property through bond issues and other debt. This component unit operates as a special revenue fund. In accordance with current guidance, the development authority is presented as a blended component unit because the development authority's total debt outstanding is expected to be repaid entirely with resources of the primary government.

The County's financial statements also include the financial statements (the only ones available) of the Catoosa County Public Facilities Authority. The public facilities authority is reported as a blended component unit. The Public Facilities Authority was created by legislative act in the State of Georgia. The Board is appointed by the County Board of Commissioners. The purpose of the public facilities authority is to operate, maintain, and construct buildings and facilities that promote the public good of the citizens of Catoosa County or that are deemed necessary for the efficient operation of the County. This component unit operates as a special revenue fund. In accordance with current guidance, the public facilities authority is presented as a blended component unit because the board is governed by the Board of Commissioners.

The discretely presented component units include organizations which are legally separate from the primary government. They are considered component units because a majority of their boards are appointed by the County and because there is a financial benefit/burden relationship with the County. Discretely presented component units are as follows:

The Development Authority of Catoosa County (which had no assets and no activity during the current year) was created by legislative act in the State of Georgia. The Board of the Catoosa County Development Authority and the Board of the Development Authority of Catoosa County are the same, and are appointed by the County Board of Commissioners which must approve the Authority's debt for which the Board is ultimately responsible. The purpose of the development authority is to develop industry in the County by assisting in the purchase and financing of property through bond issues and other debt. This component unit operates as an enterprise fund. There are no financial statements available for the Development Authority of Catoosa County due to no assets or current year activity.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

The Catoosa County Health Department was created by legislative act in the State of Georgia and provides health care services and education to County residents. The Catoosa County Board of Health, the governing authority of the Health Department, is composed of seven members, three of whom are appointed by the County Board of Commissioners and one of whom is a member of the Board of Commissioners.

The Catoosa County Health Department issues separately audited financial statements. Copies of these financial statements may be obtained from the Catoosa County Health Department, Ringgold, Georgia. In its separately audited financial statements, the Catoosa County Health Department is reported as a general fund. The Health Department's fiscal year end is June 30.

The following organizations have separately selected governing bodies, and are legally separate and fiscally independent from the County. Therefore, they are not considered component units of Catoosa County and are excluded from the accompanying financial statements:

Catoosa County Board of Education
Catoosa County Department of Family and Children's Services
Catoosa Utility District

Basis of Presentation

The County presents government-wide as well as fund level financial statements with activities at both levels categorized as either governmental or business-type. The government-wide statements of net position and activities have eliminated internal balances and transfers between the activities of the governmental funds, which were presented separately in the fund financial statements. Transfers between governmental activities and business-type activities of the primary government are separately stated on the government-wide statement of net position. The government-wide statement of activities reflects both the gross and net cost of functional categories which are otherwise supported by general government revenues. The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating grants, and capital grants. Program revenues are those directly associated with the function and include revenues from fines and forfeitures, licenses and permit fees, and charges for services. Operating and capital grants and contributions are limited to the funding of a specific operating expense or capital acquisition.

At the fund level, major funds are presented separately while nonmajor funds are combined into a single column. Major funds are determined based on their percentage of assets, liabilities, revenues or expenditures compared to the total of the same for all governmental funds, and on their percentage of the same for the total of all governmental and proprietary funds, as applicable or if the County chooses to report the fund as major even if the criteria is not met. The general fund, Public Facilities Authority, SPLOST Capital Projects fund, and Capital Projects Financed fund are reported as major governmental funds. The Solid Waste Management fund is a major enterprise fund.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

The government-wide financial statements, consisting of the statement of net position and the statement of activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liability is incurred. The government-wide financial statements report information on all of the nonfiduciary activities of the County as a whole.

The fund-level financial statements of the governmental funds, consisting of the general fund, special revenue funds, and capital projects funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they are susceptible to accrual, which is defined as being both measurable, meaning that the amount of the transaction can be determined, and available, meaning collectible within the current period or soon enough thereafter (generally defined as within 60 days) to be used to pay liabilities of the current period. Those revenues susceptible to accrual are property and other taxes, federal and state grants, other state funds, interest income and charges for services. Expenditures are generally recognized when the liability is incurred. Exceptions to this general rule include accumulated unpaid time off (PTO) and other employee amounts which are expected to be liquidated with future resources.

Since the governmental funds statements are presented on a different measurement focus and basis of accounting than the governmental activities column in the government-wide financial statements, a reconciliation is presented on the page following the applicable fund statement which reconciles the adjustments necessary to convert the fund financial statements to the governmental activities column of the government-wide presentation.

All business-type activities, including the primary government proprietary funds, and all fiduciary funds use the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when the liability is incurred. Operating revenues of proprietary funds are those revenues that result from the activities of the fund, such as charges for services. All other revenue is considered nonoperating revenue and includes grants, investment earnings, and gain on the sale of capital assets. Fiduciary fund additions include taxes and court fees collected for other agencies. Likewise, operating expenses of proprietary funds are those expenses related to the principal activity of the fund, such as depreciation. Nonoperating expenses include all other expenses not considered operating, such as interest expense. Deductions related to fiduciary funds include payments of taxes and court fees to the other agencies for which they were collected.

Internal service funds of a government traditionally provide services primarily to other funds of the government. Internal service funds are presented as part of the proprietary fund financial statement. Activities in the internal service fund include self-funding for health insurance, employee health clinic operations, and employee wellness and health benefits administration. Operating revenues and expenses are the result of providing services to the principal user of the internal service. Any revenues or expenses that are not the result of providing those services are classified as nonoperating. Since the principal users of the internal services are the County's governmental activities, financial statements of the internal service funds are consolidated into the governmental activities column when presented at the government-wide level and interfund transactions are eliminated. To the extent possible, the costs of these services are reflected in the appropriate functional activity (general government, public safety, public works, etc.).

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued)

Custodial funds account for the assets held by the Tax Commissioner, Superior Court, Magistrate Court, Probate Court, State Court, and Sheriff in a trustee capacity for individuals, governmental units, and/or other funds.

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

Fund Accounting

The accounts of the County are organized on the basis of funds, which are considered separate accounting entities. The operations of each fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. 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. Amounts reported in the fund financial statements as due to or due from other funds are eliminated upon preparation of the government-wide statement of net position. The various funds are grouped into fund types as follows:

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, or those for which it is considered fiscally responsible to be accounted for in a separate fund.

Special Revenue Funds
Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds
Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets not financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Proprietary Funds

Enterprise Funds
Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise and therefore funded primarily through user charges.

Internal Service Funds
Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting (continued)

Fiduciary Funds

Custodial Funds
Custodial funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Non-current governmental assets/liabilities
The County eliminates the presentation of account groups, but provides for these records to be maintained and incorporated into the governmental activities section of the government-wide financial statements.

The County maintains the following funds:
General fund (major fund)

Special revenue funds
Confiscated Assets Fund, which accounts for revenues and expenditures associated with currency forfeitures and drug fines and restitution.

Emergency 911 Fund, which accounts for revenues and expenditures associated with the operation of a County 911 emergency service.

JCSA Fund, which accounts for specific revenues and expenditures associated with the operation of the County jail.

State Library Fund, which accounts for specific grant revenues and expenditures of the County library.

DATE Program Fund, which accounts for revenues and expenditures associated with drug awareness.

Salary Reimbursement U.S. Treasury, which accounts for revenue and expenditures related to public safety. This fund had no activity in the current year.

Operational Grants, which accounts for revenue and expenditures from certain grants.

American Rescue Plan, which accounts for revenue and expenditures from the federal government under the American Rescue Plan Act to provide funds to be used to support public health expenditures.

Catoosa County Development Authority (a blended component unit), which accounts for aid and assistance in the promotion and establishment of new business and recreation within the County.

Catoosa County Health Department (a discretely presented component unit), which provides health care services and health education to the residents of Catoosa County. In its separately issued financial statements, the Health Department is reported as a general fund.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting (continued)

Victim's Assistance, which accounts for specific revenues and expenditures associated with the District Attorneys Victim's Assistance Grant.

DA Forfeiture, which accounts for specific revenues and expenditures associated with the District Attorney's forfeitures.

Juvenile Supervision, which accounts for the Juvenile Supervision fees and expenditures.

Public Facilities Authority (a blended component unit and major fund), which accounts for the leasing activities of a County owned facility that is operated by a local hospital.

Law Library, which accounts for specific revenues and expenditures of the County law library.

Opioid Settlements, which accounts for specific revenues and expenditures relative to the opioid crisis.

Capital projects funds
SPLOST Capital Projects Fund (major fund), which accounts for the acquisition of assets, and other specific projects, with proceeds from the special local option sales tax.

Capital Projects Grant Fund, which accounts for acquisition of assets with proceeds from state or federal grants.

Capital Projects Financed Fund (major fund), which accounts for financing and acquisition of capital assets.

Proprietary funds

Enterprise funds
Public Works Fund, which accounts for the operation of stormwater management.

Solid Waste Management Fund (a major fund), which accounts for the operation of the disposal of solid waste.

Development Authority of Catoosa County (a discretely presented component unit), which accounts for aid and assistance in the promotion and establishment of new business and recreation within the County.

Internal Service Funds
Healthcare Fund, which accounts for the County's self-insurance program for employee healthcare as well as the employee health clinic and employee wellness and health benefits administration. The costs for these programs are funded through premiums paid by the departments and agencies to the County.

Fiduciary funds
Custodial funds
Tax Commissioner, which accounts for receipts and disbursements of property and other taxes.

Clerk of Superior Court, which accounts for receipts and disbursements of the Clerk's office, primarily court costs, fines and settlements.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting (continued)

Magistrate Court, which accounts for receipts and disbursements of the Magistrate Court, primarily court costs, fines and settlements.

State Court, which accounts for receipts and disbursements of the State Court, primarily court costs, fines and settlements.

Probate Judge, which accounts for receipts and disbursements of the Probate Judge office, primarily estates, guardianships, gun permit fees and marriage license fees.

Sheriff, which accounts for receipts and disbursements of the Sheriff's Department, primarily cash bonds.

Fund Equity

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

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

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

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

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

Assigned – Fund balances are reported as assigned when amounts are constrained by Board action to be used for specific purposes, but are neither restricted or committed.

Unassigned – Fund balances are reported as unassigned when the residual amount does not meet any of the above criteria. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

When both restricted and unrestricted amounts of fund balance are available for expenditure, 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 balances in the following order: committed, assigned, unassigned.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Equity (continued)

Net position – Net position represents the residual of all elements presented in a statement of financial position. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted as described in the fund balances section above. All other net position is reported as unassigned.

Budget and Budgetary Control

Although no budget to actual statements are presented in the basic financial statements, the County provides, for informational purposes, its budget requirements and process. Annual revenue estimates and expenditure appropriations, on the modified accrual basis of accounting, are prepared for all governmental funds, with the exception of the capital projects funds, for which no annual appropriation is required and none is adopted. The projects accounted for in the capital projects funds are subject to budgetary control on a project basis. Providing budgetary information on an annual basis does not provide meaningful information because projects extend over more than one reporting period. Although a budget is not required for proprietary fund types, the County adopts a budget on the accrual basis of accounting for its primary government proprietary funds.

The proposed budget is reviewed by the Board of Commissioners for determination of the property tax levy. The current tax levy, along with other required information, is filed in the Office of the Clerk of the Superior Court and published in the local newspaper with notice of public hearings to obtain taxpayer comments. The budget is legally enacted through adoption at a subsequent public hearing as required by law.

Expenditures may not legally exceed budgeted appropriations at the department level. Budgetary integration is employed as a management tool during the fiscal year. As needed during the year, the County finance manager is authorized to amend line items, with the exception of salaries, within a department. Approval by the Board of Commissioners is required for amendments to salary line items, or department or fund totals. The budget was amended within the above guidelines for the year ended September 30, 2025. The general fund final budget shows a deficit of $6,100,000 that was a budget transfer from fund balance to cover the capital projects fund.

Receivables

Receivables include amounts due to the County for various agreements. All receivables are current and therefore due within one year. The County reported no allowance for uncollectible accounts as of September 30, 2025.

Capital Assets

For the fund financial statements, capital assets of governmental funds are recorded as expenditures at the time of purchase. For its proprietary funds and for governmental funds at the government-wide presentation, the County capitalizes long-lived assets with an original cost of $15,000 or more. Such assets are recorded at cost.

For its proprietary funds and for its governmental funds at the government-wide presentation, depreciation of property and equipment is provided over the estimated useful lives of individual assets by the straight-line method. Estimated lives are as follows: equipment, 3 to 7 years; buildings, 25 to 75 years; land improvements, 10 to 27 years; infrastructure, 40 to 60 years.

Public domain (infrastructure) assets, which include roads, streets, curbs, gutters, sidewalks, etc., are recorded in the funds as expenditures at the time of purchase, and as capital assets in the government-wide financial statements. Infrastructure assets acquired prior to July 1, 1979, are not reported in these financial statements.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Lessee - The County is a lessee for noncancelable leases of machinery and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor - The County is a lessor for noncancelable leases of buildings. The lease receivable and a deferred inflow of resources is recognized in the fund financial statements. The County uses the interest rate charged by the County as the discount rate. When the interest rate is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease asset.

Subscription-Based Information Technology Arrangements

The County has executed contracts that qualify as noncancelable subscription-based information technology arrangements (SBITAs). The County recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate. The SBITA term includes the noncancelable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

Inventories

Inventories are valued at cost which approximates net realizable value, using the first-in, first-out method. The cost of inventory items is recorded as an expenditure when used (i.e., the consumption method).

Notes Payable

Notes payable reported in governmental funds are expected to be liquidated with expendable, available resources.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the County.

Prepaid Expenses

Prepaid expenses consist of certain payments which reflect costs applicable to future periods. In governmental funds, these types of costs are recorded as expenditures during the term of the benefit period, rather than when paid.

Discounts/Premiums/Issuance Costs

In governmental funds, at the fund-level presentation, these types of transactions are recognized as revenue when received or as expenditures in the period in which incurred. In proprietary funds, and at the government-wide presentation for governmental activities, discounts and premiums are deferred and amortized over the benefit or payment period. Debt issuance costs, except for any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred.

Cash Equivalents

For purposes of these financial statements, the County considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Deferred Outflows/Inflows of Resources

The County has adopted the provisions of GASB Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Under this Statement, GASB has defined deferred outflows of resources as a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. As of September 30, 2025, the County did not have any deferred outflows of resources and had deferred inflows of resources from deferred property taxes of $622,076, deferred grant revenue of $1,321,718, leasing arrangements of $2,255,762 and other deferred revenue of $407,387.

New Accounting Pronouncements

On October 1, 2024, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. The objective of GASB 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements (continued)

GASB 101 requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Examples of compensated absences include vacation (or annual) leave, sick leave, paid time off (PTO), holidays, parental leave, bereavement leave, and certain types of sabbatical leave. The implementation of GASB 101 had no effect on the County's beginning net position and the statement of net position includes a liability for compensated absences.

(2) CASH AND INVESTMENTS

The County reports its cash and other investments under the provisions of governmental auditing standards.

Interest Rate Risk – As a means of limiting its exposure to losses resulting from rising interest rates, the County's usual policy is to invest in certificates of three years or less. The exposure to interest rate changes is presented using the weighted average maturity method. Its policy is to limit exposure to interest rate risk by requiring sufficient liquidity in the investment portfolio.

Custodial Credit Risk – The County's policies limit deposits and investments to those instruments allowed by applicable state laws. State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 110% of the value of the uninsured deposits. The deposits must be covered by federal deposit insurance, by collateral held by the County's agent in the County's name, or by Federal Reserve Banks acting as third party agents. Two of the financial institutions holding the County's deposits are participants in the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requiring participating banks holding deposits of public funds to pledge collateral at varying rates depending on tiers assigned by the State. The County also participates in the IntraFi Network Deposits Program as allowed by State statute. Under this program, deposits are divided into amounts under the standard FDIC insurance maximum of $250,000 and placed into multiple deposit accounts with FDIC-insured banks. State statutes also authorize the types of investments in which the County may participate. The County's policy is to limit its investments to certificates of deposit and savings and money market accounts with local banks and Georgia Fund 1, a combined state and local government investment pool. As of September 30, 2025 all deposits were insured or collateralized, as required by government policy. In addition all certificates of deposit were insured as required by government policy.

Credit Risk – The County's policies are designed to maximize its earnings, while protecting the security and providing maximum liquidity, in accordance with all applicable state laws.

Investments in the local government investment pool are specifically invested in "Georgia Fund 1." Georgia Fund 1, created by OCGA 36-83-8, is a Standard and Poor's AAAf rated investment pool which is managed by the Office of the State Treasurer to maintain principal stability. The pool is not registered with the SEC as an investment company and the State does not consider Georgia Fund 1 to be a 2a-7 like pool. Georgia Fund 1 is managed to maintain a constant net asset value of $1.00 value per share and a weighted maturity of 90 days or less, with the maximum maturity of any investment limited to 397 days.

(2) CASH AND INVESTMENTS (continued)

At September 30, 2025, the Georgia Fund 1 weighted average maturity was 45 days. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value. The fair values of investments in external investment pools are the same as the value of the pool shares. The County maintained a balance of $106,638 in Georgia Fund 1 as of September 30, 2025 included as part of investments as of September 30, 2025.

The County also invests in DTC-eligible certificates of deposit known as "brokered deposits." These certificates of deposit are insured by the FDIC and are underwritten by Financial Industry Regulatory Authority. These certificates of deposit are considered negotiable certificates of deposit and are subject to market fluctuations. Included in investment earnings in the statement of activities is a market adjustment of $39,888 related to the value of the certificates of deposit at September 30, 2025.

(3) INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Most interfund receivable and payable balances are attributable to unsettled balances for charges between funds, and are expected to be paid within one year.

General fund payables to other governmental funds result from revenues received for these funds being held in a general fund cash account until an expenditure need arises. The balance in the confiscated assets fund and the opioid settlements fund are not expected to be repaid within one year. It is anticipated that the balance in the other funds will be repaid within one year. The general fund receivable from the solid waste fund resulted from the general fund disbursing funds in a prior year for the Landfill Gas to Energy Project.

Interfund receivables and payables at September 30, 2025, consist of the following:

Amounts receivable to the general fund from the following funds:		
Major governmental funds		
Public Facilities Authority	$	1,109,883
SPLOST capital projects	$	356,073
Nonmajor governmental funds		
Development Authority	$	61,818
American Rescue Plan	$	617,273
Law Library	$	955
Major enterprise funds		
Solid waste	$	128,548

(3) INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS (continued)

Amounts payable from the general fund to the following funds:

Major governmental fund		
Capital projects financed	$	12,214,435
Nonmajor governmental funds		
Confiscated assets	$	174,755
DA Forfeiture	$	77,918
JCSA	$	104,932
DATE program	$	422,404
Juvenile Supervision	$	5,073
Victim's Assistance	$	39,212
Opioid Settlements	$	978,183
Operational grants	$	46,531
State grant for library	$	8,587
Capital projects grant	$	303,278
Nonmajor enterprise funds		
Public works	$	31
Internal service fund		
Healthcare	$	1,947,921

The purpose of transfers are to allocate revenues from the fund that collects them to the fund that expends the resources based on budgetary operations of the County.

Transfers for the 2025 year were as follows:

Transfer from general fund (major fund) to emergency 911 (nonmajor fund)	$	469,869
Transfer from general fund (major fund) to solid waste (major enterprise fund)	$	354,914
Transfer from general fund (major fund) to capital projects financed (major fund)	$	550,000
Transfer from general fund (major fund) to SPLOST (major fund)	$	6,100,000

(4) FAIR VALUE MEASUREMENTS

GASB Statement No. 72, *Fair Value Measurement and Application,* establishes a framework for measuring fair value for certain assets and liabilities using a consistent definition and accepted valuation techniques. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets and for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1
Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.

Level 2
Inputs to the valuation methodology other than quoted prices included within level 1 that are observable for the financial asset or liability, either directly or indirectly.

(4) FAIR VALUE MEASUREMENTS (continued)

Level 3
Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Following is a description of the valuation methodologies used for assets at fair value:

Market approach – Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources;

Cost approach – Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost); and

Income approach – Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques, and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

Assets itemized below were measured at fair value during the year ended September 30, 2025. The market approach was used to determine the fair value of the land held for resale.

	Level 1	Level 2	Level 3	Total
Land held for resale	$ -	$ 2,331,906	$ -	$ 2,331,906
Brokered certificates of deposit	-	9,844,888	-	9,844,888
	$ -	$ 12,176,794	$ -	$ 12,176,794
Other investments				
Georgia Fund 1				106,638
				$ 12,283,432

(5) CAPITAL ASSETS AND RIGHT-TO-USE ASSETS

Governmental activities

A summary of changes in capital assets and accumulated depreciation for governmental activities is as follows:

	Beginning	Additions	Dispositions and Reclassifications	Ending
Nondepreciable capital assets				
Land	$ 4,864,536	$ 666,965	$ -	$ 5,531,501
Construction in progress	4,007,364	3,717,253	(787,963)	6,936,654
Nondepreciable capital assets	$ 8,871,900	$ 4,384,218	$ (787,963)	$ 12,468,155
Depreciable capital assets				
Land improvements	$ 11,015,816	$ 42,714	$ 50,786	$ 11,109,316
Infrastructure	763,210,547	132,240	-	763,342,787
Buildings	45,880,466	-	-	45,880,466
Equipment, vehides, furniture and fixtures	26,948,739	2,697,501	(394,190)	29,252,050
	847,055,568	2,872,455	(343,404)	849,584,619
Less accumulated depreciation and amortization				
Land improvements	5,059,147	640,137	(23,917)	5,675,367
Infrastructure	440,500,532	9,923,612	-	450,424,144
Buildings	13,915,421	1,072,027	-	14,987,448
Equipment, vehides, furniture and fixtures	21,978,750	2,137,736	(1,069,181)	23,047,305
	481,453,850	13,773,512	(1,093,098)	494,134,264
Depreciable capital assets, net	$ 365,601,718	$ (10,901,057)	$ 749,694	$ 355,450,355
Right-to-use assets, net				192,611
Total capital assets, net, as reported in the statement of net position				$ 355,642,966

(5) CAPITAL ASSETS AND RIGHT-TO-USE ASSETS (continued)

Governmental activities (continued)

Depreciation expense for governmental activities is charged to functions as follows:

General government	$ 616,027
Judicial	207,912
Public safety	1,801,773
Public works	10,325,950
Health and welfare	117,959
Culture and recreation	582,914
Housing and development	120,977
	$ 13,773,512

A summary of lease assets and subscription based information technology arrangements (SBITA) for governmental activities is as follows:

	Beginning	Additions	Dispositions and Reclassifications	Ending
Right-to-use assets				
Right-to-use lease assets - equipment	$ 206,599	$ 82,017	$ -	$ 288,616
Right-to-use assets - SBITA	329,700	78,370	(39,539)	368,531
	536,299	160,387	(39,539)	657,147
Less accumulated amortization				
Right-to-use lease assets - equipment	115,834	46,461	379	162,674
Right-to-use assets - SBITA	193,696	119,443	(11,277)	301,862
	309,530	165,904	(10,898)	464,536
Right-to-use assets, net	$ 226,769	$ (5,517)	$ (28,641)	$ 192,611

(5) CAPITAL ASSETS AND RIGHT-TO-USE ASSETS (continued)

Governmental activities (continued)

The right-to-use assets amortization is presented as amortization expense for governmental activities and charged to functions as follows:

General government	$ 84,047
Judicial	29,812
Public safety	49,068
Public works	704
Culture and recreation	620
Housing and development	1,653
	$ 165,904

Business-type activities

A summary of changes in capital assets and accumulated depreciation for the business-type activities is as follows:

	Beginning	Additions	Dispositions and Reclassifications	Ending
Nondepreciable capital assets				
Land	$ 1,769,137	$ -	$ -	$ 1,769,137
Depreciable capital assets				
Land improvements	$ 8,265,421	$ -	$ -	$ 8,265,421
Buildings	40,465	-	-	40,465
Equipment and vehides	1,837,729	-	-	1,837,729
	10,143,615	-	-	10,143,615
Less accumulated depreciation				
Land improvements	7,200,645	106,073	-	7,306,718
Buildings	40,465	-	-	40,465
Equipment and vehides	1,837,729	-	-	1,837,729
	9,078,839	106,073	-	9,184,912
Depreciable capital assets, net	$ 1,064,776	$ (106,073)	$ -	$ 958,703

Depreciation expense for the business-type activities totaled $106,073.

(5) CAPITAL ASSETS AND RIGHT-TO-USE ASSETS (continued)

Component Units

A summary of changes in capital assets and accumulated depreciation is as follows:

	Beginning	Additions	Dispositions and Reclassifications	Ending
Depreciable capital assets				
Machinery and equipment	$ 45,273	$ -	$ -	$ 45,273
Right-to-use leased assets	23,530	-	-	23,530
	68,803	-	-	68,803
Less accumulated depreciation				
Machinery and equipment	30,186	2,786	-	32,972
Right-to-use leased assets	5,457	4,866	-	10,323
	35,643	7,652	-	43,295
Depreciable capital assets, net	$ 33,160	$ (7,652)	$ -	$ 25,508

Depreciation expense for the component unit totaled $2,786. Amortization expense for the component unit totaled $4,866.

(6) LONG-TERM DEBT

Governmental activities

Debt for governmental activities reported in the government-wide statement of net position represents amounts not expected to be paid with expendable, available resources consists of the following:

Notes payable of the Catoosa County Development Authority consist of the following:

Note payable to Financial Corporation of North Georgia, LLC, original borrowings of $1,704,923, payable on or before October 2025 with no interest due, collateralized by undeveloped property. In the event of default, the property will be sold to cover the balance of the loan.	$ 850,764

(6) LONG-TERM DEBT (continued)

Governmental activities (continued)

Maturities of notes payable are as follows:

	Gross Payments	Imputed Interest	Net Present Value
For the year ending September 30, 2026	$ 850,764	$ -	$ 850,764

Lessee

The County is a lessee for several leases of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. At the commencement of the lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The County makes variable monthly and quarterly payments ranging from $139 to $1,480 which include the principal and interest components of the payments. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses its estimated incremental borrowing rate as the discount rate for leases. The County recognized $44,853 in lease payments and $3,032 in interest expense related to the leases for the year ended September 30, 2025.

Long-term lease obligations are summarized as follows:

	Principal Payments	Interest	Total Payments
For the year ending September 30, 2026	$ 32,973	$ 3,101	$ 36,074
2027	31,893	2,237	34,130
2028	30,978	1,369	32,347
2029	25,951	534	26,485
2030	5,134	48	5,182
Total future payments	$ 126,929	$ 7,289	$ 134,218

Subscription Based Information Technology Arrangements (SBITAs)

The County is committed under various SBITAs for the right to use a vendor's information technology software and is therefore acting as a lessee. The County recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide financial statements. At the commencement of the subscription term, the County measures the subscription liability at the present value of subscription payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of payments made. The County makes variable monthly and yearly payments ranging from $368 to $42,037 which include the principal and interest components of the payments. The County uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the County uses its estimated incremental borrowing rate as the discount rate for SBITAs. The County recognized $126,461 in SBITA payments and $1,296 in interest expense related to the SBITAs for the year ended September 30, 2025.

(6) LONG-TERM DEBT (continued)

Governmental activities (continued)

Subscription Based Information Technology Arrangements (SBITAs) (continued)

Long-term SBITA obligations are summarized as follows:

	Principal Payments	Interest	Total Payments
For the year ending September 30, 2026	$ 44,983	$ 1,418	$ 46,401
2027	27,317	723	28,040
Total future payments	$ 72,300	$ 2,141	$ 74,441

A summary of changes in long-term debt for governmental activities is as follows:

	Beginning Balance	Adjustments and Additions	Adjustments and Retirements	Ending Balance
Notes payable	$ 850,764	$ -	$ -	$ 850,764
Leases payable	89,765	82,017	(44,853)	126,929
SBITAs payable	147,720	78,370	(153,790)	72,300
Compensated absences	1,427,758	-	(141,912)	1,285,846
	$ 2,516,007	$ 160,387	$ (340,555)	$ 2,335,839

Presentation of long-term debt of governmental activities in the government-wide statement of net position is as follows:

Due within one year	
Note payable	$ 850,764
Leases payable	32,973
SBITAs payable	44,983
Compensated absences	658,716
	1,587,436
Due in more than one year	
Leases payable	93,956
Compensated absences	627,130
SBITAs payable	27,317
	748,403
	$ 2,335,839

(6) LONG-TERM DEBT (continued)

Governmental activities (continued)

The resources of the general fund have been used in prior years to liquidate the balance of the compensated absences.

Business-type activities

As discussed in Note 14, the Solid Waste Management fund has an estimated liability for postclosure care costs in the amount of $8,087,749. The entire balance of this liability is considered long-term based on communication from the Georgia Environmental Protection Division. See Note 14 for further discussion.

A summary of changes in long-term debt for business-type activities is as follows:

	Beginning Balance	Adjustments and Additions	Adjustments and Retirements	Ending Balance
Landfill postclosure	$ 7,944,201	$ 143,548	$ -	$ 8,087,749

Presentation of long-term debt of business-type activities in the government-wide statement of net position presents the entire liability as long-term.

As further addressed in Note 14, it is anticipated that a portion of the landfill postclosure liability will be liquidated with general government resources.

Component unit

A summary of changes in long-term debt for component units is as follows:

	Beginning Balance	Adjustments and Additions	Adjustments and Retirements	Ending Balance
Compensated absences	$ 68,841	$ 238,735	$ (5,288)	$ 302,288
Leases payable	17,803	4,866	(9,697)	12,972
	$ 86,644	$ 243,601	$ (14,985)	$ 315,260

(6) LONG-TERM DEBT (continued)

Component unit (continued)

Presentation of long-term debt of component units is as follows:

Due within one year	
Compensated absences	$ 30,229
Leases payable	4,221
Due in more than one year	
Leases payable	8,751
Compensated absences	272,059
	$ 315,260

(7) TAXES

Property taxes are levied for the calendar year on October 20 and are delinquent after December 20 of each year. Property taxes attach as an enforceable lien on property as of the levy date.

The County is required by state law to reduce the property tax levy by the amount of local option sales tax collections for the previous calendar year.

(8) LESSOR ACTIVITIES

The County is the lessor of two leases for buildings utilized by a local hospital and a local nursing home. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of the lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. The deferred inflow of resources is recognized as revenue over the life of the lease term. The leases do not have a stated rate. The County used an incremental borrowing rate as published by BondWave for governments to discount the lessor revenues to the net present value. For the year ended September 30, 2025, the County recognized $2,022,884 in lease revenue and $110,382 in interest revenue related to the leases. In addition, the County has a deferred inflow of resources of $2,255,762 associated with these leases that will be recognized over the lease terms. The lease receivable in the accompanying government-wide and governmental fund financial statements includes $6,058 related to interest receivable.

(8) LESSOR ACTIVITIES (continued)

The County's schedule of future receipts included in the measurement of the lease receivables is as follows:

	Principal	Interest	Total
For the year ending September 30, 2026	$ 1,877,161	$ 43,154	$ 1,920,315
2027	464,584	1,314	465,898
	$ 2,341,745	$ 44,468	$ 2,386,213

(9) EMPLOYEE RETIREMENT PLANS

Primary Government

As of April 1, 2020, the County maintains a defined contribution plan through the Georgia Municipal Employees Benefit System (GMEBS) covering all full-time employees with at least one year of service. The plan is a 457(b) plan for the contributions of all eligible employees combined with a 401(a) plan that allows the County to match contributions on behalf of the employees. The County makes basic contributions equal to 7% of each Participant's compensation. Employees are required to make contributions in the amount of 3%, and may further elect to contribute a percentage of their salary up to the limits set forth by the Internal Revenue Service. The County then matches those contributions 50% up to 6%. In addition, employees vest 100% after three years of qualifying service. At September 30, 2025, there were approximately 427 participants in the plan. Employee and employer contributions during the year ended September 30, 2025, were approximately $1,586,885 and $2,034,857, respectively. There were approximately $134,000 in forfeitures at September 30, 2025. At September 30, 2025, the County had a liability of approximately $133,000 related to employer retirement contributions. Plan provisions and contribution requirements are established and may be amended by the Catoosa County Board of Commissioners.

Catoosa County Development Authority

The Catoosa County Development Authority has no employees and, therefore, no pension plan.

Catoosa County Health Department

Employees' Retirement System of Georgia (ERS) is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General 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. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials . Complete pension disclosures are in the Health Department's separately issued financial statements. Summarized information to the plan is indicated below.

(9) EMPLOYEE RETIREMENT PLANS (continued)

Catoosa County Health Department (continued)

At June 30, 2025, the Health Department reported a liability of $1,073,829 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation of June 30, 2023. An expected total pension liability as of June 30, 2024 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, 2024. At June 30, 2024 the Employer's proportion was 0..023853% which was an increase of 0.000200% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Health Department recognized pension expense of $141,907. At June 30, 2025, 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	$ 57,558	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	120,945
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,090	-
Employer contributions subsequent to the measurement date	225,255	-
	$ 306,903	$ 120,945

Health Department contributions subsequent to the measurement date of $225,255 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending June 30, 2026	$ 2,683
2027	78,719
2028	(73,603)
2029	(47,096)
2030	-
Thereafter	-

(9) EMPLOYEE RETIREMENT PLANS (continued)

Catoosa County Health Department (continued)

The total pension liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00-6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Cost-of-living adjustments	1.05%, annually

The following presents the Health Department's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Health Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension liability	$ 1,617,853	$ 1,073,829	$ 616,306

Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/financials .

(10) OTHER POSTEMPLOYMENT BENEFITS

Catoosa County Health Department

State OPEB Plan

Employees of State organizations as defined in §45-18-25 of the Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the State OPEB Fund – a cost sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 45 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board. Complete OPEB disclosures are in the Health Department's separately issued financial statements. Summarized information related to the plan is indicated below.

As established by the Board, the State OPEB Fund is substantially funded on a pay-as-you go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the State OPEB Fund from the Health Department were $43,248 for the year ended June 30, 2025. Active employees are not required to contribute to the State OPEB fund.

(10) OTHER POSTEMPLOYMENT BENEFITS (continued)

Catoosa County Health Department (continued)

State OPEB Plan (continued)

At June 30, 2025, the Health Department reported a liability (asset) of $(60,515) for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured at June 30, 2024. The total OPEB liability (asset) used to calculate the net OPEB liability (asset) was based on actuarial valuation as of June 30, 2023. An expected total OPEB liability as of June 30, 2024 was determined using standard roll-forward techniques. The Health Department's proportion of the net OPEB liability (asset) was actuarially determined based on employer contributions during the fiscal year ended June 30, 2024. At June 30, 2024, the Health Department's proportion was 0.024007% which was a increase of 0.000379% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Health Department recognized OPEB expense of $(14,694). At June 30, 2025, the Health Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 16,383	$ 24,534
Changes of assumptions	28,271	71
Net difference between projected and actual earnings on OPEB plan investments	-	44,641
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,920	111
Employer contributions subsequent to the measurement date	43,248	-
	$ 104,822	$ 69,357

Health Department contributions subsequent to the measurement date of $43.248 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the year ending June 30, 2026	$ (2,373)
2027	13,953
2028	(8,848)
2029	(10,515)
2030	-
Thereafter	-

(10) OTHER POSTEMPLOYMENT BENEFITS (continued)

Catoosa County Health Department (continued)

State OPEB Plan (continued)

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions and other inputs, applies to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

Inflation	2.50%
Salary increases	3.00-6.75%, including inflation
Long-term expected rate of return	7.00%, compounded annually, net of investment expense, including inflation

The following presents the Health Department's proportionate share of the net OPEB liability calculated using the discount rate of 7.00% as well as what the Health Department's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1%-point lower (6.00%) or 1%-point higher (8.00%) than the current discount rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net OPEB liability	$ (4,012)	$ (60,515)	$ (109,141)

SEAD OPEB Plan

SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employee's Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a cost-sharing multiple-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards (GASB) Statement No. 74, Financial Reporting for Postemployment Benefit Plans other than OPEB Plans. The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investments of such payments. Complete OPEB disclosures are in the Health Department's separately issued financial statements. Summarized information related to the plan is indicated below.

At June 30, 2025, the Health Department reported a liability (asset) of ($97,110) for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured at June 30, 2024. The total OPEB liability (asset) used to calculate the net OPEB liability (asset) was based on actuarial valuation as of June 30, 2023. An expected total OPEB liability (asset) as of June 30, 2024 was determined using standard roll-forward techniques. The Health Department's proportion of the net OPEB liability (asset) was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2024. At June 30, 2024, the Health Department's proportion was 0.017302%, which was an increase of 0.001083% from its proportion measured as of June 30, 2023.

(10) OTHER POSTEMPLOYMENT BENEFITS (continued)

Catoosa County Health Department (continued)

SEAD OPEB Plan (continued)

For the year ended June 30, 2025, the Health Department recognized OPEB expense of ($16,798). At June 30, 2025, the Health Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 390	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	8,659
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,688
Employer contributions subsequent to the measurement date	-	-
	$ 390	$ 10,347

There are no contributions subsequent to the measurement date of the Health Department reported as deferred outflows of resources that will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the year ending June 30, 2026	$ (6,051)
2027	4,689
2028	(5,249)
2029	(3,346)
2030	-
Thereafter	-

The total OPEB liability (asset) as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00-6.75%, including inflation
Investment rate of return	7.00%, net of OPEB investment expense, including inflation
Healthcare cost trend rate	N/A

The following presents the Health Department's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.0%, as well as what the Health Department's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1%-point lower (6.0%) or 1%-point higher (8.0%) than the current discount rate:

(10) OTHER POSTEMPLOYMENT BENEFITS (continued)

Catoosa County Health Department (continued)

SEAD OPEB Plan (continued)

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net OPEB liability (asset)	$ (74,372)	$ (97,110)	$ (115,792)

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/financials.

(11) CONDUIT DEBT

The Catoosa County Development Authority has special limited obligations related to various projects that represent conduit debt obligations. Conduit debt obligations are limited-obligation bonds or similar instruments issued by a governmental unit to provide capital financing for a third party that is not part of the reporting entity. Debt proceeds are typically used to finance development of industry, hospital, or environmental facilities within the governmental unit's jurisdiction that are transferred to the third party by sale or lease. The governmental unit has no obligation for the debt beyond the resources received from the third party by sale or lease. The obligations issued by the Development Authority do not constitute an indebtedness or pledge of the faith and credit of the Development Authority or the County.

The Development Authority had an outstanding conduit debt obligation with Shaw Industries for 2024 Taxable Industries Revenue Bonds in the amount of $34,566,974 at September 30, 2025.

(12) LITIGATION

The County is currently the defendant in certain legal actions which are being vigorously defended. It is the opinion of management and legal counsel that these proceedings will not have a material effect on the financial position of the County.

(13) COMMITMENTS

The County has construction and other capital commitments totaling $25,972,728. As of September 30, 2025, the remaining balance on these commitments totaled $13,342,984.

(14) LANDFILL CLOSURE AND POSTCLOSURE CARE COST

Catoosa County operates the S.R. 151 Municipal Solid Waste Landfill. This facility is permitted for operation by the Georgia Department of Natural Resources Environmental Protection Division, which specifies the requirements for its design, operation, closure and postclosure care. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Site 1 ceased operation in July, 1998. The certificate of closure was issued, and the thirty year postclosure care period began on July 15, 2003. The current estimate of postclosure care cost is approximately $134,571 per year for 17 years. A liability of $2,287,702 represents 100% of the estimated postclosure care costs for Site 1. Site 2 ceased operation in October, 2004. The certificate of closure was issued on July 10, 2008, and the thirty year postclosure care period began approximately one year later. The current estimate of postclosure care cost is approximately $252,176 per year for 23 years. A liability of $5,800,046 represents 100% of the estimated postclosure care costs for Site 2.

The above estimates are based on what it would cost to perform postclosure care in 2025. Because of the potential for change due to inflation, technology, or laws and regulations, actual costs may be higher, when the costs are actually incurred. As directed by the Georgia Environmental Protection Division, the costs associated with the landfill postclosure are no longer being discounted and will continue to be based on the above mentioned years of postclosure care. The federal regulations governing postclosure financial assurance, which Georgia has adopted by reference, does not allow for the reduction in years.

The County has complied with Environmental Protection Agency rules regarding financial assurance relative to projected closure and postclosure care costs.

(15) RISK FINANCING ACTIVITIES

It is the policy of the County to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability and property and casualty, with a $25,000 deductible per claim. Settled claims have not exceeded commercial coverage in the past three fiscal years. The County paid $16,215 for deductibles during the year ended September 30, 2023. The County paid no deductibles during the year ended September 30, 2024. The County paid $30,000 for deductibles during the year ended September 30, 2025.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, Catoosa County became a member of the Association of County Commissioners of Georgia Workers' Compensation Self Insurance Fund. The effective date of membership was January 1, 1989. The liability of the fund to the employees of any employer (Catoosa County) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

As a member of the Fund, the County is jointly and severally liable for the liabilities of the Fund. The County pays an annual premium to the Fund, based on the estimated payrolls in various job classifications. Based on the overall incidence of claims during the year, the Fund either distributes a dividend if the claims history has been better than expected, or assesses additional premiums if the claims history has been much worse than expected. The County participates in these dividends or assessments on a pro-rata basis, based on the County's actual payrolls as a percentage of the total payrolls in the Fund.

(15) RISK FINANCING ACTIVITIES (continued)

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries and demanding compensation thereto, although such suits, other proceedings, allegations or demands may be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

(16) COMPENSATED ABSENCES

The County has a policy of compensated annual personal leave from 12 to 31 days based upon years of service. The leave is cumulative and vesting, to a maximum of 480 hours, and any unused leave is payable upon the employee's termination, resignation, retirement, death, or request. Any unused leave may be payable, under specific circumstances, upon request of the employee.

An estimated liability in the amount of $1,285,846 for unpaid personal leave is recorded in the government-wide financial statements. There is no liability for business-type activities. None of the government activities liability is recorded in the fund financial statements, because any payments, even those which would be paid in the next twelve months, if susceptible to a reasonable estimate, are expected to be liquidated with future resources.

As of September 30, 2025 the liability for compensated absences was $1,285,846, of which $658,716 is expected to be paid within one year. The following table presents the changes in the liability during the year:

	Beginning Balance	Additions	Reductions		Ending Balance
Accrued Leave	$ 1,427,758	$ -	$ 141,912	*	$ 1,285,846

*The change in compensated absences is presented as a net change.

The Catoosa County Health Department provides for vacation and sick leave, with specific vesting options. Complete disclosures are in the Health Department's separately issued financial statements. An estimated liability, in the amount of $302,288 for unpaid vacation and sick leave is reported in the component units and government-wide statements of net position.

(17) DEFICIT FUND EQUITY

At September 30, 2025, the Solid Waste Management fund has a net position deficit in the amount of $6,163,275, resulting primarily from the liability for landfill postclosure care costs. As discussed in Note 14, the fund has a liability of approximately $8.1 million to fund the estimated postclosure care costs.

At September 30, 2025, the Emergency 911 Fund has a fund balance deficit in the amount of $6,761 resulting primarily from the liability for accounts payable at year end.

(18) JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the fifteen county northwest Georgia area, is a member of the Northwest Georgia Regional Commission (RC) and is required to pay annual dues thereto. During the year ended September 30, 2025, the County paid approximately $55,000 in such dues. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC.

Separate financial statements may be obtained from –
Northwest Georgia Regional Commission
P. O. Box 1798
Rome, Georgia 30162

(19) TAX ABATEMENTS

During the year ended September 30, 2018, the County implemented GASB Statement No. 77, *Tax Abatement Disclosures*. This Statement requires state and local governments to disclose tax abatement agreements entered into by other governments that reduce the reporting government's tax revenues. Catoosa County enters into property tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to Catoosa County.

For the fiscal year ended September 30, 2025, Catoosa County abated property taxes due to the County that were levied on August 31, 2024 and due on December 20, 2024 totaling $64,656. Included in that amount abated, the following are individual tax abatement agreements that each exceeded 10.00% percent of the total amount abated:

- A property tax abatement to a local manufacturer of consumer goods for continued investment in operations and local employment. The abatement amounted to $54,304.

(20) CONSTITUTIONAL OFFICERS SUPPLEMENTAL INCOME

Georgia House Bill 149 became effective July 1, 2024 for local governments. This bill requires constitutional officers to annually report a detailed account of their supplemental official income to the county governing authority. Supplemental official income means all funds which are not appropriated through the county's budget process. The County must then report these funds in their annual audit. These funds are reported on page 86.

(21) SUBSEQUENT EVENTS

Subsequent to September 30, 2025 the Development Authority sold 44.38 acres for $3,231,275.

Management has evaluated subsequent events through March 31, 2026, the date which these financial statements were available for issue.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

CATOOSA COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final
	Original	Final	Actual	Budget
TAXES				
Property taxes				
Real property	$ 16,345,000	$ 16,262,491	$ 16,262,491	$ -
Motor vehicle	100,000	97,713	97,713	-
MV title ad valorem tax	4,000,000	4,000,000	4,347,263	347,263
Alternative ad valorem tax	26,000	23,029	23,029	-
Mobile home ad valorem	75,000	75,000	75,654	654
Railroad ad valorem	-	-	6,056	6,056
Heavy duty equipment	1,000	1,000	1,043	43
Timber	1,000	508	508	-
Penalties and interest	175,000	175,000	284,597	109,597
	20,723,000	20,634,741	21,098,354	463,613
Other taxes				
Intangible recording	400,000	400,000	503,214	103,214
Malt beverage	220,000	220,000	245,544	25,544
Local option sales tax	11,500,000	11,500,000	11,612,364	112,364
Insurance premium tax	4,787,397	4,761,516	4,761,516	-
Financial institutions	100,000	94,085	94,085	-
	17,007,397	16,975,601	17,216,723	241,122
	37,730,397	37,610,342	38,315,077	704,735
LICENSES AND FRANCHISES				
Malt beverage licenses	35,000	35,000	44,694	9,694
Business licenses	28,000	28,000	36,985	8,985
Other licenses	-	-	1,530	1,530
Cable television franchises	300,000	236,967	236,967	-
	363,000	299,967	320,176	20,209
CHARGES FOR CURRENT SERVICES				
Recreation fees	370,500	356,000	554,667	198,667
Zoning fees	60,000	60,000	82,600	22,600
Inspection fees	533,000	533,000	696,783	163,783
	963,500	949,000	1,334,050	385,050
INTERGOVERNMENTAL				
Real estate transfer tax	150,000	150,000	162,747	12,747
	150,000	150,000	162,747	12,747

CATOOSA COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final
	Original	Final	Actual	Budget
OTHER REVENUE				
Federal financial assistance				
Transportation assistance	$ 459,551	$ 171,817	$ 171,817	$ -
State DOT grant for bus purchase	-	-	387,684	387,684
Federal payments in lieu of taxes	571,500	530,859	530,859	-
Salary reimbursement	1,284,915	1,203,394	1,203,395	1
Public defender fees	-	-	200	200
LMJC public defender reimbursements	623,908	623,908	623,908	-
	2,939,874	2,529,978	2,917,863	387,885
	3,089,874	2,679,978	3,080,610	400,632
FINES, FEES AND FORFEITURES				
Magistrate Court	135,000	135,000	156,327	21,327
Juvenile Court	1,000	773	773	-
Clerk of Courts	500,000	441,004	461,470	20,466
Probate Judge	170,000	170,000	233,196	63,196
State Court	1,202,000	1,191,065	1,191,065	-
Tax Commissioner	985,600	1,373,968	1,459,079	85,111
Sheriff	1,034,370	1,034,370	1,047,174	12,804
	4,027,970	4,346,180	4,549,084	202,904
INVESTMENT EARNINGS/EXPENSE				
Interest	1,000,000	2,561,810	2,561,810	-
OTHER				
Animal control fees	35,000	35,000	37,293	2,293
Theater admissions	125,000	125,000	217,240	92,240
Building rentals	218,500	218,500	293,168	74,668
Election fees	-	-	1,500	1,500
Prisoner reimbursements	183,500	183,500	210,244	26,744
Library fees	10,000	10,000	13,084	3,084
Donations	4,000	4,000	70,122	66,122
Condemned properties	-	-	2,772	2,772
Fire service contract	1,304,744	1,304,744	1,311,953	7,209
Other income	3,100	17,600	51,778	34,178
	1,883,844	1,898,344	2,209,154	310,810
	49,058,585	50,345,621	52,369,961	2,024,340

CATOOSA COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final
	Original	Final	Actual	Budget
EXPENDITURES				
Judicial				
Magistrate Court	$ 716,419	$ 718,046	$ 704,779	$ 13,267
Superior Court	245,448	308,645	215,245	93,400
Juvenile Court	595,938	596,997	566,587	30,410
Clerk of Court	1,241,168	1,244,675	1,086,590	158,085
State Court	269,301	269,654	251,497	18,157
State Court Solicitor	255,167	263,644	263,644	-
Probate Judge	557,220	559,026	552,918	6,108
Public Defender	418,175	418,265	417,571	694
Public Defender - LMJC	623,908	623,908	586,296	37,612
District Attorney	2,018,618	2,019,068	1,898,658	120,410
Total judicial	6,941,362	7,021,928	6,543,785	478,143
General Government				
Board of Commissioners	633,211	673,930	603,072	70,858
County manager	304,175	307,911	299,357	8,554
County attorney	192,000	192,000	186,000	6,000
Finance	735,000	746,524	718,016	28,508
Finance administration	153,747	156,611	156,611	-
Purchasing	70,824	71,059	51,063	19,996
Information systems	355,681	366,034	301,462	64,572
Tax Commissioner	1,597,296	1,603,162	1,584,884	18,278
Tax Assessor	972,880	1,008,216	1,008,216	-
Elections	718,756	719,815	660,394	59,421
Malt Beverage Board	3,900	3,900	1,695	2,205
Public buildings	1,945,764	2,022,636	1,833,474	189,162
Projects administration	90,794	91,147	88,820	2,327
Other agencies	81,500	81,500	70,184	11,316
Risk management	195,000	280,896	78,547	202,349
Contingencies	537,968	406,606	-	406,606
Geographic information system	40,550	40,550	37,137	3,413
Public information	72,762	72,938	56,930	16,008
Human resources	394,659	398,807	389,271	9,536
Total general government	9,096,467	9,244,242	8,125,133	1,119,109
Public Safety				
Sheriff	7,615,652	7,680,551	7,326,202	354,349
Jail operations	5,494,304	5,521,619	5,358,752	162,867
Adult probation & parole	9,700	9,700	9,401	299
Coroner	117,618	117,645	101,471	16,174
Animal control	513,226	515,856	515,856	-
Emergency management	149,264	149,617	114,794	34,823
North GA Animal Alliance	6,000	6,000	6,000	-
Ambulance service	329,863	329,863	325,023	4,840
Fire service	8,042,350	8,067,939	7,956,430	111,509
Total public safety	22,277,977	22,398,790	21,713,929	684,861

CATOOSA COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final
	Original	Final	Actual	Budget
Public Works				
Roads and bridges	$ 3,223,812	$ 3,237,052	$ 2,622,543	$ 614,509
Public works administration	282,986	284,054	269,468	14,586
Total public works	3,506,798	3,521,106	2,892,011	629,095
Health and Welfare				
Public health	41,070	41,070	41,070	-
Public welfare	125,500	125,500	124,350	1,150
Senior Center	172,715	173,291	151,042	22,249
Public transportation	844,330	1,274,114	1,274,114	-
Total health and welfare	1,183,615	1,613,975	1,590,576	23,399
Housing and Development				
Planning and zoning	612,861	614,059	316,935	297,124
Economic development	-	1,498	1,498	-
Agriculture Extension Service	169,995	171,694	142,896	28,798
Internship program	21,758	21,758	15,579	6,179
Adult Literacy Center	147,859	148,212	125,080	23,132
Affordable housing	-	7,500	7,500	-
Building inspection	376,370	377,605	327,128	50,477
Total housing and development	1,328,843	1,342,326	936,616	405,710
Culture and Recreation				
Libraries	799,080	809,106	706,301	102,805
General recreation	1,568,609	1,673,122	1,673,122	-
Jack Mattox Recreation Park	162,500	231,022	231,022	-
Boynton Stephens Park	21,700	21,700	14,870	6,830
RYSA Poplar Springs Ball Field	27,300	27,300	20,398	6,902
McConnell Park	3,500	3,816	3,816	-
Lynhurst canoe launch	4,000	4,000	3,000	1,000
Elsie Holmes Nature Park	6,400	6,400	1,467	4,933
Ringgold soccer field	8,000	8,000	7,272	728
Amphitheater	65,100	67,893	67,893	-
Colonnade/Civic Center	602,017	710,415	710,415	-
Total culture and recreation	3,268,206	3,562,774	3,439,576	123,198
Debt Service				
Principal	-	170,611	170,599	12
Interest	-	6,728	6,727	1
Total debt service	-	177,339	177,326	13
Total expenditures	47,603,268	48,882,480	45,418,952	3,463,528

CATOOSA COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final
	Original	Final	Actual	Budget
EXCESS OF REVENUES OVER EXPENDITURES	$ 1,455,317	$ 1,463,141	$ 6,951,009	$ 5,487,868
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	20,000	20,000	103,781	83,781
Insurance proceeds	-	-	28,382	28,382
Proceeds from lease transactions	-	-	82,017	82,017
Subscription-based IT arrangements	-	-	78,370	78,370
Transfers from other funds	-	-	-	-
Transfers to other funds	(1,475,317)	(7,583,141)	(7,474,783)	108,358
	(1,455,317)	(7,563,141)	(7,182,233)	380,908
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	(6,100,000)	(231,224)	5,868,776
FUND BALANCES				
Beginning	30,872,275	30,872,275	30,872,275	-
Ending	$ 30,872,275	$ 24,772,275	$ 30,641,051	$ 5,868,776

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The budget is prepared on the same basis as the expenditures are presented, therefore no reconciliation between the budget basis and the basis under generally accepted accounting principles is required.

CATOOSA COUNTY, GEORGIA
PUBLIC FACILITIES AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUE				
Rental income	$ 2,022,884	$ 2,022,884	$ 2,022,884	$ -
Investment earnings	-	-	110,382	110,382
Total revenue	2,022,884	2,022,884	2,133,266	110,382
EXPENDITURES				
General government	2,022,884	2,022,884	1,874,566	148,318
Total expenditures	2,022,884	2,022,884	1,874,566	148,318
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	258,700	258,700
FUND BALANCES				
Beginning	339,463	339,463	339,463	-
Ending	$ 339,463	$ 339,463	$ 598,163	$ 258,700

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The budget is prepared on the same basis as the expenditures are presented, therefore no reconciliation between the budget basis and the basis under generally accepted accounting principles is required.

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022	2021
Proportion of the net pension liability	0.023853%	0.023653%	0.019453%	0.020482%	0.020422%
Proportionate share of the net pension liability	$ 1,073,829	$ 1,411,041	$ 1,299,162	$ 479,054	$ 860,779
Covered-employee payroll	$ 798,812	$ 770,696	$ 586,702	$ 572,092	$ 568,834
Proportionate share of the net pension liability as a % of its covered-employee payroll	134.43%	183.09%	221.43%	83.74%	151.32%
Plan fiduciary net position as a % of the total pension liability	78.75%	71.20%	67.44%	87.62%	76.21%

Note: Schedule is intended to show information for the last 10 fiscal years.

2020	2019	2018	2017	2016
0.089690%	0.023260%	0.023014%	0.028275%	0.031093%
$ 782,762	$ 956,226	$ 934,676	$ 1,337,526	$ 1,259,701
$ 535,318	$ 635,665	$ 624,912	$ 701,744	$ 771,628
146.22%	146.29%	149.57%	190.60%	163.25%
76.74%	76.68%	76.33%	72.34%	76.20%

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
SCHEDULE OF CONTRIBUTIONS
YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022
Contractually required contributions	$ 205,897	$ 201,341	$ 117,298	$ 121,072
Contribution in relation to the contractually required contribution	205,897	201,341	117,298	121,072
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 861,317	$ 798,812	$ 770,696	$ 586,702
Contributions as a % of covered-employee payroll	23.90%	25.21%	15.22%	20.64%

Note: Schedule is intended to show information for the last 10 fiscal years.

2021	2020	2019	2018	2017	2016
$ 126,976	$ 118,483	$ 147,191	$ 140,056	$ 162,517	$ 156,113
126,976	118,483	147,191	140,056	162,517	156,113
$ -	$ -	$ -	$ -	$ -	$ -
$ 572,092	$ 568,834	$ 535,318	$ 653,665	$ 624,912	$ 701,744
22.20%	20.83%	27.50%	21.43%	26.01%	22.25%

Changes in assumptions: On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primarily among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.5% to 7.4% for the June 30, 2017 actuarial valuation and further reduced from 7.4% to 7.3% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 total pension liability.

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE OPEB FUND
YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022
Proportion of the OPEB liability	0.024007%	0.023628%	0.019892%	0.019921%
Proportionate share of the net OPEB liability	$ (60,515)	$ 66,972	$ 89,378	$ 54,754
Covered-employee payroll	$ 798,812	$ 770,696	$ 586,702	$ 572,092
Proportionate share of the net OPEB liability as a % of its covered-employee payroll	-7.58%	8.69%	15.23%	9.57%
Plan fiduciary net position as a % of the total OPEB liability	110.27%	87.75%	80.03%	87.58%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2021	2020	2019	2018
0.019126%	0.018806%	0.021404%	0.022656%
$ 215,244	$ 233,442	$ 559,840	$ 923,052
$ 568,834	$ 535,318	$ 653,665	$ 624,912
37.84%	43.61%	85.65%	147.71%
59.71%	56.57%	31.48%	17.34%

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
SCHEDULE OF CONTRIBUTIONS - STATE OPEB FUND
YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022
Contractually required contributions	$ 107,935	$ 41,985	$ 32,164	$ 30,222
Contribution in relation to the contractually required contribution	107,935	41,985	32,164	30,222
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 861,317	$ 798,812	$ 770,696	$ 586,702
Contributions as a % of covered-employee payroll	12.53%	5.26%	4.17%	5.15%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2021	2020	2019	2018
$ 28,782	$ 100,550	$ 107,357	$ 112,874
28,782	100,550	107,357	112,874
$ -	$ -	$ -	$ -
$ 572,092	$ 568,834	$ 535,318	$ 653,665
5.03%	17.68%	20.05%	17.27%

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SEAD OPEB FUND
YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022
Proportion of the OPEB liability	0.017302%	0.016219%	0.013214%	0.012042%
Proportionate share of the net OPEB liability	$ (97,110)	$ (71,527)	$ (48,573)	$ (74,158)
Covered-employee payroll	$ 173,559	$ 166,933	$ 135,347	$ 130,536
Proportionate share of the net OPEB liability as a % of its covered-employee payroll	-55.95%	-42.85%	-35.89%	-56.81%
Plan fiduciary net position as a % of the total OPEB liability	155.14%	144.49%	138.03%	164.76%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2021	2020	2019	2018
0.010772%	0.011374%	0.013096%	0.016295%
$ (30,594)	$ (32,162)	$ (35,444)	$ (42,352)
$ 128,354	$ 145,072	$ 181,301	$ 237,292
-23.84%	-22.17%	-19.55%	-17.85%
129.20%	129.73%	129.46%	130.17%

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
SCHEDULE OF CONTRIBUTIONS - SEAD OPEB FUND
YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022
Contractually required contributions	$ -	$ -	$ -	$ -
Contribution in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 173,559	$ 166,933	$ 135,347	$ 130,536
Contributions as a % of covered-employee payroll	0.00%	0.00%	0.00%	0.00%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2021	2020	2019	2018
$ -	$ -	$ -	$ -
-	-	-	-
$ -	$ -	$ -	$ -
$ 128,354	$ 145,072	$ 181,301	$ 237,292
0.00%	0.00%	0.00%	0.00%

CATOOSA COUNTY, GEORGIA
CATOOSA COUNTY HEALTH DEPARTMENT (COMPONENT UNIT)
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
OPEB FUNDS
JUNE 30, 2025

(1) STATE OPEB FUND

Changes of benefit terms: There have been no changes in the benefit terms.

Changes in assumptions: The June 30, 2023 Medicare health trend rates were updated.

The June 30, 2022 actuarial valuation tobacco use assumption and aging factors were revised.

The June 30, 2020 actuarial valuation: decremental assumptions were changed to reflect the Employees Retirement Systems experience study.

The June 30, 2019 actuarial valuation lowered the inflation assumption from 2.75% to 2.50% in anticipation of the upcoming ERS Experience Study.

The discount rate was updated from 3.09% as of June 30, 2016 to 3.60% as of June 30, 2017 to 5.22% as of June 30, 2018, to 7.30% as of June 30, 2019 and 7.06% as of June 30, 2020; and to 7.00% as of June 30, 2021.

(2) SEAD OPEB PLAN

Changes of assumptions: On December 17, 2015, the Board of Trustees adopted recommended changes to the economic and demographic assumptions utilized by the System. Primarily among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018. Because of this new funding policy, the assumed investment rate of return was reduced from 7.5% to 7.4% for June 30, 2017 actuarial valuation and further reduced from 7.4% to 7.3% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the Systems based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 total OPEB liability (asset).

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded variable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism under the System's asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set at 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

OTHER SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS

CATOOSA COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025

	Special Revenue Funds Total	Capital Projects Funds Total	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 421,928	$ -	$ 421,928
Restricted cash	686,576	-	686,576
Due from other funds	1,857,595	303,278	2,160,873
Other receivables	30,697	-	30,697
Land held for resale	2,331,906	-	2,331,906
Total assets	$ 5,328,702	$ 303,278	$ 5,631,980
LIABILITIES			
Accounts payable	$ 39,066	$ -	$ 39,066
Unearned revenue	100,000	-	100,000
Due to other funds	680,046	-	680,046
Total liabilities	$ 819,112	$ -	$ 819,112
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	$ 1,023,786	$ 297,932	$ 1,321,718
Total deferred inflows of resources	$ 1,023,786	$ 297,932	$ 1,321,718
FUND BALANCES			
Restricted	$ 3,492,565	$ 5,346	$ 3,497,911
Unassigned	(6,761)	-	(6,761)
Total fund balances	$ 3,485,804	$ 5,346	$ 3,491,150

CATOOSA COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds Total	Capital Projects Funds Total	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 868	$ -	$ 868
Charges for services	1,473,287	-	1,473,287
Intergovernmental	857,848	85,145	942,993
Fines, fees and forfeitures	338,313	-	338,313
Rental income	3,000	-	3,000
Other	68,444	74,839	143,283
Interest	10,911	-	10,911
Total revenues	2,752,671	159,984	2,912,655
EXPENDITURES			
Current			
Judicial	174,541	54,087	228,628
General government	17,043	-	17,043
Public safety	2,625,214	21,494	2,646,708
Health and welfare	28,248	-	28,248
Housing and development	119,603	-	119,603
Culture and recreation	262,359	10,000	272,359
Capital outlay	63,004	74,403	137,407
Debt service			
Principal	715	-	715
Interest	57	-	57
Total expenditures	3,290,784	159,984	3,450,768
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(538,113)	-	(538,113)
OTHER FINANCING SOURCES (USES)			
Transfer from other funds	469,869	-	469,869
	469,869	-	469,869
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(68,244)	-	(68,244)
FUND BALANCES			
Beginning	3,554,048	5,346	3,559,394
Ending	$ 3,485,804	$ 5,346	$ 3,491,150

CATOOSA COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025

	Confiscated Assets	DA Forfeiture	JCSA	DATE Program	Juvenile Supervision	Victim's Assistance	Law Library
ASSETS							
Cash and cash equivalents	$ 17,263	$ -	$ -	$ -	$ -	$ -	$ 3,404
Restricted cash	-	-	-	-	-	-	-
Due from other funds	174,755	77,918	104,932	422,404	5,073	39,212	-
Other receivables	-	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-	-
Total assets	$ 192,018	$ 77,918	$ 104,932	$ 422,404	$ 5,073	$ 39,212	$ 3,404
LIABILITIES							
Accounts payable	$ -	$ 18	$ 24,625	$ -	$ -	$ -	$ -
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	955
Total liabilities	$ -	$ 18	$ 24,625	$ -	$ -	$ -	$ 955
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total deferred inflows of resources	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FUND BALANCES							
Restricted	$ 192,018	$ 77,900	$ 80,307	$ 422,404	$ 5,073	$ 39,212	$ 2,449
Unassigned	-	-	-	-	-	-	-
Total fund balances	$ 192,018	$ 77,900	$ 80,307	$ 422,404	$ 5,073	$ 39,212	$ 2,449

OPIOD Settlements	Emergency 911	Development Authority	American Rescue Plan	Operational Grants	State Grant for Library	Total
$ -	$ -	$ 401,261	$ -	$ -	$ -	$ 421,928
-	-	-	686,576	-	-	686,576
978,183	-	-	-	46,531	8,587	1,857,595
-	-	-	30,697	-	-	30,697
-	-	2,331,906	-	-	-	2,331,906
$ 978,183	$ -	$ 2,733,167	$ 717,273	$ 46,531	$ 8,587	$ 5,328,702
$ 928	$ 6,761	$ -	$ -	$ -	$ 6,734	$ 39,066
-	-	-	100,000	-	-	100,000
-	-	61,818	617,273	-	-	680,046
$ 928	$ 6,761	$ 61,818	$ 717,273	$ -	$ 6,734	$ 819,112
$ 977,255	$ -	$ -	$ -	$ 46,531	$ -	$ 1,023,786
$ 977,255	$ -	$ -	$ -	$ 46,531	$ -	$ 1,023,786
$ -	$ -	$ 2,671,349	$ -	$ -	$ 1,853	$ 3,492,565
-	(6,761)	-	-	-	-	(6,761)
$ -	$ (6,761)	$ 2,671,349	$ -	$ -	$ 1,853	$ 3,485,804

CATOOSA COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2025

	Confiscated Assets	DA Forfeiture	JCSA	DATE Program	Juvenile Supervision	Victim's Assistance	Law Library
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	-	-	18,099
Intergovernmental	-	-	-	-	-	-	-
Fines, fees and forfeitures	63,889	13,872	162,291	79,468	2,440	16,353	-
Rental income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Interest	86	-	-	-	-	-	-
Total revenues	63,975	13,872	162,291	79,468	2,440	16,353	18,099
EXPENDITURES							
Current							
Judicial	-	42,289	-	-	1,919	-	14,604
General government	-	-	-	-	-	-	-
Public safety	61,758	-	157,270	93,790	-	-	-
Health and welfare	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	61,758	42,289	157,270	93,790	1,919	-	14,604
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,217	(28,417)	5,021	(14,322)	521	16,353	3,495
OTHER FINANCING SOURCES (USES)							
Transfer from other funds	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	2,217	(28,417)	5,021	(14,322)	521	16,353	3,495
FUND BALANCES							
Beginning	189,801	106,317	75,286	436,726	4,552	22,859	(1,046)
Ending	$ 192,018	$ 77,900	$ 80,307	$ 422,404	$ 5,073	$ 39,212	$ 2,449

OPIOD Settlements	Emergency 911	Development Authority	American Rescue Plan	Operational Grants	State Grant for Library	Total
$ -	$ 868	$ -	$ -	$ -	$ -	$ 868
-	1,455,188	-	-	-	-	1,473,287
-	-	-	369,272	236,303	252,273	857,848
-	-	-	-	-	-	338,313
-	-	3,000	-	-	-	3,000
18,444	-	50,000	-	-	-	68,444
-	-	10,825	-	-	-	10,911
18,444	1,456,056	63,825	369,272	236,303	252,273	2,752,671
-	-	-	-	115,729	-	174,541
-	-	-	-	17,043	-	17,043
-	1,926,425	-	369,272	16,699	-	2,625,214
18,444	-	-	-	9,804	-	28,248
-	-	119,603	-	-	-	119,603
-	-	-	-	14,024	248,335	262,359
-	-	-	-	63,004	-	63,004
-	715	-	-	-	-	715
-	57	-	-	-	-	57
18,444	1,927,197	119,603	369,272	236,303	248,335	3,290,784
-	(471,141)	(55,778)	-	-	3,938	(538,113)
-	469,869	-	-	-	-	469,869
-	469,869	-	-	-	-	469,869
-	(1,272)	(55,778)	-	-	3,938	(68,244)
-	(5,489)	2,727,127	-	-	(2,085)	3,554,048
$ -	$ (6,761)	$ 2,671,349	$ -	$ -	$ 1,853	$ 3,485,804

CATOOSA COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL
CAPITAL PROJECTS FUNDS
BALANCE SHEET
SEPTEMBER 30, 2025

	Grant Fund
ASSETS	
Due from other funds	$ 303,278
Total assets	$ 303,278
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	$ 297,932
Total deferred inflows of resources	$ 297,932
FUND BALANCES	
Restricted	$ 5,346
Total fund balances	$ 5,346

CATOOSA COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2025

	Grant Fund
REVENUES	
Intergovernmental	$ 85,145
Other	74,839
Total revenues	159,984
EXPENDITURES	
Current	
Judicial	54,087
Public safety	21,494
Culture and recreation	10,000
Capital outlay	74,403
Total expenditures	159,984
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-
FUND BALANCES	
Beginning	5,346
Ending	$ 5,346

CUSTODIAL FUNDS

Custodial funds are used to account for funds collected by the County as an agent for individuals, private organizations, other governments, and other funds.

CATOOSA COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Tax Commissioner	Superior Court	Magistrate Court	Probate Court	State Court	Sheriff	Total
ASSETS							
Cash and cash equivalents	$ 2,651,623	$ 928,401	$ 10,181	$ -	$ 315,927	$ 137,773	$ 4,043,905
Total assets	$ 2,651,623	$ 928,401	$ 10,181	$ -	$ 315,927	$ 137,773	$ 4,043,905
LIABILITIES							
Due to other taxing districts	$ 2,265,071	$ -	$ -	$ -	$ -	$ -	$ 2,265,071
Due to others	386,552	928,401	10,181	-	315,927	137,773	1,778,834
Total liabilities	$ 2,651,623	$ 928,401	$ 10,181	$ -	$ 315,927	$ 137,773	$ 4,043,905

CATOOSA COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Beginning	Additions	Deductions	Ending
ASSETS				
Cash and cash equivalents				
Tax Commissioner	$ 1,233,805	$ 62,188,954	$ 60,771,136	$ 2,651,623
Clerk of Superior Court	372,989	2,693,495	2,138,083	928,401
Magistrate Court	28	171,229	161,076	10,181
Probate Judge	64	49,121	49,185	-
State Court	252,246	547,721	484,040	315,927
Sheriff	121,472	535,371	519,070	137,773
Total assets	$ 1,980,604	$ 66,185,891	$ 64,122,590	$ 4,043,905
LIABILITIES				
Due to other taxing districts				
Tax Commissioner	$ 950,289	$ 61,802,513	$ 60,487,731	$ 2,265,071
	950,289	61,802,513	60,487,731	2,265,071
Due to others				
Tax Commissioner	283,516	386,441	283,405	386,552
Clerk of Superior Court	372,989	2,693,495	2,138,083	928,401
Magistrate Court	28	171,229	161,076	10,181
Probate Judge	64	49,121	49,185	-
State Court	252,246	547,721	484,040	315,927
Sheriff	121,472	535,371	519,070	137,773
	1,030,315	4,383,378	3,634,859	1,778,834
Total liabilities	$ 1,980,604	$ 66,185,891	$ 64,122,590	$ 4,043,905

FINANCIAL SCHEDULES

CATOOSA COUNTY, GEORGIA
SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE
SEPTEMBER 30, 2025

	Levy Year						
	2024	2023	2022	2021	2020	Prior to 2020	Total
TAXES RECEIVABLE							
Beginning	$ -	$ 197,108	$ 56,107	$ 5,594	$ 1,267	$ 3,803	$ 263,879
TAX LEVY	16,598,483	-	-	-	-	-	16,598,483
ADJUSTMENTS							
Releases, net of pickups	(331,057)	(2,224)	(390)	822	10,478	-	(322,371)
COLLECTIONS	(16,030,057)	(127,383)	(20,509)	-	-	(775)	(16,178,724)
TAXES RECEIVABLE							
Ending	$ 237,369	$ 67,501	$ 35,208	$ 6,416	$ 11,745	$ 3,028	$ 361,267

STATE COMPLIANCE

CATOOSA COUNTY, GEORGIA
SCHEDULE OF SUPPLEMENTAL INCOME
YEAR ENDED SEPTEMBER 30, 2025

Constitutional Officer, Title	Purpose	Amount
Gary Autry, Tax Commisioner	Property tax collection for cities	$ 12,976

INTERNAL CONTROL AND COMPLIANCE SECTION

CATOOSA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2025

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Contract or Pass-Through Number
U.S. Department of Transportation		
Pass-through from Georgia Department of Transportation		
Formula Grants For Rural Areas and Tribal Transit Program	20.509	T0007294
Formula Grants For Rural Areas and Tribal Transit Program	20.509	T008819
Total Federal Transit - Formula Grant		
Federal Transit Cluster		
Pass-through from CARTA		
Federal Transit Formula Grants	20.507	N/A
Transit Services Program Cluster		
Pass-through from Transit Alliance Group		
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	42700-362-0000106547
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	42700-362-0000106547
Total Transit Services Program Cluster		
Total U.S. Department of Transportation		
U.S. Department of Homeland Security		
Pass-through from Georgia Emergency Management Agency and Georgia Homeland Security Agency		
Emergency Management Performance Grants	97.042	P08-9-141
Homeland Security Grant Program	97.067	EMW-2023-SS-00099
Homeland Security Grant Program	97.067	EMW-2024-SS-05208
Total Homeland Security Grant Program		
Total U.S. Department of Homeland Security		
U.S. Department of the Treasury		
Coronavirus State and Local Fiscal Recovery Funds		
Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271

Beginning Accrued (Deferred)	Cash Receipts (Refunds)	Expenditures	Adjustments	Ending Accrued (Deferred)
-	100,771	100,771	-	-
-	344,608	344,608	-	-
-	445,379	445,379	-	-
97,056	-	-	(97,056)	-
4,104	4,104	-	-	-
25,470	82,476	57,006	-	-
29,574	86,580	57,006	-	-
126,630	531,959	502,385	(97,056)	-
-	19,183	19,183	-	-
6,992	6,992	-	-	-
-	-	15,199	-	15,199
6,992	6,992	15,199	-	15,199
6,992	26,175	34,382	-	15,199
(1)	-	1	-	-

CATOOSA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2025

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Contract or Pass-Through Number
U.S. Department of the Treasury (continued)		
Pass-through from GA Governor's Office of Planning and Budget		
Coronavirus State and Local Fiscal Recovery Funds	21.027	GA-0013894
Total Coronavirus State and Local Fiscal Recovery Funds		
Equitable Sharing	21.016	N/A
COVID-19 Local Assistance and Tribal Local Assistance and Tribal Consistency Fund	21.032	N/A
Total U.S. Department of the Treasury		
U.S. Department of Justice		
Bulletproof Vest Partnership Program	16.607	N/A
Pass-through from Georgia Criminal Justice Coordinating Council		
Crime Victim Assistance	16.575	C19-8-103
Crime Victim Assistance	16.575	C22-8-076
Crime Victim Assistance	16.575	C23-8-101
Crime Victim Assistance	16.575	C-23-8-249
Pass-through from Georgia Criminal Justice Coordinating Council, Prosecuting Attorney's Council of Georgia		
Crime Victim Assistance	16.575	C23-8-101
Crime Victim Assistance	16.575	C23-8-249
Total VOCA		
Total U.S. Department of Justice		
Total Federal Awards		

Beginning Accrued (Deferred)	Cash Receipts (Refunds)	Expenditures	Adjustments	Ending Accrued (Deferred)
1,690	340,265	369,272	-	30,697
1,689	340,265	369,273	-	30,697
-	1,500	1,500	-	-
(100,000)	-	-	-	(100,000)
(98,311)	341,765	370,773	-	(69,303)
1,500	3,375	1,875	-	-
12,642	12,642	-	-	-
(134)	(134)	-	-	-
134	134	-	-	-
-	33,672	54,087	-	20,415
7,126	7,126	-	-	-
-	69,631	115,729	-	46,098
19,768	123,071	169,816	-	66,513
21,268	126,446	171,691	-	66,513
$ 56,579	$ 1,026,345	$ 1,079,231	$ (97,056)	$ 12,409

CATOOSA COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SEPTEMBER 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Catoosa 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Catoosa County, Georgia has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Adjustment Related to Prior-Year Federal Award

During the year ended September 30, 2025, the County recorded a $97,056 reduction to federal expenditures reported under the Federal Transit Administration grant, Federal Transit Cluster, Assistance Listing (ALN) 20.507. In the prior year, the County had recognized expenditures and a related receivable for this program. Subsequent to year-end, it was determined that the pass-through entity expended the remaining grant funds and that the County would not receive the $97,056 previously recorded as receivable. Accordingly, the receivable was written off and federal expenditures were adjusted in the current year. This adjustment relates solely to prior-year activity and does not represent current-year program expenditures.

JHM Chattanooga
2215 Olan Mills Drive
Chattanooga, TN 37421
T: 423.756.0052
F: 423.267.5945
jhmcpa.com

EST JHM 1977
CERTIFIED PUBLIC ACCOUNTANTS

JHM Cleveland
650 25th St. NW, Suite 300
Cleveland, TN 37311
T: 423.472.6543
F: 423.472.6544
jhmcpa.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Catoosa County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Catoosa County, Georgia as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 31, 2026. Our report includes a reference to other auditors who audited the financial statements of the Catoosa County Health Department, as described in our report on the Catoosa County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Catoosa County, Georgia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Catoosa County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Catoosa County, 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 *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

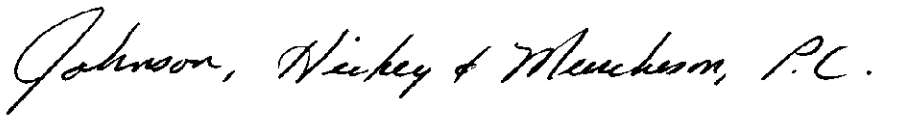
As part of obtaining reasonable assurance about whether the Catoosa County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Catoosa County, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Catoosa County, Georgia's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Catoosa County, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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



Chattanooga, Tennessee
March 31, 2026

JHM Chattanooga
2215 Olan Mills Drive
Chattanooga, TN 37421
T: 423.756.0052
F: 423.267.5945
jhmcpa.com

EST JHM 1977
CERTIFIED PUBLIC ACCOUNTANTS

JHM Cleveland
650 25th St. NW, Suite 300
Cleveland, TN 37311
T: 423.472.6543
F: 423.472.6544
jhmcpa.com

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

To the Board of Commissioners
Catoosa County, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Catoosa County, Georgia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Catoosa County, Georgia's major federal programs for the year ended September 30, 2025. Catoosa County, Georgia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Catoosa County, 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 September 30, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Catoosa County, Georgia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Catoosa County, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Catoosa County, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Catoosa County, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Catoosa County, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

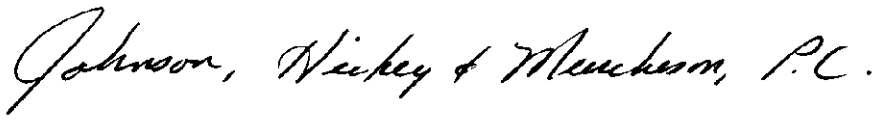
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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



Chattanooga, Tennessee
March 31, 2026

CATOOSA COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2025

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of Catoosa County, Georgia were prepared in accordance with GAAP.

2. No significant deficiencies were reported, but one material weakness was identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of Catoosa County, Georgia, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. No significant deficiencies were reported and no material weaknesses were identified during the audit of the major federal award program.

5. The auditors' report on compliance for the major federal awards program for Catoosa County, Georgia expresses an unmodified opinion on its major federal programs.

6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this schedule.

7. The programs tested as major programs were:
   U.S. Department of Treasury
   COVID – Coronavirus State and Local Fiscal Recovery Funds – Federal Assistance Listing Number 21.027

8. The threshold for distinguishing Type A and B programs was $1,000,000.

9. Catoosa County, Georgia was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

Current Year Findings

Finding 2025-001 Bank reconciliations

Criteria

Audit tests revealed bank reconciliations were not being performed timely in certain custodial funds and additionally, certain custodial funds had authorized check signers performing the bank reconciliations.

Condition

Timely and accurate bank reconciliations should be performed to prevent and detect financial misstatement errors and fraud in a timely manner. Additionally, authorized check signers should not be permitted to reconcile bank accounts.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

Current Year Findings (continued)

Finding 2025-001 Bank reconciliations (continued)

Effect

Financial misstatement errors and potential fraud may not be discovered timely if bank reconciliations are not performed timely and adequately by appropriate parties.

Recommendation

Bank reconciliations should be performed and reviewed timely and adequately to prevent and detect financial misstatement errors and potential fraud by individuals who do not possess check signing capabilities.

Views of responsible officials

Concur. Management will work on ensuring bank reconciliations are performed and reviewed accurately and timely by an individual who is not an authorized check signer.

Prior Year Findings

Finding 2024-001 Bank reconciliations

Condition

Audit tests revealed bank reconciliations were not being timely performed in certain custodial departments.

Status

Current year finding 2025-001.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Current Year Findings

None

Prior Year Findings

None

CATOOSA COUNTY GOVERNMENT

800 Lafayette Street
Ringgold, Georgia 30736

Phone: 706-965-2500
Fax: 706-935-3112

March 31, 2026

Greg S. Griffin, State Auditor
State of Georgia, Department of Audits and Accounts
270 Washington Street, S.W., Room 1-156
Atlanta, Georgia 30334-8400

RE: Corrective Action Plan for Catoosa County, Georgia
FYE: September 30, 2025

Dear Mr. Griffin:

Please find below our response and corrective action plan for the findings identified in our audit report for the fiscal year indicated above.

Audit Finding:
2025-001 Bank reconciliations
Criteria:
Audit tests revealed bank reconciliations were not being performed timely in certain custodial funds and additionally, certain custodial funds had authorized check signers performing the bank reconciliations.

Condition:
Timely and accurate bank reconciliations should be performed to prevent and detect financial misstatement errors and fraud in a timely manner. Additionally, authorized check signers should not be permitted to reconcile bank accounts.

Effect:
Financial misstatement errors and potential fraud may not be discovered timely if bank reconciliations are not performed timely and adequately by appropriate parties.

Recommendation:
Bank reconciliations should be performed and reviewed timely and adequately to prevent and detect financial misstatement errors and potential fraud by individuals who do not possess check signing capabilities.

Response:
Concur. Management will work on ensuring bank reconciliations are performed and reviewed accurately and timely by an individual who is not an authorized check signer.

Corrective Action Plan:
As the Chief Financial Officer, I am responsible for this Corrective Action Plan. We will take the following corrective steps:

1. The finance department has created a simple/easy-to-use bank reconciliation spreadsheet and shared it with the magistrate court staff and the Sheriff's office staff to use in their monthly bank reconciliations.
2. Monthly, the clerk of the magistrate court and the Sheriff's office will provide a senior accountant with bank reconciliations and bank statements for review.
3. This action plan will be completed by September 30, 2026.

CATOOSA COUNTY GOVERNMENT

800 Lafayette Street
Ringgold, Georgia 30736

Phone: 706-965-2500
Fax: 706-935-3112

The Sheriff and the Probate Court Judge will be responsible for the following Corrective Action Plan.

1. The Elected Official will ensure that the bank accounts are being reconciled monthly by a staff member that does not have check signing capabilities.
2. This action plan will be completed by September 30, 2026.

If you have any questions regarding the above, you can contact me at (706)965-2500 or rachel.clark@catoosacountyga.gov.

Sincerely,

Rachel Clark
Chief Financial Officer

Cc: Board of Commissioners
County Manager
Johnson, Hickey & Murchison, P.C.

SPECIAL LOCAL OPTION SALES TAX

JHM Chattanooga
2215 Olan Mills Drive
Chattanooga, TN 37421
T: 423.756.0052
F: 423.267.5945
jhmcpa.com

EST JHM 1977
CERTIFIED PUBLIC ACCOUNTANTS

JHM Cleveland
650 25th St. NW, Suite 300
Cleveland, TN 37311
T: 423.472.6543
F: 423.472.6544
jhmcpa.com

INDEPENDENT AUDITORS' REPORT ON SPECIAL 1 PERCENT SALES AND USE TAX

To the Board of Commissioners
Catoosa County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Catoosa County, Georgia, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 31, 2026. We have also audited the accompanying schedules of the County's projects constructed with special local option sales tax funds, for the year ended September 30, 2025, (the specific projects allowed having been identified in resolutions dated June 17, 2008, January 15, 2013, February 6, 2018, and December 5, 2023, calling for imposition of the special sales and use tax authorized by Section 48-8-110 OCGA). These schedules are the responsibility of the management of Catoosa County, Georgia. Our responsibility is to express an opinion on the schedules based on our audit.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the schedules of the County's projects constructed with special local option sales tax funds, as referred to above, present fairly, in all material respects, the amounts of projects constructed with proceeds from the County's special local option sales tax for the year ended September 30, 2025, in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the organization, and state regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

Johnson, Nickey & Meacham, P.C.

Chattanooga, Tennessee
March 31, 2026

CATOOSA COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION
SALES TAX PROJECTS 2009 CYCLE
YEAR ENDED SEPTEMBER 30, 2025

PROJECT	ORIGINAL ESTIMATED COST	REALLOC-ATIONS	REVISED ESTIMATED COSTS	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR	EXPENDITURES TOTAL	PERCENTAGE OF COMPLETION	CUMULATIVE OTHER FUNDING
Fort Oglethorpe sewer, water and capital outlay projects	$ 7,112,000	$ -	$ 7,112,000	$ 5,747,923	$ -	$ 5,747,923	81%	$ 29,154
Ringgold sewer, water and capital outlay projects	2,520,000	-	2,520,000	2,260,366	-	2,260,366	90%	33,163
Catoosa Utility District water projects	4,000,000	-	4,000,000	3,231,921	-	3,231,921	81%	15,518
Catoosa County sewer projects	15,750,000	-	15,750,000	12,463,725	-	12,463,725	79%	-
Recreation	2,000,000	-	2,000,000	1,607,369	-	1,607,369	80%	-
Public safety equipment	5,509,000	-	5,509,000	4,323,526	-	4,323,526	78%	-
Public works vehicles	1,500,000	-	1,500,000	1,591,270	-	1,591,270	106%	-
Multi-purpose buildings	1,190,000	-	1,190,000	972,678	-	972,678	82%	-
Roads, buildings, and stormwater	9,869,000	-	9,869,000	10,022,727	-	10,022,727	100%	2,087,050
Library enhancement	500,000	-	500,000	384,114	37,471	421,585	84%	(1,574)
Economic development	2,000,000	-	2,000,000	1,657,974	-	1,657,974	83%	611
GIS department	400,000	-	400,000	233,705	26,513	260,218	65%	5,940
Historical tourism/greenspace	750,000	-	750,000	723,146	-	723,146	96%	10,000
	$ 53,100,000	$ -	$ 53,100,000	$ 45,220,444	$ 63,984	$ 45,284,428		$ 2,179,862

Reconciliation of current year expenditures

SPLOST 2009 expenditures per financial statements	$ 63,984

CATOOSA COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION
SALES TAX PROJECTS 2014 CYCLE
YEAR ENDED SEPTEMBER 30, 2025

PROJECT	ORIGINAL ESTIMATED COST	REALLOC-ATIONS	REVISED ESTIMATED COSTS	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR	EXPENDITURES TOTAL	PERCENTAGE OF COMPLETION	CUMULATIVE OTHER FUNDING
Fort Oglethorpe sewer, water and capital outlay projects	$ 7,150,000	$ -	$ 7,150,000	$ 6,015,482	$ -	$ 6,015,482	84%	$ 2,792
Ringgold sewer, water and capital outlay projects	2,500,000	-	2,500,000	2,103,840	-	2,103,840	84%	1,502
Catoosa Utility District water projects	2,300,000	-	2,300,000	1,934,249	-	1,934,249	84%	97
Catoosa County sewer projects	12,400,000	-	12,400,000	8,864,282	-	8,864,282	71%	447,666
Recreation	2,263,101	-	2,263,101	1,965,143	-	1,965,143	87%	62,020
Public safety equipment and buildings	9,222,399	-	9,222,399	8,193,506	3,938	8,197,444	89%	449,230
Roads and bridges	9,000,000	(2,145,409)	6,854,591	7,925,387	110,658	8,036,045	117%	2,702,386
Equipment and vehicles	2,164,500	-	2,164,500	1,820,205	-	1,820,205	84%	-
Public buildings and grounds	800,000	-	800,000	895,333	-	895,333	112%	222,584
Courthouse renovation	2,200,000	-	2,200,000	1,467,143	2,673	1,469,816	67%	-
Stormwater projects	3,000,000	-	3,000,000	2,520,458	-	2,520,458	84%	-
Economic development	6,700,000	2,145,409	8,845,409	7,544,998	-	7,544,998	85%	337,880
GIS department	300,000	-	300,000	207,153	-	207,153	69%	-
	$ 60,000,000	$ -	$ 60,000,000	$ 51,457,179	$ 117,269	$ 51,574,448		$ 4,226,157

Reconciliation of current year expenditures

SPLOST 2014 expenditures per financial statements	$ 117,269

CATOOSA COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION
SALES TAX PROJECTS 2019 CYCLE
YEAR ENDED SEPTEMBER 30, 2025

PROJECT	ORIGINAL ESTIMATED COST	REALLOC-ATIONS	REVISED ESTIMATED COSTS	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR	EXPENDITURES TOTAL	PERCENTAGE OF COMPLETION	CUMULATIVE OTHER FUNDING
Fort Oglethorpe sewer, water and capital outlay projects	$ 7,800,000	$ -	$ 7,800,000	$ 10,077,815	$ 405,948	$ 10,483,763	134%	$ 615,813
Ringgold sewer, water and capital outlay projects	2,665,000	-	2,665,000	1,150,078	1,460,331	2,610,409	98%	225,892
Catoosa Utility District water projects	1,250,000	-	1,250,000	1,350,826	92,806	1,443,632	115%	5,954
Catoosa County sewer projects	11,035,000	-	11,035,000	1,248,646	81,518	1,330,164	12%	-
Recreation	2,400,000	-	2,400,000	2,137,891	-	2,137,891	89%	31,755
Emergency equipment	9,400,000	-	9,400,000	4,006,267	3,137,041	7,143,308	76%	-
County equipment and vehicles	1,625,000	-	1,625,000	842,360	482,290	1,324,650	82%	-
Public buildings and grounds	1,500,000	-	1,500,000	460,933	13,727	474,660	32%	-
Roads and bridges	11,400,000	2,145,409	13,545,409	17,114,456	5,509,791	22,624,247	167%	10,547,161
Library	300,000	-	300,000	-	-	-	0%	-
Stormwater projects	2,500,000	-	2,500,000	1,401,474	219,281	1,620,755	65%	-
Economic Development	8,000,000	(2,145,409)	5,854,591	5,059,011	-	5,059,011	86%	65,103
GIS department	125,000	-	125,000	72,454	79,398	151,852	121%	-
	$ 60,000,000	$ -	$ 60,000,000	$ 44,922,211	$ 11,482,131	$ 56,404,342		$ 11,491,678

Reconciliation of current year expenditures

SPLOST 2019 expenditures per financial statements	$ 11,482,131

CATOOSA COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION
SALES TAX PROJECTS 2024 CYCLE
YEAR ENDED SEPTEMBER 30, 2025

PROJECT	ORIGINAL ESTIMATED COST	REALLOC-ATIONS	REVISED ESTIMATED COSTS	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR	EXPENDITURES TOTAL	PERCENTAGE OF COMPLETION	CUMULATIVE OTHER FUNDING
Fort Oglethorpe sewer, water and capital outlay projects	$ 14,236,800	$ -	$ 14,236,800	$ -	$ 1,302,736	$ 1,302,736	9%	$ 47,403
Ringgold sewer, water and capital outlay projects	4,828,800	-	4,828,800	-	423,237	423,237	9%	12,372
Catoosa County sewer projects	8,400,000	-	8,400,000	22,155	17,145	39,300	0%	-
Recreation	2,700,000	-	2,700,000	75	113,674	113,749	4%	-
Emergency equipment	16,205,550	-	16,205,550	-	61,612	61,612	0%	403,530
County equipment and vehicles	2,550,000	-	2,550,000	-	35,343	35,343	1%	-
Public buildings and grounds	8,000,000	-	8,000,000	-	3,600	3,600	0%	-
Roads and bridges	30,376,000	-	30,376,000	-	18,860	18,860	0%	1,255,476
Library	300,000	-	300,000	-	-	-	0%	-
Stormwater projects	7,067,850	-	7,067,850	-	-	-	0%	-
GIS department	1,335,000	-	1,335,000	-	96,195	96,195	7%	-
	$ 96,000,000	$ -	$ 96,000,000	$ 22,230	$ 2,072,402	$ 2,094,632		$ 1,718,781

Reconciliation of current year expenditures

SPLOST 2024 expenditures per financial statements	$ 2,072,402