CHARLTON COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2024

CHARLTON COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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INTRODUCTORY SECTION

CHARLTON COUNTY, GEORGIA

PRINCIPAL COUNTY OFFICIALS
DECEMBER 31, 2024

COUNTY COMMISSIONERS

Alphya Benefield, Commission Chairwoman
Luke Gowen, Commission Vice-Chair
James E. Everett, Commissioner
Jesse Crews, Commissioner
Drew Jones, Commissioner

CONSTITUTIONAL OFFICERS

Robert Phillips – Sheriff
Wendy Whitaker-Lee – Clerk of Courts
Cheryl McMillan – Probate/Magistrate Judge
Debra Mizell – Tax Commissioner

ELECTED OFFICIALS

Patrick Brooks – Solicitor General
Blaine Murray – Coroner
John Adams – State Court Judge, Juvenile Court Judge

COUNTY ADMINISTRATION

Glenn Hull, County Administrator
Madeline Nettles, County Clerk
Rebecca Harden – Finance/HR Coordinator

COUNTY ATTORNEY

John Adams

DEPARTMENT DIRECTORS

Joanna Powell –Public Works Coordinator
Ronnie Pollock – Director of Infrastructure & Development
Teresa Guinn – Supervisor of Elections
Laurie Thomas – Chief Appraiser
C. L. Lewis – Fire Chief
Tiffany Yearwood – EMA Director
Joel Shivar – Director of Parks & Recreation
Connie Bass – Senior Center

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Charlton County, Georgia
Folkston, Georgia

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Charlton County, Georgia** (the "County"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County'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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2024, and the respective changes in financial position and the budgetary comparisons for the General Fund and the American Rescue Plan Act ("ARPA") Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

We did not audit the financial statements of the Charlton County Health Department (the "Health Department"), a discretely presented component unit of the County, which represents 100% of the assets, deferred outflows of resources, net position, and revenues of the discretely presented component unit as of December 31, 2024, and the respective changes in financial position 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 Health Department, 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 ("GAAS") 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County 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 GAAP, 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 the County'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.

Auditor's 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 auditor's 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 GAAS 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 GAAS 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 the County'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 the County'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 ("MD&A") (on pages 5 through 11), the Schedule of Changes in the County's Net Pension Liability and Related Ratios, (on pages 45 and 46) and the Schedule of County Contributions (on pages 47 and 48) 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 ("GASB") who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the Required Supplementary Information in accordance with GAAS, 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 the County's basic financial statements. The Combining and Individual Nonmajor Fund Statements and Schedules, as listed in the table of contents, the 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*, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121 are presented for purposes of additional analysis and are 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 GAAS by us and other auditors. In our opinion, the Combining and Individual Nonmajor Fund Statements and Schedules, the Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the principal county officials schedule but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Charlton County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 10, 2025

CHARLTON COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Within this section of Charlton County, Georgia's (the "County" or "Primary Government") annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the year ended December 31, 2024. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the County's Primary Government and, unless otherwise noted, component units reported separately from the Primary Government are not included.

FINANCIAL HIGHLIGHTS

The County's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources by $37,035,030 (net position) for the year reported. This compares to the previous year when the total assets and deferred outflows exceeded the total liabilities and deferred inflows by $35,720,645.

Total net position is comprised of the following:

1. Net investment in capital assets of $18,262,540 includes property and equipment, net of accumulated depreciation, and reduced by outstanding debt related to the purchase and construction of capital assets.
2. Net position of $6,800,341 is restricted by constraints imposed by laws and regulations.
3. Unrestricted net position of $11,972,149 represents the portion available to maintain the County's continuing obligations to citizens and creditors.

The County's governmental funds reported a total ending fund balance of $18,532,691 this year. This compares to the prior year ended fund balance of $17,145,624, showing an increase of $1,387,067 during the current year.

At the end of the current year, unassigned fund balance for the General Fund was $11,453,064, or 89.8% of total General Fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 12 and 13 provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Overview to the Financial Statements

The Management's Discussion and Analysis ("MD&A") introduces the County's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government- wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the County-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification to the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the County's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and community development. The County's fiduciary activities simply holds resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County ("primary government") and, additionally, organizations for which the County is accountable ("component units"). These component units operate independently and provide services directly to the citizens, though the County remains accountable for their activities. These component units are governed by a Board of Directors that the County Commission has appointed. The County Health Department is reported separately from the primary government though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 12 and 13 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The County reports two types of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the Required Supplementary Information for the General Fund. Budgetary comparison schedules for Special Revenue Funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

Pension plan information is included as Required Supplementary Information.

Fiduciary funds (i.e., the custodial funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs. Fiduciary fund financial statements report similarly to proprietary funds.

The basic fiduciary fund financial statement is presented on pages 20 and 21 of this report.

Notes to the basic financial statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are on pages 22 – 44 of this report.

Other information

Major funds and component units are reported in the basic financial statements as discussed. Combining and Individual Statements and Schedules for Nonmajor Funds are presented in a subsequent section of this report on pages 49 – 57.

Financial Analysis of the County as a Whole

The County's combined net position was $37,035,030 as of December 31, 2024. This is a $1,314,385 increase from last year's net position of $35,720,645. The following table provides a summary of the County's net position:

	Governmental Activities	
	2024	2023
Current and other assets	**$ 23,264,774**	$ 22,009,407
Capital assets	**18,872,135**	19,262,112
Total assets	**42,136,909**	41,271,519
Deferred outflows of resources	**586,354**	1,130,370
Current liabilities	**2,968,994**	3,061,525
Long-term liabilities outstanding	**1,673,747**	2,823,248
Total liabilities	**4,642,741**	5,884,773
Deferred inflows of resources	**1,045,492**	796,471
Net position:		
Net investment in capital assets	**18,262,540**	18,530,009
Restricted	**6,800,341**	5,921,746
Unrestricted	**11,972,149**	11,268,890
Total net position	**$ 37,035,030**	$ 35,720,645

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 7.8 to 1.

Note that approximately 49.3% of the governmental activities' net position is in capital (with 49.4% of the capital assets being infrastructure). The County uses these capital assets to provide services to its citizens.

The County reported a positive balance in net position for governmental activities. Net position increased $1,314,385 for governmental activities.

	Governmental Activities	
	2024	2023
Revenues		
Program revenues:		
Charges for services	**$ 4,212,098**	$ 4,545,105
Operating grants and contributions	**1,323,812**	1,033,305
Capital grants and contributions	**903,948**	1,382,375
General revenues:		
Property taxes	**8,037,100**	8,672,319
Other taxes	**2,120,853**	2,056,996
Unrestricted investment earnings	**424,731**	279,552
Total revenues	**17,022,542**	17,969,652
Expenses		
General government	**4,577,904**	4,912,373
Judicial	**1,048,194**	1,108,941
Public safety	**5,472,241**	5,723,677
Public works	**3,574,371**	3,644,774
Health and welfare	**279,603**	282,918
Culture and recreation	**591,841**	587,269
Other government services	**239,625**	212,157
Interest on long-term debt	**3,978**	24,718
Total expenses	**15,787,757**	16,496,827
Change in net position	**1,234,785**	1,472,825
Net position, beginning of year	**35,720,645**	34,247,820
Restatement	**79,600**	-
Net position, beginning of year, as restated	**35,800,245**	34,247,820
Net position, end of year	**$ 37,035,030**	$ 35,720,645

Financial Analysis of the County's Funds

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund reported ending fund balances of $11,836,733 for 2024 and $11,354,429 for 2023. In 2024, $158,406 was restricted, assigned fund balance was $225,263, and $11,453,064 was unassigned and available to pay current obligations.

Other major governmental funds include the Special Purpose Local Option Sales Tax ("SPLOST") and American Rescue Plan Act ("ARPA") Funds. There was no change to fund balance in the ARPA Fund for fiscal year 2024, as revenues recognized from grant funding were the same as the expenditures made. The SPLOST Fund saw a slight increase in fund balance during fiscal year 2024 as a result of more revenue received than the current ongoing SPLOST project costs.

General Fund Budgetary Highlights

The original adopted budget did not anticipate a decrease in fund balance, and the final budget adopted anticipated a slight decrease in fund balance. The actual fund balance increased by $482,304.

Capital Assets and Debt Administration

Capital assets

The County's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2024 was $18,872,135.

	Governmental Activities	
	2024	2023
Land	**$ 707,650**	$ 707,650
Construction in progress	**63,182**	-
Buildings	**5,492,366**	5,696,742
Infrastructure	**9,316,586**	9,725,542
Leases	**166,467**	215,189
Machinery and equipment	**3,125,884**	2,916,989
Total	**$ 18,872,135**	$ 19,262,112

See Note 5 for additional information about the County's capital assets.

Long-term debt

At the end of the year, the County had total debt outstanding of $1,673,747. This total amount is supported by pledged revenues generated primarily by the County's governmental activities, and real and personal property.

The County's long-term debt relates to financed purchases, leases, compensated absences, and the net pension liability.

	Governmental Activities	
	2024	2023
Financed purchases	$ **383,175**	$ 514,746
Leases	**171,073**	217,357
Compensated absences	**65,739**	125,639
Net pension liability	**1,053,760**	1,965,506
Total	**$ 1,673,747**	$ 2,823,248

See Note 6 for additional information about the County's long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The revenues of the County are projected to remain stable in 2025. The economy of the County as a whole is stable.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment of public accountability. If you have questions about this report or would like to request additional information, contact:

Charlton County Board of Commissioners
68 Kingsland Drive, Suite B
Folkston, Georgia 31537
Telephone: (912) 496-2549

BASIC FINANCIAL STATEMENTS

CHARLTON COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Primary Government	Component Unit
	Governmental Activities	Health Department
ASSETS		
Cash and cash equivalents	$ 11,024,368	$ 683,341
Investments	8,580,488	-
Taxes receivable, net	2,733,417	-
Accounts receivable, net	12,598	-
Lease receivable	495,877	-
Due from other governments	418,026	121,418
Net OPEB asset	-	9,135
Capital assets, non-depreciable	770,832	-
Capital assets, depreciable, net of accumulated depreciation	18,101,303	16,859
Total assets	42,136,909	830,753
DEFERRED OUTFLOWS OF RESOURCES		
Pension	586,354	119,457
OPEB	-	76,134
Total deferred outflows of resources	586,354	195,591
LIABILITIES		
Accounts payable	565,380	-
Accrued liabilities	420,212	-
Unearned revenues	1,983,402	36,000
Leases and financed purchases due within one year	146,078	-
Leases and financed purchases due in more than one year	408,170	-
Compensated absences due within one year	65,739	3,612
Compensated absences due in more than one year	-	14,446
Net pension liability, due in more than one year	1,053,760	470,506
Total liabilities	4,642,741	524,564
DEFERRED INFLOWS OF RESOURCES		
Pension	559,755	75,996
OPEB	-	39,687
Leases	485,737	-
Total deferred inflows of resources	1,045,492	115,683
NET POSITION		
Net investment in capital assets	18,262,540	16,859
Restricted for:		
Capital projects	6,641,935	-
Excess funds - tax sales	61,223	-
Public safety	97,183	-
Culture and recreation	-	195,023
Unrestricted	11,972,149	174,215
Total net position	$ 37,035,030	$ 386,097

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

CHARLTON COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Component Unit Health Department
Primary government:						
Governmental activities:						
General government	$ 4,577,904	$ 489,641	$ 1,323,812	$ -	$ (2,764,451)	$ -
Judicial	1,048,194	526,743	-	-	(521,451)	-
Public safety	5,472,241	778,570	-	-	(4,693,671)	-
Public works	3,574,371	2,417,144	-	903,948	(253,279)	-
Health and welfare	279,603	-	-	-	(279,603)	-
Culture and recreation	591,841	-	-	-	(591,841)	-
Other services	239,625	-	-	-	(239,625)	-
Interest on long-term debt	3,978	-	-	-	(3,978)	-
Total governmental activities	$ 15,787,757	$ 4,212,098	$ 1,323,812	$ 903,948	(9,347,899)	-
Component unit:						
Health Department	$ 703,026	$ 195,050	$ 407,773	$ -	-	(100,203)
Total component unit	$ 703,026	$ 195,050	$ 407,773	$ -	-	(100,203)
General revenues:						
Property taxes					8,037,100	-
Sales taxes					2,120,853	-
Unrestricted investment earnings					424,731	-
Other local funds					-	108,736
Total general revenues					10,582,684	108,736
Change in net position					1,234,785	8,533
Net position, beginning of year, as previously presented					35,720,645	377,564
Restatement (see Note 13)					79,600	-
Net position, beginning of year, as restated					35,800,245	377,564
Net position, end of year					$ 37,035,030	$ 386,097

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

CHARLTON COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	SPLOST Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 2,912,974	$ 2,970,371	$ 1,413,905	$ 3,727,118	$ 11,024,368
Investments	8,580,488	-	-	-	8,580,488
Taxes receivable, net	2,733,417	-	-	-	2,733,417
Accounts receivable, net	12,598	-	-	-	12,598
Lease receivable	495,877	-	-	-	495,877
Due from other governments	90,010	275,508	-	52,508	418,026
Total assets	$ 14,825,364	$ 3,245,879	$ 1,413,905	$ 3,779,626	$ 23,264,774
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 148,237	$ 179,476	$ 220,138	$ 17,529	$ 565,380
Accrued liabilities	285,891	-	-	-	285,891
Due to other governments	-	132,542	-	-	132,542
Unearned revenue	789,635	-	1,193,767	-	1,983,402
Total liabilities	1,223,763	312,018	1,413,905	17,529	2,967,215
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues:					
Taxes	1,279,131	-	-	-	1,279,131
Leases	485,737	-	-	-	485,737
Total deferred inflows of resources	1,764,868	-	-	-	1,764,868
FUND BALANCES					
Fund balances:					
Restricted for:					
Capital projects	-	2,933,861	-	3,708,074	6,641,935
Excess funds - tax sales	61,223	-	-	-	61,223
Public safety	97,183	-	-	-	97,183
Assigned for:					
Culture and recreation	1,134	-	-	54,023	55,157
EMS expenditures	224,129	-	-	-	224,129
Unassigned	11,453,064	-	-	-	11,453,064
Total fund balances	11,836,733	2,933,861	-	3,762,097	18,532,691
Total liabilities, deferred inflows of resources and fund balances	$ 14,825,364	$ 3,245,879	$ 1,413,905	$ 3,779,626	$ 23,264,774

Amounts reported for governmental activities in the Statement of Net Position are different		
Capital and lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		18,872,135
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds.		1,279,131
Deferred outflows and inflows of resources related to the recording of the net pension liability are recognized as expense over time and, therefore, are not reported in the funds.		26,599
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Financed purchases	$ (383,175)	
Leases	(171,073)	
Compensated absences	(65,739)	
Net pension liability	(1,053,760)	
Accrued interest	(1,779)	(1,675,526)
Net position of governmental activities		$ 37,035,030

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

CHARLTON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	General Fund	SPLOST Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 8,081,554	$ 1,612,543	$ -	$ 508,310	$ 10,202,407
Fines and forfeitures	189,095	-	-	-	189,095
Licenses, fees and permits	180,916	-	-	-	180,916
Intergovernmental	589,377	-	688,757	949,626	2,227,760
Charges for services	3,459,080	-	-	87,140	3,546,220
Interest income	424,731	-	-	-	424,731
Other revenue	295,867	-	-	-	295,867
Total revenues	13,220,620	1,612,543	688,757	1,545,076	17,066,996
Expenditures					
Current:					
General government	3,974,804	-	688,757	17,528	4,681,089
Judicial	883,217	-	-	-	883,217
Public safety	5,210,220	-	-	-	5,210,220
Public works	1,748,407	-	-	-	1,748,407
Health and welfare	247,315	-	-	-	247,315
Culture and recreation	441,855	-	-	68,076	509,931
Economic development	242,485	-	-	-	242,485
Intergovernmental	-	315,471	-	-	315,471
Capital outlay	-	398,933	-	1,240,768	1,639,701
Debt service:					
Principal	-	131,571	-	46,284	177,855
Interest and other charges	-	17,288	-	6,950	24,238
Total expenditures	12,748,303	863,263	688,757	1,379,606	15,679,929
Excess of revenues over expenditures	472,317	749,280	-	165,470	1,387,067
Other financing sources (uses)					
Transfers in	9,987	-	-	-	9,987
Transfers out	-	-	-	(9,987)	(9,987)
Total other financing sources (uses)	9,987	-	-	(9,987)	-
Net change in fund balances	482,304	749,280	-	155,483	1,387,067
Fund balances, beginning of year	11,354,429	2,184,581	-	3,606,614	17,145,624
Fund balances, end of year	$ 11,836,733	$ 2,933,861	$ -	$ 3,762,097	$ 18,532,691

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

CHARLTON COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds		$ 1,387,067
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and amortization expense exceeded capital outlay in the current period.		
Capital outlay	$ 1,253,752	
Depreciation and amortization expense	(1,635,894)	(382,142)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to change net position.		(7,835)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in unavailable revenue.		(44,454)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Leases	$ 46,284	
Principal payments on financed purchases	131,571	177,855
financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Net pension liability	$ 103,734	
Accrued interest	20,260	
Compensated absences	(19,700)	104,294
Change in net position of governmental activities		$ 1,234,785

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

CHARLTON COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 6,277,832	$ 6,282,757	$ 6,426,332	$ 143,575
Other taxes	1,540,747	1,546,434	1,655,222	108,788
Licenses, fees and permits	144,100	144,100	180,916	36,816
Charges for services	4,044,230	4,049,492	3,459,080	(590,412)
Fines and forfeitures	180,750	180,750	189,095	8,345
Intergovernmental	546,243	499,106	589,377	90,271
Interest income	300,000	300,000	424,731	124,731
Other revenue	340,001	507,491	295,867	(211,624)
Total revenues	13,373,903	13,510,130	13,220,620	(289,510)
Expenditures				
General Government:				
Governing body	119,974	120,305	148,795	(28,490)
Boards and Commissions	2,600	2,600	2,600	-
Clerk of Council/Commission	150,431	150,431	153,063	(2,632)
Chief Executive (Administrator)	110,343	124,737	124,235	502
Elections	111,355	121,954	117,897	4,057
Financial administration	300,695	312,801	287,251	25,550
Human resources	2,317,000	2,317,000	2,188,084	128,916
Tax Commissioner	275,599	275,599	276,191	(592)
Tax Assessor	483,370	501,558	405,984	95,574
Contingencies	200,000	108,015	-	108,015
General government buildings	240,961	280,961	270,704	10,257
Total General Government	4,312,328	4,315,961	3,974,804	341,157
Judicial:				
Superior court	529,490	532,577	459,782	72,795
State court	148,060	148,060	149,070	(1,010)
Solicitor	87,697	87,697	64,264	23,433
Probate/Magistrate court	216,929	216,929	210,101	6,828
Total Judicial	982,176	985,263	883,217	102,046
Public Safety:				
Sheriff	1,629,127	1,629,412	1,511,689	117,723
Jail	1,278,101	1,295,879	1,347,631	(51,752)
Fire	300,039	300,039	259,360	40,679
EMS	1,563,692	1,628,608	1,600,757	27,851
Coroner/Medical Examiner	28,781	28,781	23,547	5,234
E911	470,591	497,707	410,880	86,827
Other protection	29,265	29,265	28,884	381
Emergency management	48,990	48,990	27,472	21,518
Total Public Safety	5,348,586	5,458,681	5,210,220	248,461
Public Works:				
Public Works administration	212,027	215,277	220,262	(4,985)
Roads and bridges	1,121,362	1,122,088	968,633	153,455
Shop - Vehicle and equipment maintenance	152,629	152,629	144,993	7,636
Solid waste and recycling	420,000	453,707	414,519	39,188
Total Public Works	1,906,018	1,943,701	1,748,407	195,294

(Continued)

CHARLTON COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Health and Welfare:				
Public health	$ 77,700	$ 77,700	$ 91,734	$ (14,034)
Welfare	13,816	13,816	13,816	-
Community services - Action pact	14,000	14,000	14,000	-
Senior Citizens Center	137,544	137,544	127,765	9,779
Total Health and Welfare	243,060	243,060	247,315	(4,255)
Culture and Recreation:				
Recreation administration	403,861	404,169	367,855	36,314
Library	74,000	74,000	74,000	-
Total Culture and Recreation	477,861	478,169	441,855	36,314
Economic Development:				
County Extension/4H Services	76,171	76,252	72,748	3,504
Protective Inspection Administration	140,703	141,354	126,737	14,617
Economic development and resources	43,000	43,000	43,000	-
Total Economic Development	259,874	260,606	242,485	18,121
Total expenditures	13,529,903	13,685,441	12,748,303	937,138
Excess (deficiency) of revenues over (under) expenditures	(156,000)	(175,311)	472,317	647,628
Other financing sources				
Transfers in	156,000	165,055	9,987	(155,068)
Total other financing sources	156,000	165,055	9,987	(155,068)
Net change in fund balance	-	(10,256)	482,304	492,560
Fund balance, beginning of year	11,354,429	11,354,429	11,354,429	-
Fund balance, end of year	$ 11,354,429	$ 11,344,173	$ 11,836,733	$ 492,560

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

CHARLTON COUNTY, GEORGIA

ARPA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ 1,515,761	$ 1,515,761	$ 688,757	$ (827,004)
Total revenues	1,515,761	1,515,761	688,757	(827,004)
Expenditures				
General government	1,515,761	1,515,761	688,757	827,004
Total expenditures	1,515,761	1,515,761	688,757	827,004
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

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

CHARLTON COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2024

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 3,848,490
Taxes receivable	2,657,722
Total assets	$ 6,506,212
LIABILITIES	
Due to other governments	$ 2,657,722
Total liabilities	$ 2,657,722
NET POSITION	
Restricted:	
Individuals, organizations and other governments	$ 3,848,490
Total net position	$ 3,848,490

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

CHARLTON COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Custodial Funds
ADDITIONS	
Taxes	$ 14,211,385
Fines and fees	43,385,045
Criminal and civil bonds	37,988
Total additions	57,634,418
DEDUCTIONS	
Taxes and fees paid to other governments	14,275,178
Other custodial disbursements	39,886,592
Total deductions	54,161,770
Change in fiduciary net position	3,472,648
NET POSITION, beginning of year	375,842
NET POSITION, end of year	$ 3,848,490

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

Charlton County was established under the provisions of an act of the General Assembly of Georgia on February 18, 1854. The County operates under a County Commissioner form of government and provides the following services as authorized by state law: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

As required by GAAP, the financial statements of the reporting entity include those of Charlton County, Georgia (the primary government) and its component unit. The component unit discussed below is included in the County's reporting entity because of the significance of its operational or financial relationship with the County. In conformity with GAAP, as set forth in GASB Statement No. 14, as amended, the financial statements of the component unit are discretely presented in the government-wide financial statements.

Charlton County Health Department

The Charlton County Health Department (the "Health Department") provides public health care services and health education to the residents of the County. The Health Department receives financial support from Charlton County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors, and the Health Department issues separately audited financial statements. Although the County does not have the authority to approve or modify the budget of the Health Department, the County is obligated to provide financial support to the Health Department. The Health Department has a June 30th year-end. The Health Department's statements have been prepared separately and can be obtained by writing to:

Charlton County Health Department
Folkston, Georgia 31533

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

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

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures including those from leases, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The County reports the following major governmental funds:

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

The ***Special Purpose Local Option Sales Tax ("SPLOST") Fund*** accounts for the proceeds of a 1% SPLOST. Funds are used for road and bridges improvements, public safety projects, recreation projects, public building projects, County administration projects, and other projects within the County.

The ***American Rescue Plan Act ("ARPA") Fund*** is a special revenue fund that accounts for the revenues and expenditures associated with the U.S. Department of Treasury's Coronavirus State and Local Recovery Funds established by the ARPA of 2021.

Additionally, the County reports the following fund types:

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

The ***capital project funds*** account for financial resources that are legally restricted to acquisition or construction of major capital facilities.

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

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents

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

E. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide Statement of Net Position. In the fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds."

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

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The County has retroactively reported major general infrastructure assets. In this case, the County chose to include all items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through back trending.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

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

Asset Category	Years
Buildings	40 – 60
Infrastructure	40
Machinery and equipment	3 – 10
Right to use lease vehicles	3 – 7

H. Leases

Lessee. The County is a lessee for noncancellable leases of equipment and vehicles. The County recognizes a lease liability and an intangible right-to-use asset in the government-wide financial statements and proprietary fund level financial statements. The County recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a 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 lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related leases include how the County determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease 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 generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Leases (Continued)

Lessee (Continued). Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor. The County is a lessor for the noncancellable lease of a cell tower. The County recognizes a lease receivable and deferred inflow of resources in the government-wide financial statements.

At the commencement of a 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 made at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the County determines: 1) the discount rate it uses to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation/Personal Leave. All covered employees, both regular and working test, shall accrue annual leave from the date of employment in a covered position. Employees earn annual (Vacation/Personal) leave as follows:

Years of Service	Hours/Year
1 to 3 years	72 Hours
4 to 10 years	112 Hours
11 to 15 years	152 Hours
16 years and over	192 Hours

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences (Continued)

There is no liability for unpaid vacation time as vacation leave must be taken by December 31 of each year. Leave not taken will be forfeited. No vacation leave will be carried forward into the next calendar year.

Sick Leave. Sick leave is earned to be taken for bona fide illness and injury, and other medically related necessities. All covered employees, both regular and working test, shall accrue sick leave from the date of employment in a covered position. Eligible employees shall accrue sick leave at a rate of 5.53 hours per month. Sick leave may not be accrued in excess of 240 hours.

J. Long-Term Obligations

All payables, accrued liabilities and long-term obligations, are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only of the extent that they are "due for payments" during the current year. Bonds and financed purchases are recognized as a liability in the governmental fund financial statements when due.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The County has four items that qualify for reporting in this category. These items, relating to the County’s retirement plan, qualify for reporting in this category and are combined in the Statement of Net Position under the heading “Pension”. The County reports deferred outflow of resources for assumption changes which are amortized against pension expense over time. Additionally, any contribution made by the County to the pension plan before year-end but subsequent to the measurement date of the County’s net pension liability are reported as deferred outflows of resources. Also, experience differences result from periodic studies by the County’s actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, resulting as a deferred outflow of resources and amortized over time. Also, differences between projected investment return on pension investments and actual return on those investments is deferred and amortized over time, resulting in recognition as a deferred inflow of resources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other two items relate to the County's pension plan. Experience differences result from periodic studies by the County's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, resulting as a deferred outflow of resources and amortized over time. Additionally, for the lease in which the County is a lessor, a deferred inflow of resources is recorded for lease revenue to be earned in years following. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date.

L. Fund Equity

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

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

Fund Balances (Continued)

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

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of County Commissioners has authorized the County Manager to assign fund balances.

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balance may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balances, it is the County's policy to use fund balances in the following order: 1) committed, 2) assigned, and 3) unassigned.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Use of Estimates

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

NOTE 2. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

Budgetary Data. The County adopts an annual operating budget for the General Fund and each Special Revenue Fund. A project budget is adopted for each Capital Projects Fund. The budget resolution reflects the total of each department's appropriation in each fund.

The General Fund budget is adopted on a basis consistent with GAAP except that the occurrence of capital lease obligations and the related capital lease expenditures are not budgeted. Budgets for the Special Revenue Funds are adopted on a basis consistent with GAAP. Budgets for Capital Projects Funds are adopted on a basis consistent with GAAP except the budget period is a project period rather than an annual period. At year-end, no capital project period exceeded the annual.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

Either the County Chairman or County Administrator may approve budget transfers within departments, except those related to personnel or capital expenditures. The Board of Commissioners must approve transfers of personnel or capital appropriations. During the year, the Board of Commissioners approved budget revisions.

All unexpended annual appropriations lapse at year-end.

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess of Expenditures over Appropriations

For the year ended December 31, 2024, expenditures exceeded appropriations at the legal level of budgetary control as follows:

Department	Excess
General Fund:	
Governing body	$ 28,490
Clerk of Council/Commission	2,632
Tax Commissioner	592
State Court	1,010
Jail	51,752
Public Works administration	4,985
Public health	14,034
Recreation Department Fund	
Culture and recreation	41,076
Grants Fund:	
General government	17,528
Capital outlay	431,162
Debt service	53,234

These over expenditures were funded primarily by underspending in other departments.

NOTE 3. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the County's policy to limit its investments to those allowed and authorized by state law. As of December 31, 2024, the County had the following investments:

Investment	Maturities	Cost
Certificates of deposit	Less than one year	$ 8,580,488
Total		$ 8,580,488

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

The Official Code of Georgia Annotated ("O.C.G.A.") §45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by surety bond, by guarantee of insurance or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to or not less than 110% of the public funds being secured after the deduction of the amount of deposit insurance. If a depository elects the pooled method (O.C.G.A. §45-8-13.1), the aggregate of the market value of the securities pledged to secure a pool of public funds shall be not less than 110% of the daily pool balance.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2024, the deposits of the County and its component units were properly insured and collateralized as defined by GASB pronouncements and the O.C.G.A.

Interest rate risk. The County's investment policy is a means of managing its exposure to fair value losses arising from increasing interest rates. As such, they adhere to the following criteria regarding investments as outlined in the County's policies and procedures manual: the investment must always be concerned with the preservation of principal; all investments must be relatively liquid; and there must be a realization of competitive interest rates relative to the risk assumed. The County Manager is authorized to make all investment decisions on behalf of the County.

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of December 31, 2024, all of the County's investments are considered Level 1 investments.

NOTE 4. RECEIVABLES

Receivables at December 31, 2024 consist of the following:

	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Total
Receivables:				
Taxes	$ 2,733,417	$ -	$ -	$ 2,733,417
Accounts	12,598	-	-	12,598
Due from other governments	90,010	275,508	52,508	418,026
Total receivables	$ 2,836,025	$ 275,508	$ 52,508	$ 3,164,041

The Board of Commissioners levies property taxes by or about August 25th of each year. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about September 15th of each year and are payable within 60 days. The County bills and collects its own property taxes and also collects property taxes for the Charlton County Board of Education, and the State of Georgia. Collection of the County's taxes, and for the other government agencies, is the responsibility of the Tax Commissioner's Office, which is accounted for as a Custodial Fund. County property tax revenue at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For 2024, property tax bills were mailed on October 24, 2024, and were due on January 14, 2025.

Lease Receivable. During the year ended December 31, 2023, the County began leasing a cell phone tower to a third-party. The lease is for twenty years and beginning in the year ending December 31, 2024, the County will receive annual payments. As of December 31, 2024, the County’s receivable for lease payments was $495,877. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2024, the balance of the deferred inflow of resources was $485,737.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2024 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 707,650	$ -	$ -	$ -	$ 707,650
Construction in progress	-	63,182	-	-	63,182
Total	707,650	63,182	-	-	770,832
Capital assets, being depreciated:					
Buildings	11,073,813	198,484	-	-	11,272,297
Infrastructure	12,796,574	-	-	-	12,796,574
Machinery and equipment	16,135,806	992,086	(3,778,046)	-	13,349,846
Intangible Right-To-Use Lease Asset	243,610	-	-	-	243,610
Total	40,249,803	1,190,570	(3,778,046)	-	37,662,327
Less accumulated depreciation for:					
Buildings	(5,377,071)	(402,860)	-	-	(5,779,931)
Infrastructure	(3,071,032)	(408,956)	-	-	(3,479,988)
Machinery and equipment	(13,218,817)	(775,356)	3,770,211	-	(10,223,962)
Intangible Right-To-Use Lease Asset	(28,421)	(48,722)	-	-	(77,143)
Total	(21,695,341)	(1,635,894)	3,770,211	-	(19,561,024)
Total capital assets, being depreciated, net	18,554,462	(445,324)	(7,835)	-	18,101,303
Governmental activities capital assets, net	$ 19,262,112	$ (382,142)	$ (7,835)	$ -	$ 18,872,135

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

Governmental activities:	
General government	$ 88,506
Judicial	175,824
Public safety	622,940
Public works	630,277
Health and welfare	34,057
Culture and recreation	84,290
Total depreciation expense - governmental activities	$ 1,635,894

NOTE 6. LONG-TERM DEBT

The following is a summary of long-term debt activity for the primary government for the year ended December 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Financed purchases	$ 514,746	$ -	$ (131,571)	$ 383,175	$ 98,128
Leases	217,357	-	(46,284)	171,073	47,950
Compensated absences	46,039	19,700	-	65,739	65,739
Net pension liability	1,965,506	772,327	(1,684,073)	1,053,760	-
Governmental activities Long-term liabilities	$ 2,743,648	$ 792,027	$ (1,861,928)	$ 1,673,747	$ 211,817

The beginning balance of compensated absences has been restated in accordance with GASB Statement No. 101.

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

A. Financed Purchases

The County has entered into financed purchase agreements as lessee for financing the acquisition of various pieces of equipment. Interest rates range from 2.30% to 3.80%. The duration of the agreements is for four to seven years.

The debt service requirements for the County's financed purchase agreements are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	$ 98,128	$ 12,589	$ 110,717
2026	157,583	5,762	163,345
2027	62,559	4,780	67,339
2028	64,905	2,434	67,339
	$ 383,175	$ 25,565	$ 408,740

B. Leases

During the fiscal year ended December 31, 2023, the County entered into lease agreements with enterprise fleet management for financing vehicles. As of December 31, 2024, the value of the lease liability is $171,073. The County makes monthly principal and interest payments and the leases carry an average interest rate of 3.2%. The lease terms are shorter than the estimated useful lives of the lease assets and extend through 2028.

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. Leases (Continued)

The following is a schedule of lease payments to maturity as of December 31, 2024:

Year Ending December 31,	Principal	Interest	Total
2025	$ 47,950	$ 5,284	$ 53,234
2026	49,675	3,558	53,233
2027	51,463	1,771	53,234
2028	21,985	195	22,180
	$ 171,073	$ 10,808	$ 181,881

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund transfers as of December 31, 2024 are as follows:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	$ 9,987

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

NOTE 8. JOINT VENTURE

Under Georgia law, the County is a participating member of the Southern Georgia Regional Commission (“RC”) and is required to pay annual dues thereto. During its year ended December 31, 2024, the County paid $9,183 in such dues. Membership in Southern Georgia RC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of the Southern Georgia RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts and obligations of a RC. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
3395 Harris Road
Waycross, Georgia 31503

NOTE 9. RETIREMENT PLANS

A. Plan Description

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

The Plan provides retirement, disability and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia ("ACCG") Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan, administered by the Government Employee Benefits Corporation of Georgia, ("GenCorp"). The ACCG, in its role as the Plan sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County, through its Board of Commissioners, has the authority to amend the adoption agreement, which defines the specific benefit provisions of the ACCG Plan, as provided in Section 19.02 of the ACCG Plan document. A separately issued financial report for the ACCG Plan may be obtained by writing to:

GenCorp
400 Galleria Parkway, Suite 1250
Atlanta, Georgia 30339

Plan membership as of January 1, 2023, (the most recent actuarial valuation date) is as follows:

Inactive plan members or beneficiaries currently receiving benefits	31
Inactive plan members entitled to but not receiving benefits	39
Active plan members	68
Total	138

The County is required to contribute an actuarially determined amount annually to the ACCG Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. The County's required contribution for the 2024 plan year is $251,369, or 8.0% of covered payroll. No contributions are required of or permitted by plan members. The County meets all costs of the ACCG Plan.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Net Pension Liability of the County

The County is required to contribute an actuarially determined amount annually to the ACCG Plan's trust. A contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in controlling State of Georgia statutes. Plan participants are not required to contribute to the ACCG Plan.

The County's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023, with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2023.

Actuarial Assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Cost of living adjustment	N/A
Salary increases	4.50% per year with an age based scale
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 GE (50%) & PS (50%) AMT-Weighted with Scale AA to 2022.

The actuarial assumptions used in the January 1, 2023 valuation were based on the results of an actuarial experience study for February 2024.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Range
Fixed income	30%	25% - 35%
Large cap equities	30%	25% - 35%
Mid cap equities	5%	2.5% - 10%
Small cap equities	5%	2.5% - 10%
REIT	5%	2.5% - 10%
International equities	15%	10% - 20%
Multi cap equities	5%	2.5% - 10%
Global allocation	5%	2.5% - 10%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended December 31, 2024 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2022	$ 7,925,906	$ 5,960,400	$ 1,965,506
Changes for the year:			
Service cost	164,653	-	164,653
Interest	546,058	-	546,058
Liability experience (gain)/loss	(483,461)	-	(483,461)
Assumption change	(55,773)	-	(55,773)
Contributions - employer	-	251,369	(251,369)
Net investment income	-	893,470	(893,470)
Benefit payments, including refunds of employee contributions	(250,138)	(250,138)	-
Administrative expense	-	(34,761)	34,761
Other changes	-	(26,855)	26,855
Net changes	(78,661)	833,085	(911,746)
Balances at December 31, 2023	$ 7,847,245	$ 6,793,485	$ 1,053,760

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	$ 2,166,121	$ 1,053,760	$ 136,079

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2023, and the current sharing pattern of costs between employer and employee.

C. Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2024, the County recognized pension expense of $128,268. At December 31, 2024, the County reported deferred outflows and inflows of resources related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Investment earnings difference	$ 271,077	$ -
Contributions subsequent to the measurement date	251,369	-
Assumption changes	12,612	42,803
Experience differences	51,296	516,952
Total	$ 586,354	$ 559,755

County contributions subsequent to the measurement date of $251,369 are reported as a deferred outflow of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. The remaining deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending December 31,	
2025	$ (121,101)
2026	(55,339)
2027	81,165
2028	(129,495)
Total	$ (224,770)

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN

The ACCG 401(a) Defined Contribution Plan for Senior Management (the “Plan”) is a single employer contribution plan established and administered by the Charlton County Board of Commissioners for the senior management of the County. The Plan provides retirement and death benefits to Plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the Board of Commissioners.

Employees are not required to contribute to the Plan. The County contributes an amount equal to 10% of each participant’s compensation. For the year ended December 31, 2024, the County’s contribution to the Plan was $8,804.

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The County has joined the ACCG Interlocal Risk Management Agency (“IRMA”). The membership allows the County to share liability, crime, motor vehicle and property damage risks. The County is also a part of the ACCG Workers' Compensation Self Insurance Fund.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pool: To cooperate with the pool's agents and attorneys; To follow loss reduction procedures established by the funds; To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment and all expenses incurred for investigation, negotiation or defense.

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

NOTE 12. CONTINGENCIES AND COMMITMENTS

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

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

NOTE 13. CHANGE IN ACCOUNTING PRINCIPLE

The County implemented the provisions of GASB Statement No. 101, *Compensated Absences* (GASB 101), effective January 1, 2024. GASB 101 establishes a unified recognition and measurement model for compensated absences, superseding the previous guidance in GASB Statement No. 16. The principal impact of the adoption is the required recognition of a liability for sick leave that is more likely than not to be used for time off or otherwise paid/settled. The County had previously accrued all sick leave that was earned. In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the County applied the new standard retroactively by restating the beginning net position of the earliest period presented.

Net position of governmental activities, as of January 1, 2024, as previously reported	$	35,720,645
To record implementation of GASB Statement No. 101		79,600
Net position of governmental activities, as of January 1, 2024, as restated	$	35,800,245

REQUIRED SUPPLEMENTARY INFORMATION

CHARLTON COUNTY, GEORGIA

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

	2024	2023	2022	2021
Total pension liability				
Service cost	**$ 164,653**	$ 156,205	$ 171,349	$ 154,858
Interest on total pension liability	**546,058**	531,441	489,058	468,289
Liability experience (gain)/loss	**(483,461)**	(256,557)	147,479	(135,277)
Assumption change	**(55,773)**	14,297	10,864	12,933
Plan change	-	-	-	-
Benefit payments, including refunds of employee contributions	**(250,138)**	(222,982)	(203,588)	(204,627)
Net change in total pension liability	**(78,661)**	222,404	615,162	296,176
Total pension liability - beginning	**7,925,906**	7,703,502	7,088,340	6,792,164
Total pension liability - ending (a)	**$ 7,847,245**	$ 7,925,906	$ 7,703,502	$ 7,088,340
Plan fiduciary net position				
Contributions - employer	**$ 251,369**	$ 270,736	$ 329,058	$ 305,966
Net investment income	**893,470**	(988,125)	922,005	700,703
Benefit payments, including refunds of employee contributions	**(250,138)**	(222,982)	(203,588)	(204,627)
Administrative expenses	**(34,761)**	(31,359)	(31,348)	(29,497)
Other	**(26,855)**	(48,404)	(39,222)	(37,721)
Net change in fiduciary net position	**833,085**	(1,020,134)	976,905	734,824
Plan fiduciary net position - beginning	**5,960,400**	6,980,534	6,003,629	5,268,805
Plan fiduciary net position - ending (b)	**$ 6,793,485**	$ 5,960,400	$ 6,980,534	$ 6,003,629
County's net pension liability - ending (a) - (b)	**$ 1,053,760**	$ 1,965,506	$ 722,968	$ 1,084,711
Plan fiduciary net position as a percentage of total pension liability	**86.6%**	75.2%	90.6%	84.7%
Covered payroll	**$ 2,792,661**	$ 2,665,096	$ 2,909,685	$ 2,586,396
County's net pension liability as a percentage of covered payroll	**37.7%**	73.7%	24.8%	41.9%

Notes to the Schedule:

The assumptions used in the preparation of the above schedule are disclosed in Note 9 in the Notes to the Financial Statements.

2020	2019	2018	2017	2016	2015
$ 135,880	$ 136,329	$ 121,999	$ 116,119	$ 97,088	$ 77,914
416,831	392,319	380,359	356,779	329,392	314,530
(306,464)	8,081	(172,539)	(67,343)	24,657	-
359,398	283,267	12,530	173,040	197,126	-
323,504	-	-	-	-	-
(183,449)	(184,830)	(177,380)	(178,641)	(193,778)	(194,282)
745,700	635,166	164,969	399,954	454,485	198,162
6,046,464	5,411,298	5,246,329	4,846,375	4,391,890	4,193,728
$ 6,792,164	$ 6,046,464	$ 5,411,298	$ 5,246,329	$ 4,846,375	$ 4,391,890
$ 277,850	$ 283,315	$ 299,026	$ 302,648	$ 268,400	$ 243,193
890,868	(207,501)	599,417	241,913	22,242	232,793
(183,449)	(178,364)	(171,175)	(178,641)	(186,774)	(187,260)
(28,711)	(18,690)	(15,139)	(18,017)	(13,927)	(12,787)
(32,422)	(20,393)	(37,866)	(89,730)	(61,694)	(80,126)
924,136	(141,633)	674,263	258,173	28,247	195,813
4,344,669	4,486,302	3,812,039	3,553,866	3,525,619	3,329,806
$ 5,268,805	$ 4,344,669	$ 4,486,302	$ 3,812,039	$ 3,553,866	$ 3,525,619
$ 1,523,359	$ 1,701,795	$ 924,996	$ 1,434,290	$ 1,292,509	$ 866,271
77.6%	71.9%	82.9%	72.7%	73.3%	80.3%
$ 2,585,923	$ 2,792,086	$ 2,429,495	$ 2,282,840	$ 2,097,626	$ 1,961,312
58.9%	61.0%	38.1%	62.8%	61.6%	44.2%

CHARLTON COUNTY, GEORGIA

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

	2024	2023	2022	2021
Actuarially determined contribution	**$ 251,369**	$ 270,736	$ 329,058	$ 305,966
Contributions in relation to the actuarially determined contribution	**251,369**	270,736	329,058	305,966
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
Covered payroll	**$ 3,152,031**	$ 2,795,799	$ 2,665,096	$ 2,909,685
Contributions as a percentage of covered payroll	**8.0%**	9.7%	12.3%	10.5%

Notes to the Schedule:

Valuation Date	January 1, 2023
Cost Method	Entry age normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return On Investments	7.00%
Projected Salary Increases	4.50% per year with an age based scale
Cost of Living Adjustment	N/A
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

2020	2019	2018	2017	2016	2015
$ 293,100	$ 260,257	$ 262,395	$ 299,026	$ 302,648	$ 268,400
277,850	282,822	262,395	299,026	302,648	268,400
$ 15,250	$ (22,565)	$ -	$ -	$ -	$ -
$ 2,586,396	$ 2,585,923	$ 2,792,086	$ 2,429,495	$ 2,282,840	$ 2,097,626
10.7%	10.9%	9.4%	12.3%	13.3%	12.8%

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CHARLTON COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Recreation Department Fund is used to account for revenue and expenditures of organized sporting events conducted by the recreation department.

Opioid Settlement Fund is used to account for revenue and expenditures related to the National Opioids Settlement distributed to the County.

Grants Fund is used to account for the majority of the federal and local grant revenues and expenditures the County receives for various purposes.

CAPITAL PROJECT FUNDS

The **Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund** accounts for the revenues and expenditures of the Transportation Special Purpose Local Option Sales Tax.

CHARLTON COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	Special Revenue			Capital Project	
	Recreation Department Fund	Opioid Settlement Fund	Grants Fund	TSPLOST Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	$ 54,023	$ 82,652	$ 1,989,058	$ 1,601,385	$ 3,727,118
Due from other governments	-	-	-	52,508	52,508
Total assets	$ 54,023	$ 82,652	$ 1,989,058	$ 1,653,893	$ 3,779,626
LIABILITIES					
Accounts payable	$ -	$ -	$ 17,529	$ -	$ 17,529
Total liabilities	-	-	17,529	-	17,529
FUND BALANCES					
Restricted for:					
Capital projects	-	82,652	1,971,529	1,653,893	3,708,074
Assigned for:					
Culture and recreation	54,023	-	-	-	54,023
Total liabilities and fund balances	$ 54,023	$ 82,652	$ 1,989,058	$ 1,653,893	$ 3,779,626

CHARLTON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Special Revenue			Capital Project	
	Recreation Department Fund	Opioid Settlement Fund	Grants Fund	TSPLOST Fund	Total Nonmajor Governmental Funds
Revenues					
Taxes	$ -	$ -	$ -	$ 508,310	$ 508,310
Intergovernmental	-	45,678	903,948	-	949,626
Charges for services	87,140	-	-	-	87,140
Total revenues	87,140	45,678	903,948	508,310	1,545,076
Expenditures					
Current:					
General government	-	-	17,528	-	17,528
Culture and recreation	68,076	-	-	-	68,076
Capital outlay	-	-	898,902	341,866	1,240,768
Debt service:					
Principal	-	-	46,284	-	46,284
Interest	-	-	6,950	-	6,950
Total expenditures	68,076	-	969,664	341,866	1,379,606
Excess (deficiency) of revenues over (under) expenditures	19,064	45,678	(65,716)	166,444	165,470
Other financing uses					
Transfers out	-	-	(9,987)	-	(9,987)
Total other financing uses	-	-	(9,987)	-	(9,987)
Net change in fund balances	19,064	45,678	(75,703)	166,444	155,483
Fund balances, beginning of year	34,959	36,974	2,047,232	1,487,449	3,606,614
Fund balances, end of year	$ 54,023	$ 82,652	$ 1,971,529	$ 1,653,893	$ 3,762,097

CHARLTON COUNTY, GEORGIA

RECREATION DEPARTMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Charges for services	$ 27,000	$ 27,000	$ 87,140	$ 60,140
Total revenues	27,000	27,000	87,140	60,140
Expenditures				
Culture and recreation	27,000	27,000	68,076	(41,076)
Net change in fund balance	-	-	19,064	(19,064)
Fund balance, beginning of year	34,959	34,959	34,959	-
Fund balance, end of year	$ 34,959	$ 34,959	$ 54,023	$ (19,064)

CHARLTON COUNTY, GEORGIA

GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ 467,740	$ 467,740	$ 903,948	$ 436,208
Total revenues	467,740	467,740	903,948	436,208
Expenditures				
General government	-	-	17,528	(17,528)
Capital outlay	467,740	467,740	898,902	(431,162)
Debt service:				
Principal	-	-	46,284	(46,284)
Interest	-	-	6,950	(6,950)
Total expenditures	467,740	467,740	969,664	(501,924)
Deficiency of revenues under expenditures	-	-	(65,716)	(65,716)
Other financing uses				
Transfers out	-	-	(9,987)	(9,987)
Total other financing uses	-	-	(9,987)	(9,987)
Net change in fund balance	-	-	(75,703)	(75,703)
Fund balance, beginning of year	2,047,232	2,047,232	2,047,232	-
Fund balance, end of year	$ 2,047,232	$ 2,047,232	$ 1,971,529	$ (75,703)

CHARLTON COUNTY, GEORGIA

OPIOID SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ -	$ -	$ 45,678	$ 45,678
Total revenues	-	-	45,678	45,678
Net change in fund balance	-	-	45,678	45,678
Fund balance, beginning of year	36,974	36,974	36,974	-
Fund balance, end of year	$ 36,974	$ 36,974	$ 82,652	$ 45,678

CHARLTON COUNTY, GEORGIA

CUSTODIAL FUNDS

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

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

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

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

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

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

CHARLTON COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2024

ASSETS	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court
Cash and cash equivalents	$ 8,484	$ 40,528	$ 281,914	$ 4,790
Taxes receivable	2,657,722	-	-	-
Total assets	$ 2,666,206	$ 40,528	$ 281,914	$ 4,790
LIABILITIES				
Due to other governments	$ 2,657,722	$ -	$ -	$ -
Total liabilities	$ 2,657,722	$ -	$ -	$ -
NET POSITION				
Restricted:				
Individuals, organizations and other governments	$ 8,484	$ 40,528	$ 281,914	$ 4,790
Total net position	$ 8,484	$ 40,528	$ 281,914	$ 4,790

Magistrate Court	ICE Conduit	Total
$ 4,307	$ 3,508,467	$ 3,848,490
-	-	2,657,722
$ 4,307	$ 3,508,467	$ 6,506,212
$ -	$ -	$ 2,657,722
$ -	$ -	$ 2,657,722
$ 4,307	$ 3,508,467	$ 3,848,490
$ 4,307	$ 3,508,467	$ 3,848,490

CHARLTON COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court
ADDITIONS				
Taxes	$ 14,211,385	$ -	$ -	$ -
Fines and fees	-	41,405	625,704	54,595
Criminal and civil bonds	-	-	37,988	-
Total additions	14,211,385	41,405	663,692	54,595
DEDUCTIONS				
Taxes and fees paid to other governments	14,275,178	-	-	-
Other custodial disbursements	-	60,897	622,801	52,227
Total deductions	14,275,178	60,897	622,801	52,227
Change in fiduciary net position	(63,793)	(19,492)	40,891	2,368
Net position, beginning of year	72,277	60,020	241,023	2,422
Net position, end of year	$ 8,484	$ 40,528	$ 281,914	$ 4,790

Magistrate Court	ICE Conduit	Total
$ -	$ -	$ 14,211,385
76,489	42,586,852	43,385,045
-	-	37,988
76,489	42,586,852	57,634,418
-	-	14,275,178
72,182	39,078,485	39,886,592
72,182	39,078,485	54,161,770
4,307	3,508,367	3,472,648
-	100	375,842
$ 4,307	$ 3,508,467	$ 3,848,490

CHARLTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2020 ISSUE FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
EMS/E-911 Vehicles and Equipment	$ 1,050,000	$ 1,131,172	$ 491,798	$ 5,230	$ 497,028
Sheriff's Equipment and Vehicles	600,000	646,384	196,486	92,643	289,129
Administration/Improvement	400,000	430,923	125,200	27,268	152,468
Fire Department Station Rennovation	200,000	215,461	123,924	62,500	186,424
Roads and Equipment	2,350,000	2,531,672	3,047,584	83,187	3,130,771
Fire Department Vehicles and Equipment	400,000	430,923	32,638	244,476	277,114
Parks and Recreation	300,000	323,192	458,990	32,488	491,478
City of Folkston	1,200,000	1,292,769	914,359	252,377	1,166,736
City of Homeland	300,000	323,192	228,590	63,094	291,684
Total	$ 6,800,000	$ 7,325,688	$ 5,619,569	$ 863,263	$ 6,482,832

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Charlton County, Georgia
Folkston, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Charlton County, Georgia (the "County") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 10, 2025. Our report includes a reference to other auditors who audited the financial statements of the Charlton County Health Department (the "Health Department") as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Charlton County, Georgia's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit as described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Savannah, Georgia
December 10, 2025

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER THE MAJOR PROGRAM AND ON INTERNALCONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
of Charlton County, Georgia
Folkston, Georgia

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Charlton County, Georgia's (the "County") 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 the County's major federal program for the year ended December 31, 2024. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County 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 the major federal program. Our audit does not provide a legal determination of the County'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 the County's federal programs.

Auditor's 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 the County'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 GAAS, *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 the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the County'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 the County'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 the County'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 Auditor's 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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 10, 2025

CHARLTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF TREASURY:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-2037	$ 688,757
Local Assistance and Tribal Consistency Fund	21.032	LATCF-0797	295,178
Total U.S. Department of Treasury			983,935
Total Federal Financial Assistance			$ 983,935

See accompanying notes to schedule of expenditures of federal awards.

CHARLTON COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Charlton County, Georgia (the "County"), and is presented on the modified accrual basis of accounting.

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

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimis cost rate for the year ended December 31, 2024.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended December 31, 2024.

NOTE 4. SUBRECIPIENTS

The County did not pass through any funds to subrecipients during the year ended December 31, 2024.

CHARLTON COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.	Unmodified
Internal control over financial reporting: Material weaknesses identified?	__X__ Yes _____ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Noncompliance material to financial statements noted?	____ Yes __X__ No

Federal Awards

Internal control over major programs: Material weaknesses identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Type of report the auditor issued on compliance for major programs.	Unmodified
Any audit findings disclosed that are required to be Reported in accordance with 2 CFR 200.516(a)?	____ Yes __X__ No

Identification of major program:

AL Number	Name of Federal Program or Cluster
	U.S. Department of Treasury
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

CHARLTON COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

SECTION II
FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

2024-001 Financial Reporting and Year-end Closeout

Criteria: Internal controls are processes designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: The County required several significant year-end audit adjustments to properly report accounts receivable, capital assets, accounts payable, accrued liabilities, and expenditures/expenses.

Context: We addressed this matter with County officials, who determined the propriety of all respective details and reconciliations in order to produce trial balances and supporting documentation as of and for the fiscal year ended December 31, 2024.

Effect: For the General Fund, adjustments were necessary to correct beginning fund balance in the amount of $461,429, accounts receivable in the amount of $2,682,822, unavailable revenue in the amount of $1,910,017, accounts payable in the amount of $81,976, and accrued payroll in the amount of $229,400. Adjustments were required in the Grants Fund to correct cash in the amount of $36,974, accounts payable in the amount of $8,639, and beginning fund balance in the amount of $45,613. Adjustments were required in the TSPLOST Fund to correct beginning fund balance in the amount of $86,547 and accounts receivable in the amount of $86,547. Additionally, adjustments were required in the SPLOST Fund to correct beginning fund balance in the amount of $115,243, accounts receivable in the amount of $244,139 and accounts payable in the amount of $128,896.

Additionally, there were trial balances either not included (or not accurate) in the financial reporting system for a number of the funds. A great effort was required to sort through, accumulate and record the effect of the year's transactions to arrive at a balanced trial balance that did not include duplicate information. This was mostly prevalent in the Grants Fund.

The ultimate effect of the above condition includes a delayed conclusion to the 2024 fiscal year financial reporting process as well as the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

Cause: There was a lack of appropriate controls implemented at the County during the fiscal year to ensure that the year-end balances were properly recorded and reconciled.

CHARLTON COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

SECTION II
FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS (CONTINUED)

2024-001 Financial Reporting and Year-end Closeout (Continued)

Recommendation: We recommend the County utilize their third-party accounting firm for assistance with adjusting account balances and performing the year-end closeout procedures in order to ensure all account balances are properly recorded at year-end.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will implement the necessary controls and procedures to ensure that balances are properly recorded and year-end closeout procedures are performed prior to the start of the annual audit process.

2024-002 Proper Collateralization of Cash Accounts

Criteria: During our testing of the County's cash accounts, we noted that the County is not requesting all collateral statements from their bank to ensure that a sufficient amount of securities are pledged as collateral for their deposits in excess of Federal Depository Insurance Corporation ("FDIC") coverage.

Condition/Context: The State of Georgia requires collateral to be pledged at 110% for all public deposits in excess of the FDIC's insured limits.

Effect: For the Clerk of Court's cash accounts, there was uninsured cash in the amount of $35,105.

Cause: There was a lack of appropriate controls implemented at the County during the fiscal year to ensure that cash accounts that increase over the FDIC coverage amount are collateralized when required.

Recommendation: We recommend the County implement internal controls to ensure proper collateral is pledged by all banking institutions where deposits exceed the FDIC's coverage and that those reports are reconciled on a monthly basis.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will implement the necessary controls and procedures to ensure that proper collateral is pledged for all accounts.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

CHARLTON COUNTY, GEORGIA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

STATUS OF PRIOR YEAR AUDIT FINDINGS

2023-001 Financial Reporting and Year-end Closeout

Criteria: Internal controls are processes designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: The County required several significant year-end audit adjustments to properly report accounts receivable, capital assets, accounts payable, accrued liabilities, and expenditures/expenses.

Status: Unresolved, see finding 2024-001.

Charlton County, Georgia

Board of Commissioners

Alphya Benefield, Chairwoman
Luke Gowen, Vice Chairman
James E. Everett, Commissioner
Jesse Crews, Commissioner
Drew Jones, Commissioner

68 Kingsland Drive, Suite B
Folkston, GA 31537-2872
(912) 496-2549 (office)
(912) 496-1156 (fax)

Rebecca Harden, Administrator
Madeline Nettles, County Clerk
John B. Adams, County Attorney

December 10, 2025

Dear Sir or Madam:

Please find below the Charlton County, GA corrective action plan for the audit findings reported in the December 31, 2024 annual financial report.

2024-001 Financial Reporting and Year-end Closeout

Criteria: Internal controls are processes designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: The County required several significant year-end audit adjustments to properly report accounts receivable, capital assets, accounts payable, accrued liabilities, and expenditures/expenses.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will implement the necessary controls and procedures to ensure that balances are properly recorded and year-end closeout procedures are performed prior to the start of the annual audit process.

2024-002 Proper Collateralization of Cash Accounts

Criteria: During our testing of the County's cash accounts, we noted that the County is not requesting all collateral statements from their bank to ensure that a sufficient amount of securities are pledged as collateral for their deposits in excess of Federal Depository Insurance Corporation (FDIC) coverage.

Condition: The State of Georgia requires collateral to be pledged at 110% for all public deposits in excess of the FDIC's insured limits.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will implement the necessary controls and procedures to ensure that proper collateral is pledged for all accounts.

Compliance with State Law – Expenditures exceeded appropriations at the legal level of control

We concur with the above compliance issue. We will ensure the budgets are properly amended to ensure expenditures do not exceed appropriations in future years.

Please let me know if additional information is needed.

Thank you,

Rebecca Harden
Interim County Administrator