Grady County, Georgia

Financial Statements

For the Year Ended
December 31, 2025

Grady County, Georgia
For the Year Ended December 31, 2025
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GRADY COUNTY, GEORGIA

List of Elected and Appointed Officials

December 31, 2025

Elected

Ray Prince, Chairman

LaFaye Copeland, Vice-Chair

Phillip Drew, County Commissioner

Yancey Maxwell, County Commissioner

Sam Kines, County Commissioner

Staff

Celeste Tyler, County Administrator

Holly Murkerson, Finance Manager

John White, County Clerk

Perry L. Henry, LLC

Certified Public Accountant and Consultant

Perry L. Henry, CPA, CGFM, CFS

Members
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants

726 East Shotwell Street, P.O. Box 1422 Bainbridge, GA 39818 * Phone 229-246-0550 * Fax 229-246-7908

INDEPENDENT AUDITORS' REPORT

Honorable Chairperson and
Members of the Board of Commissioners of
Grady County, Georgia

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Grady County, Georgia as of and for the year ended December 31, 2025, 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, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Grady County Health Department, which represent 4%, 1%, and 95%, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Grady County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 *(Government Auditing Standards).* 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 (on pages i-viii), the budgetary comparisons for the General Fund and the ARPA Fund (pages 53-57), and the pension schedules (on pages 58-60) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the CDBG schedules, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedules of expenditures of transportation special purpose local option sales tax proceeds 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the CDBG schedules, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedules of expenditures of transportation 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 Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2026, 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 the County's internal control over financial reporting and compliance.

Perry L. Henry, LLC

Perry L. Henry, LLC
Bainbridge, Georgia
June 11, 2026

Grady County, Georgia
Management's Discussion and Analysis
For the Year Ended December 31, 2025

As management of Grady County, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2025. We encourage readers to read the information presented here in conjunction with the County's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The County has $109.09 million in total assets of which $85.92 million are capital assets.
- The County has $22.56 million in total liabilities of which $21.16 million are long term.
- The assets of the County exceeded its liabilities as of December 31, 2025 by $86.22 million.
- The County's total net position increased by $0.51 million.
- As of December 31, 2025, the County's governmental funds reported combined ending fund balances of $18.82 million, a decrease of $3.58 million in comparison to the prior year. Approximately 73% of the combined fund balances, $13.71 million is considered unassigned and is available for spending at the County's discretion.
- As of December 31, 2025 the unassigned fund balance of the general fund was $13.70 million, which was a decrease of $3.57 million in comparison to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and *other supplementary information* that presents combining statements for non-major governmental funds. The County's basic financial statements consist of the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the County's overall financial condition. Changes in the County's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information on how the County's net position changed during the year is presented in the Statement of Activities.

Fund Financial Statements

Fund financial statements focus on individual parts of the County, reporting the County's operations in more detail than the government-wide financial statements. Fund financial statements include the statements for governmental, proprietary, and fiduciary funds. Financial statements for the County's component units are also presented.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Table 1 below summarizes the major features of the basic financial statements.

Table 1
Major Features of the Basic Financial Statements

		Fund Financial Statements	
	Government-wide Statements	**Governmental Funds**	**Fiduciary Funds**
Scope	Entire County government (except fiduciary funds) and the County's component units	Activities of the County that are not proprietary or fiduciary	Instances where the County is the trustee or agent for someone else's resources
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Fiduciary Assets and Liabilities
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Position

Table 2 below presents the County's condensed statement of net assets as of December 31, 2025 and 2024.

Table 2
Condensed Statement of Net Position

	Total Primary Government	
	2024	2025
Assets		
Current and other assets	$ 29,509,994	$ 23,175,346
Capital assets	80,866,063	85,919,415
Total assets	110,376,057	109,094,761
Deferred outflows of resources	765,186	450,428
Liabilties		
Other liabilities	1,729,875	1,122,143
Long-term liabilites	22,744,064	21,436,084
Total liabilites	24,473,939	22,558,227
Deferred inflows of resources	830,015	761,987
Net Position		
Invested in capital assets, net of related debt	59,029,913	65,191,349
Restricted	4,851,729	4,921,356
Unrestricted	21,835,281	16,112,270
Total net position	$ 85,716,923	$ 86,224,975

The largest component of the County's net position is its investment in capital assets (i.e. land, buildings, equipment, infrastructure and other), less any related debt outstanding that was needed to acquire or construct the assets. The County uses these capital assets to provide services to the citizens and businesses in the County; consequently, these assets are not available for future spending. Restricted assets represent resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net position is unrestricted, which can be used to finance government operations.

Condensed Statement of Activities

Table 3 below presents the County's condensed statement of activities for the years ended December 31, 2025 and 2024. Over time, increases or decreases in net position measure whether the County's financial position is improving or deteriorating.

Table 3
Condensed Statement of Activities

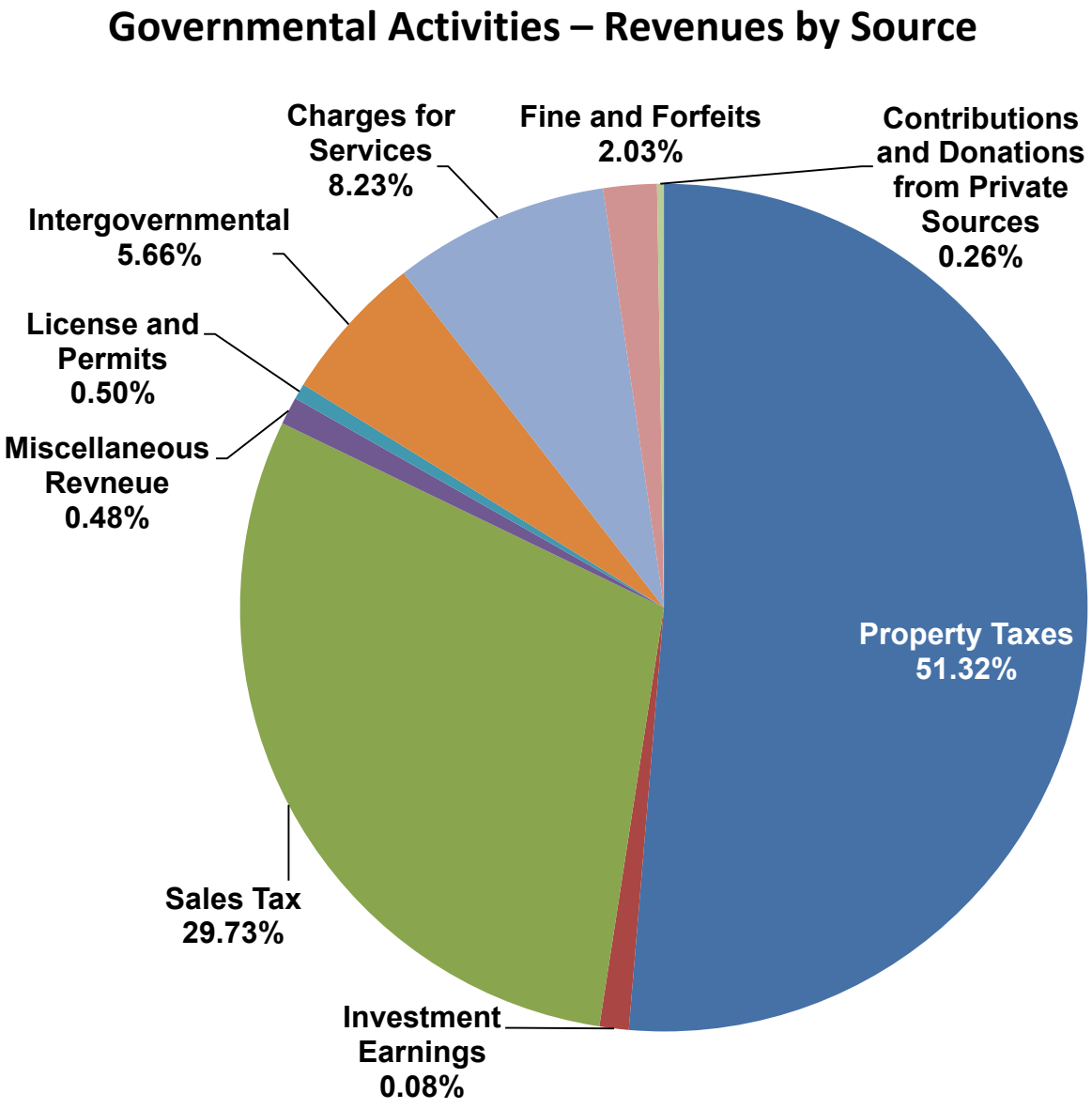
	Total Primary Government	
	2024	2025
Revenues		
Program Revenues:		
Charges for Services	$ 2,893,024	$ 3,074,818
Operating Grants and Contributions	759,738	412,726
Capital Grants and Contributions	2,863,588	1,339,631
General Revenues:		
Property Taxes	15,581,554	10,281,260
Local Option Sales Taxes	7,927,816	8,248,979
Other Taxes and Licenses	1,690,652	1,839,150
Investment Income	423,861	221,701
Gain (loss) on Sale of Capital Assets	44,491	116,436
Other Revenues	208,664	208,594
Total Revenues	32,393,388	25,743,295
Expenses		
General Government	6,566,443	7,791,557
Public Safety	7,554,946	8,179,270
Court System	1,461,203	1,513,735
Public Works	5,567,653	5,663,706
Public Health and Welfare	160,528	163,767
Culture and Recreation	828,090	829,898
Housing and Development	525,206	524,851
Interest on Long-Term Debt	630,623	568,459
Total Expenses	23,294,692	25,235,243
Change in Net Position	$ 9,098,696	$ 508,052

During the year ended December 31, 2025, the net position of the County increased $.51 million. Total revenues for 2025 decreased $6.65 million. Expenses increased by $1.94 million. The County continued building and repairing roads in 2025 thanks in large part to the competitive state and federal grants awarded to Grady County. Depreciation and amortization expense of $2.81 million was allocated to the various functions of governmental activities.

Program Expenses and Revenues for Governmental Activities

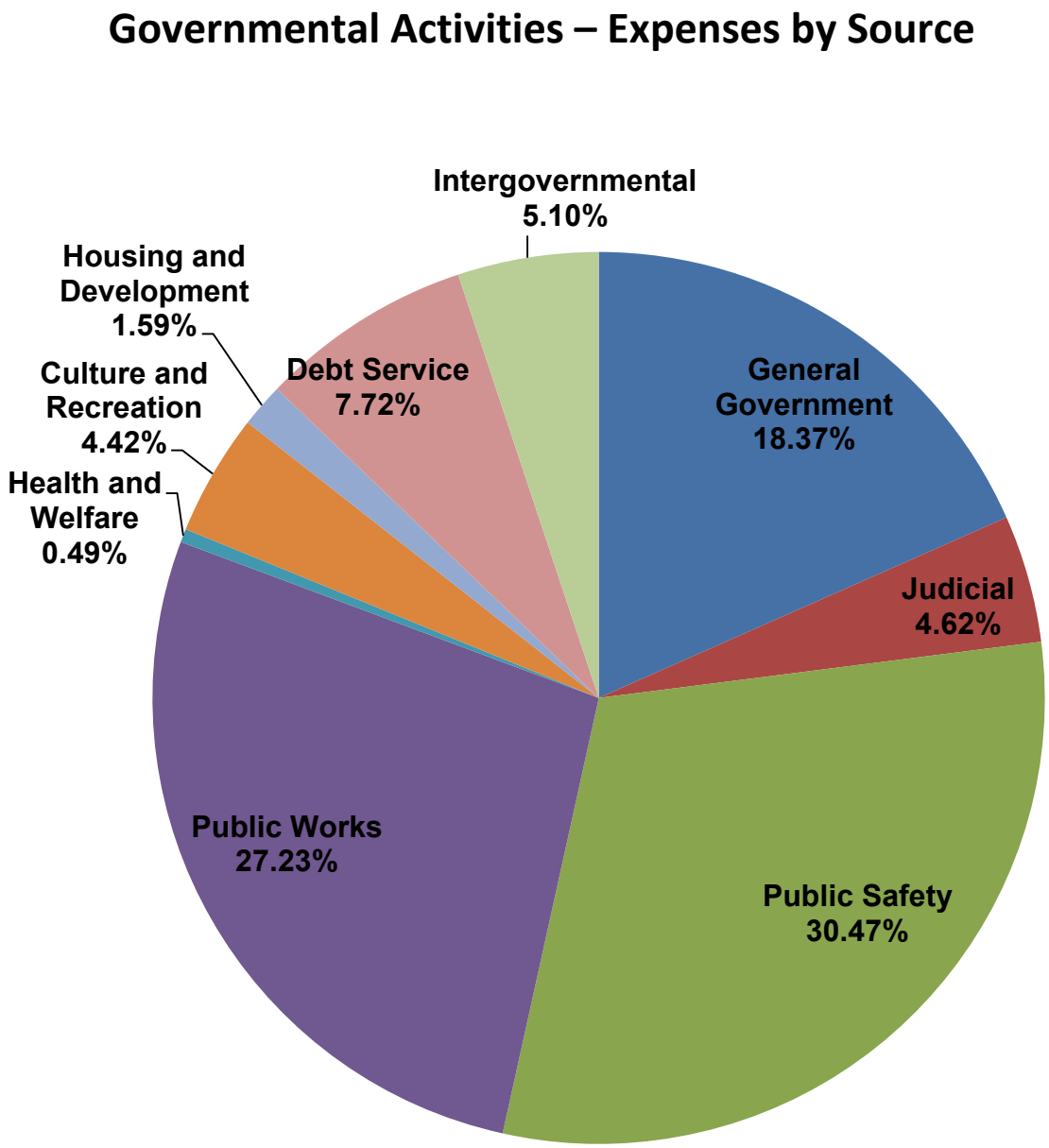
Governmental Activities - Revenues by Source

The following chart shows the governmental activities revenues by major source. Approximately 8.23% of the County's revenues were derived from charges for services, 5.66% from Intergovernmental, and approximately 29.73% came from sales taxes. The largest portion of the County's revenue, 51.32%, came from property taxes.



Governmental Activities – Expenses by Source

The following chart shows the governmental activities expenses by source. The County spent the greatest amount of its available funding on Public Safety at 30.47%. The next largest expenditures were for Public Works at 27.23% and General Governments at 18.37%.



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

As of December 31, 2025, the County's governmental funds reported a combined ending fund balance of $18.82 million. Of that amount $13.70 million was unassigned, $.20 million was nonspendable, and $4.92 million was restricted.

The general fund is the operating fund of the County. As of December 31, 2025, total fund balance of the general fund was $13.90 million. The net change in the general fund's total fund balance for the year ended December 31, 2025 was a decrease of $3.52 million or (20%).

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Amendments to the original budget for 2025 related to the transfer of budgeted amounts between departments and did not result in additional appropriations.

The actual revenues of the general fund were more than the final budgeted amounts by $.80 million for the year ended December 31, 2025. Total general fund revenues for 2025 increased by $2.45 million compared to 2024.

The actual expenditures of the general fund were less than the final budgeted amounts by $3.12 million for the year ended December 31, 2025. Expenses increased by $4.33 million compared to 2024.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2025, the County had capital assets, net of accumulated depreciation and amortization of $85.92 million invested in land, site improvements, construction in progress, buildings and building improvements, equipment, and infrastructure assets. This includes the value of the recreational fishing lake built at Tired Creek and the Energy Enhancement Program. Also, the County's financial health should take into account the state of the County's various facilities.

Since 2013 the county has remodeled, upgraded or updated 14 different facilities/office spaces:

Agricultural Building-USDA and FSA office space	Probate Judge flooring
Barber Park	Recreation Department office space
EMS Building	Registrars Building-repurposed duplex
Family Learning Center	Shop/Road Departments office space
Historical Society roof	Superior Court office space
Livestock Pavilion exterior paint	Tax Commissioner/Tax Assessor Building
Sheriff's Office flooring	Volunteer Fire Department Training Facility-repurposed old jail

Refer to Note 6 of the Notes to Financial Statements for additional information on capital assets.

Long-term Debt

At December 31, 2025, The County reported long term debt of $20.73 million. Outstanding principal balance on 2015 Series revenue bonds is $8,795,000. Outstanding principal balance on the 2020 Series revenue bonds is $4,890,000. Outstanding principal on notes is $5,559,835. Outstanding balances on leases is $90,860. Refer to Note 7 of the Notes to Financial Statements for additional information on long-term debt.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT TEAM

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions about this report or requests for additional information may be addressed to:

Grady County Board of Commissioners
33 17th Ave NW
Cairo, Georgia 39827
Telephone: (229) 377-1512

Grady County, Georgia
Statement of Net Position
December 31, 2025

	Governmental Activities	Total	Component Units
ASSETS			
Cash & cash equivalents	$ 6,544,294	$ 6,544,294	$ 1,112,116
Receivables (net, where applicable, of allowances for uncollectible):			
Taxes	12,049,648	12,049,648	-
Accounts	197,162	197,162	-
Due from other governments	-	-	54,134
Prepaid expenses	199,123	199,123	-
Net OPEB assets	-	-	165,644
Restricted assets:			
Cash & cash equivalents	4,185,119	4,185,119	-
Capital assets:			
Land	5,556,128	5,556,128	438,056
Construction in progress	6,129,890	6,129,890	-
Right to use leased assets (net)	89,046	89,046	-
Other capital assets (net)	74,144,351	74,144,351	22,089,803
Total Assets	109,094,761	109,094,761	23,859,753
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow of resources-pension	450,428	450,428	288,576
Total Deferred Outflows of Resources	450,428	450,428	288,576
LIABILITIES			
Accounts payable	689,560	689,560	-
Accrued liabilities	432,583	432,583	-
Due to other governments	-	-	38,714
Long-term liabilities:			
Portion due & payable within one year:			
Bonds	900,000	900,000	-
Notes payable	888,971	888,971	-
Lease payable	34,482	34,482	-
Portion due & payable after one year:			
Bonds	14,177,371	14,177,371	-
Notes payable	4,670,864	4,670,864	-
Lease payable	56,378	56,378	-
Net pension liability	431,006	431,006	897,311
Compensated absences payable	277,012	277,012	45,800
Total Liabilities	22,558,227	22,558,227	981,825
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow of resources-pension	761,987	761,987	185,655
Total Deferred Inflows of Resources	761,987	761,987	185,655
NET POSITION			
Net investment in capital assets	65,191,349	65,191,349	22,527,859
Restricted for:			
Capital projects	4,498,445	4,498,445	-
Legal reference materials	36,155	36,155	-
Public safety	275,497	275,497	-
Recreation	111,259	111,259	-
Public services	-	-	583,765
Unrestricted	16,112,270	16,112,270	(130,775)
Total Net Position	$ 86,224,975	$ 86,224,975	$ 22,980,849

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

Grady County, Georgia
Statement of Activities
For the Year Ended December 31, 2025

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: Primary Government: Governmental Activities	Primary Government: Total	Component Units
Governmental:							
General Government	$ 7,791,557	$ 482,276	$ 80,263	$ 1,339,631	$ (5,889,387)	$ (5,889,387)	
Judicial	1,513,735	981,844	-	-	(531,891)	(531,891)	
Public Safety	8,179,270	1,579,442	322,358	-	(6,277,470)	(6,277,470)	
Public Works	5,663,706	-	-	-	(5,663,706)	(5,663,706)	
Health and Welfare	163,767	5,156	-	-	(158,611)	(158,611)	
Culture and Recreation	829,898	26,100	10,105	-	(793,693)	(793,693)	
Housing and Development	524,851	-	-	-	(524,851)	(524,851)	
Interest on Long-Term Debt	568,459	-	-	-	(568,459)	(568,459)	
Total governmental activities	$ 25,235,243	$ 3,074,818	$ 412,726	$ 1,339,631	(20,408,068)	(20,408,068)	
Component units:							
Hospital Authority	$ 476,796	$ 69,396	$ -	$ -			$ (407,400)
Health Department	1,235,755	466,923	896,499	-			127,667
Total Component Units	$ 1,712,551	$ 536,319	$ 896,499	$ -			(279,733)

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

Grady County, Georgia
Statement of Activities
For the Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Total	Component Units
Changes in Net position:							
Net (Expenses) Revenue (page 2)					(20,408,068)	(20,408,068)	(279,733)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					10,281,260	10,281,260	-
Sales Taxes					8,248,979	8,248,979	-
Alcoholic Beverages Taxes					70,766	70,766	-
Business Taxes					42,202	42,202	-
Penalties & Interest on Delinquent Taxes					106,618	106,618	-
Insurance Premium Tax					1,532,318	1,532,318	-
Franchise Taxes					87,246	87,246	-
Investment Earnings					221,701	221,701	6,002
Miscellaneous					208,594	208,594	-
Special Item - Sale of Capital Assets					116,436	116,436	-
Total General Revenues, Special Items, & Transfers					20,916,120	20,916,120	6,002
Change in Net Position					508,052	508,052	(273,731)
Net Position - Beginning					85,716,923	85,716,923	23,254,580
Net Position - Ending					$ 86,224,975	$ 86,224,975	$ 22,980,849

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

Grady County, Georgia
Balance Sheet
Governmental Funds
December 31, 2025

	General Fund	SPLOST 2019	TSPLOST 2020	E-911 SRF	LMIG	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash on hand and in banks	$ 6,544,517	$ -	$ -	$ 751	$ 1,384	$ -	$ 6,546,652
Receivables (net, where applicable, of allowances for uncollectible):							
Taxes, including interest & penalties	10,947,482	666,252	365,723	-	-	-	11,979,457
Accounts	197,162	-	-	70,191	-	-	267,353
Due from other funds	300	-	-	-	-	-	300
Prepaid expenses	199,123	-	-	-	-	-	199,123
Restricted assets:							
Cash in bank	-	1,373,718	2,386,510	-	-	417,372	4,177,600
Total Assets	$ 17,888,584	$ 2,039,970	$ 2,752,233	$ 70,942	$ 1,384	$ 417,372	$ 23,170,485
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
Liabilities							
Accounts payable	$ 234,127	$ 136,321	$ 54,423	$ 62,197	$ -	$ 3,006	$ 490,074
Accrued liabilities	328,185	104,398	-	-	-	-	432,583
Due to other funds	-	-	100	-	-	200	300
Other payable	4,275	-	-	-	-	-	4,275
Total Liabilities	566,587	240,719	54,523	62,197	-	3,206	927,232
Deferred Inflows of Resources							
Unavailable revenues-property taxes	3,420,541	-	-	-	-	-	3,420,541
Total Deferred Inflows of Resources	3,420,541	-	-	-	-	-	3,420,541
Fund Balances							
Nonspendable prepaid items	199,123	-	-	-	-	-	199,123
Restricted for:							
Capital projects	-	1,799,251	2,697,710	-	1,384	100	4,498,445
Legal reference materials	-	-	-	-	-	36,155	36,155
Public safety	-	-	-	8,745	-	266,752	275,497
Recreation	-	-	-	-	-	111,259	111,259
Unassigned	13,702,333	-	-	-	-	(100)	13,702,233
Total Fund Balances	13,901,456	1,799,251	2,697,710	8,745	1,384	414,166	18,822,712
Total Liabilities, Deferred Inflows, and Fund Balances	$ 17,888,584	$ 2,039,970	$ 2,752,233	$ 70,942	$ 1,384	$ 417,372	$ 23,170,485

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

Grady County, Georgia
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2025

Total *fund* balances for governmental funds		$ 18,822,712
Total *net position* reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	5,556,128	
Infrastructure	116,627,595	
Buildings	54,470,756	
Machinery	14,656,272	
Construction in progress	6,129,890	
RTU leased assets	245,965	
Total capital assets	197,686,606	
Accumulated depreciation	(111,610,272)	
Accumulated amortization	(156,919)	
Total assets - net	85,919,415	85,919,415
Certain property tax revenues are not available to pay for current-period expenditures and therefore are deferred in the funds.		3,420,541
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore are not reported in the funds.		(431,006)
Deferred inflows and outflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds.		
Deferred outflows		450,428
Deferred inflows		(761,987)
An internal service fund is used by management to charge the costs of the County's medical benefit plan to individual funds. The assets and liabilities of the internal service fund are included governmental activities in the statement of net position.		(190,050)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Bonds payable (net of unamortized premiums)		(15,077,371)
Lease payable		(90,860)
Notes payable		(5,559,835)
Compensated absences		(277,012)
Total net position of governmental activities		$ 86,224,975

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

Grady County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2025

	General Fund	SPLOST 2019	TSPLOST 2020	E-911 SRF	LMIG	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	$ 16,531,498	$ 3,848,999	$ 2,107,011	$ -	$ -	$ -	$ 22,487,508
Licenses & Permits	165,578	-	-	-	-	-	165,578
Intergovernmental	1,333,087	-	-	-	-	237,910	1,570,997
Charges for Services	1,842,888	-	-	420,311	-	19,748	2,282,947
Fines & Forfeitures	520,642	-	-	-	-	42,857	563,499
Investment Income	192,842	38,874	47,904	2,754	14,724	11,410	308,508
Contributions	-	-	-	-	-	72,489	72,489
Miscellaneous	254,749	-	-	-	-	38,601	293,350
Total Revenues	20,841,284	3,887,873	2,154,915	423,065	14,724	423,015	27,744,876
EXPENDITURES							
Current Operating:							
General Government	4,237,082	-	-	1,246,514	-	76,850	5,560,446
Judicial	1,482,160	-	-	-	-	-	1,482,160
Public Safety	7,413,346	-	-	-	-	318,735	7,732,081
Public Works	3,917,437	-	-	-	-	-	3,917,437
Health & Welfare	158,665	-	-	-	-	-	158,665
Cultural & Recreation	723,538	-	-	-	-	-	723,538
Housing & Development	517,504	-	-	-	-	-	517,504
Capital Outlay:							
General Government	341,724	-	-	-	-	85,856	427,580
Judicial	24,704	-	-	-	-	-	24,704
Public Safety	1,778,143	397,307	-	-	-	25,896	2,201,346
Public Works	3,198,131	154,162	768,276	-	838,751	-	4,959,320
Health & Welfare	235	-	-	-	-	-	235
Cultural & Recreation	31,222	611,862	-	-	-	74,970	718,054
Housing & Development	792	-	-	-	-	-	792
Debt Service:							
Principal	871,670	870,000	-	-	-	-	1,741,670
Interest	155,352	619,291	-	-	-	-	774,643
Intergovernmental	-	1,663,345	-	-	-	-	1,663,345
Total Expenditures	24,851,705	4,315,967	768,276	1,246,514	838,751	582,307	32,603,520
Excess (Deficiency) of Revenues Over Expenditures	(4,010,421)	(428,094)	1,386,639	(823,449)	(824,027)	(159,292)	(4,858,644)
OTHER FINANCING SOURCES (USES)							
Proceeds from Debt Agreements	819,339	-	-	-	-	-	819,339
Transfers In	300	-	-	696,479	-	85,856	782,635
Transfers Out	(782,335)	-	-	-	-	(300)	(782,635)
Lease Liabilities Issued	20,429	-	-	-	-	-	20,429
Sale of Capital Assets	435,833	-	-	-	-	-	435,833
Total Other Financing Sources (Uses)	493,566	-	-	696,479	-	85,556	1,275,601
Net Change in Fund Balances	(3,516,855)	(428,094)	1,386,639	(126,970)	(824,027)	(73,736)	(3,583,043)
Fund Balances - Beginning	17,418,311	2,227,345	1,311,071	135,715	825,411	487,902	22,405,755
Fund Balances - Ending	$ 13,901,456	$ 1,799,251	$ 2,697,710	$ 8,745	$ 1,384	$ 414,166	$ 18,822,712

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

Grady County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Net Activities
For the Year Ended December 31, 2025

Net change in fund balances - total governmental funds	$ (3,583,043)
The change in net position reported for governmental activities in the Statement of Activities is different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.	
Capital asset purchase capitalized	7,863,971
Depreciation & amortization expense	(2,810,619)
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 has any effect on net assets. 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.	
Debt payments made	1,741,670
Amortization of bond premiums	206,184
Loan proceeds	(819,339)
Lease proceeds	(20,429)
Tax revenues reported in the statement of activities do not provide current financial resources and, therefore, are not reported as revenues in governmental funds.	
Unavailable revenues - property taxes	(2,118,121)
An internal service fund is used by management to charge the costs of the County's medical benefit plan to individual funds. The net revenues (expenses) the internal service fund is reported with governmental activities in the statement of net position.	(25,757)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditure in governmental funds.	
Change in pension liability	101,342
Compensated absences	(27,807)
Change in net position of governmental activities	$ 508,052

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

Grady County, Georgia
Statement of Net Position
Internal Service Fund
December 31, 2025

ASSETS	
Cash & Cash Equivalents	$ 5,157
Total Assets	5,157
LIABILITIES	
Accrued Expenses	195,207
Total Liabilities	195,207
NET POSITION	
Restricted for:	
Employee Health Program	(190,050)
Total Net Position	$ (190,050)

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

Grady County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Net Position
Internal Service Fund
For the Year Ended December 31, 2025

	Internal Service Fund
OPERATING REVENUES	
Employee contributions	$ 235,364
Employer contributions	2,114,800
Reinsurance payments	944,338
Total operating revenues	3,294,502
OPERATING EXPENDITURES	
Claims expenses	3,326,316
Total operating expenditures	3,326,316
Net (Expense) Revenue and Changes in Net Position	(31,814)
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	6,057
Total non-operating revenues (expenses)	6,057
Change in net position	(25,757)
Net position - beginning	(164,293)
Net position - ending	$ (190,050)

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

Grady County, Georgia
Statement of Cash Flows
Internal Service Fund
For the Year Ended December 31, 2025

	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers and users	$ 3,294,502
Claims and premiums paid	(3,458,713)
Net cash provided (used) by operating activities	(164,211)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	6,057
Net cash provided (used) by investing activities	6,057
Net increase in cash and cash equivalents	(158,154)
Cash and cash equivalents, beginning of year	163,311
Cash and cash equivalents, end of year	$ 5,157
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	$ (31,814)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Increase (decrease) in:	
Accrued expenses	(132,397)
Net cash provided by operating activities	$ (164,211)

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

Grady County, Georgia
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2025

Assets		
Cash & Cash Equivalents	$	3,213,931
Tax Receivable		19,369,544
Total Assets	$	22,583,475
Liabilities		
Uncollected Taxes	$	19,369,544
Due to Others		2,150,414
Total Liabilities		21,519,958
Net Position		
Net Position - Held For Others		1,063,517
Total Net Position	$	1,063,517

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

Grady County, Georgia
Statement of Changes in Fiduciary Net Position
Custodial Funds
December 31, 2025

Additions	
Taxes	$ 31,618,751
Fees	1,986,461
Total Additions	33,605,212
Deductions	
Payment of Taxes to Other Agencies	31,150,850
Payment of Fees to Other Agencies	2,091,655
Total Deductions	33,242,505
Change in Net Position	362,707
Net Position - Beginning	700,810
Net Position - Ending	$ 1,063,517

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

Grady County, Georgia
Statement of Net Position
Component Units
December 31, 2025

	Hospital Authority	Health Department	Totals
Assets			
Current assets:			
Cash	$ 354,209	$ 757,907	$ 1,112,116
Due from other governments	-	54,134	54,134
Capital assets:			
Land	438,056	-	438,056
Other capital assets, net of depreciation	22,067,627	22,176	22,089,803
Non-current assets:			
Net OPEB asset	-	165,644	165,644
Total assets	22,859,892	999,861	23,859,753
Deferred Outflows of Resources			
Pension related	-	210,882	210,882
OPEB related	-	77,694	77,694
Total deferred outflows of resources	-	288,576	288,576
Total assets and deferred outflows	$ 22,859,892	$ 1,288,437	$ 24,148,329
Liabilities			
Due to other governments	$ -	$ 38,714	$ 38,714
Long-term liabilities:			
Net pension liability	-	897,311	897,311
Compensated absences	-	45,800	45,800
Total liabilities	-	981,825	981,825
Deferred Inflows of Resources			
Pension related	-	120,652	120,652
OPEB related	-	65,003	65,003
Total deferred inflows of resources	-	185,655	185,655
Net Position			
Net investment in capital assets	22,505,683	22,176	22,527,859
Restricted for:			
Public services	354,209	229,556	583,765
Unrestricted	-	(130,775)	(130,775)
Total net position	22,859,892	120,957	22,980,849
Total liabilities, deferred inflows, and net position	$ 22,859,892	$ 1,288,437	$ 24,148,329

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

Grady County, Georgia
Statement of Activities
Component Units
For the Year Ended December 31, 2025

Activities:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Hospital Authority	Net (Expenses) Revenues and Changes in Net Position: Health Department	Net (Expenses) Revenues and Changes in Net Position: Total
Component units:						
Hospital Authority	$ 476,796	$ 69,396	$ -	$ (407,400)	$ -	$ (407,400)
Health Department	1,235,755	466,923	896,499	-	127,667	127,667
Total component units	$ 1,712,551	$ 536,319	$ 896,499	(407,400)	127,667	(279,733)
	General Revenues:					
	Investment			6,002	-	6,002
	Total General Revenues			6,002	-	6,002
	Change in Net Position			(401,398)	127,667	(273,731)
	Net Position - Beginning			23,261,290	(6,710)	23,254,580
	Net Position - Ending			$ 22,859,892	$ 120,957	$ 22,980,849

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Grady County, Georgia have been prepared in conformity with generally accepted accounting principles as applied to government units. 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 government's accounting policies are described below.

Reporting Entity

Grady County was created in 1905, under the provisions of an act by the General Assembly of Georgia. The County's governing authority is a five-member Board of Commissioners elected by district. The County provides the following services as authorized by state law: public safety, court systems, public works, public health and welfare, and general administrative services.

The financial reporting entity has been determined by management in accordance with generally accepted accounting principles to be Grady County (the primary government) and its component units. A component unit is a legally separate organization for which the primary government is financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units.

The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government, financial accountability would exist. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government. Based upon the application of these criteria, the following is a brief review of each component unit included in the County's reporting unit.

Discretely Presented Component Units

The Grady County Board of Health administers the operations of the Grady County Health Department, which provides public health services to the citizens of Grady County. The Georgia Department of Audits, Local Government Audit Section, has ruled that county boards of health should be considered component units of the county government for financial reporting purposes. The County appoints a majority of the members of the Grady County Board of Health and provides funding annually in an amount sufficient to satisfy the local matching funds as required by the Georgia Department of Human Resources. The entity is reported as a governmental fund type component unit. The Grady County Health Department's year end is June 30, 2025. Separate audited financial statements may be obtained from:

Grady County Health Department
250 North Broad Street
Cairo, Georgia

The County appoints all members of the Board of the *Grady County Hospital Authority*. The entity is reported as a governmental fund type component unit. Separate financial statements are not issued.

Government-Wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government – Wide Financial Statements

The County's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type activities for the County. Fiduciary activities of the County are not included in these statements.

These statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The fiduciary fund financial statements are presented on the accrual basis. Accordingly, all the County's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services to customers who directly benefit from goods, services, or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function, and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues,

Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue, and charges for services. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. Fines are not susceptible to accrual because, generally, they are not measurable until received in cash. The County considers revenues to be available if they are collected within 60 days after year end.

The County reports the following major governmental funds:

The *General Fund* is the principal fund of the County and is used to account for all of its activities not otherwise accounted for by a specified fund.

The *SPLOST 2019 Capital Projects Fund* is used to account for financial resources for the acquisition or construction of major capital facilities and improvements. These projects are financed through budget appropriations, sales tax proceeds and general obligation sales tax, and debt agreements. The County's SPLOST 2019 Capital Projects Fund is used to account for the collection and disbursement of the 1% Special Purpose Local Option Sales Tax (SPLOST).

The T*SPLOST 2020 Capital Projects Fund* is used to account for all Transportation Special Purpose Local Option Sales Tax revenues as well as the specifically identified transportation projects for which the TSPLOST tax was established.

The *E-911 Special Revenue Fund* is used to account for the fee collection and the operation of the E-911 system within the County.

The *LMIG Capital Projects Fund* is used to account for the proceeds and disbursements related to the LMIG road project.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Projects Funds are used to account for financial resources for the acquisition or construction of major capital facilities and improvements. These projects are financed through budget appropriations, sales tax proceeds and general obligation sales tax, and debt agreements.

Internal Service Funds are used to report an activity that provides services or goods to other funds on a cost-reimbursement basis.

Fiduciary Funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The County utilizes the following fiduciary funds:

> *Custodial Funds* are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and the County departments.

Component Units are reported using the *economic resources measurement focus basis* and the *accrual basis of accounting*. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

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.

Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity of three months or less.

Statutes authorize the County to invest in obligations of the U.S. Treasury, other U.S. Government agencies, the State of Georgia, other counties, municipal corporations and political subdivisions of the State of Georgia, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

The fair value of certificates of deposit is estimated using observable market interest rates for instruments with similar maturities and credit quality and is classified as Level 2 in the fair value hierarchy

Receivables

Receivables and Due from Other Governments represent funds to be received from other local governments, state grant in aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables. All amounts due from other governments are considered collectible in full.

Outstanding balances between funds at the end of the year are referred to as either "Due From Other Funds" or "Due To Other Funds."

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the County may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Inventories

Inventories of expendable supplies held for consumption are not considered material and are recorded as expenditures, or expenses, as appropriate, when purchased. Inventory in the General Fund consists of other supplies, which are recorded as assets at the time of purchase and as expenditures as the supplies are used. These inventories are valued at cost using the first-in, first-out method.

Prepaid Items

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

Restricted Assets

Proceeds from certain revenues and other resources in the General Fund, Special Revenue Funds, and Capital Projects Funds are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by applicable statutes or agreements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) acquired after December 31, 1979, are reported in the applicable governmental-type activities column in the government-wide financial statements. The County's policy has set the capitalization threshold at $5,000 and an estimated useful life of more than one year for reporting capital assets other than infrastructure assets. The County's capitalization threshold for infrastructure assets is $100,000 and an estimated useful life of more than five years. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

Buildings	40-60 years
Improvements	20-30 years
Machinery and Equipment	10-15 years
Vehicles	10 years
Office Equipment and Furniture	5 years
Public Domain Infrastructure	20-50 years
RTU Machinery and Equipment	10-15 years

Leases

The determination of whether an arrangement is a lease is made at the lease's inception. Under GASB Statement No. 87, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right-to-use lease assets and the related lease liabilities are recorded on the statement of financial position.

The County recognizes right to use lessee asset and related lease liability at the commencement of the lease term unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The right to use lease asset is measured at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The County reduces the lease liability as payments are made and recognize interest on the lease liability. The County amortizes the right to use lease asset over the shorter of the lease term or the useful life of the underlying asset.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expense) until then. The County has one item that qualifies for reporting in this category which consists of outflows from changes in the net pension liability.

Deferred Inflows of Resources

In addition to liabilities, the County will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and government-wide statement of net position report unavailable revenues from property taxes. The government-wide statement of net position also reports deferred inflows of resources consisting of inflows from changes in the net pension liability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Pension Plan

The County's defined benefit pension plan is accounted for under *GASB Statement No. 68 Accounting and Financial Reporting of Pensions* – an amendment to *GASB Statement No. 27* which requires the recognition of the entire net pension liability along with specific note disclosures and required supplementary information.

Compensated Absences

It is the policy of the County to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred in the government-wide financial statements.

Long-Term Obligations, Debt Premiums, Discounts and Issuance Costs

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are netted against debt payable and debt issuance costs are recognized as an outflow of resources in the period incurred. On the government-wide financial statements, unamortized debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

At the government fund reporting level, debt premiums and discounts are reported as other financing sources and used, separately from the face amount of the debt issued. Debt issuance costs are reported as expenditures.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as net position. GASB Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes which are imposed by a formal action of the County Commission through adoption of a resolution. Only the County Commission may modify or rescind the commitment;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the County to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the County that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Fund, and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. At December 31, 2025, there were no encumbrances outstanding.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Impact of Recently Issued Accounting Pronouncements

New Accounting Standards Adopted

GASB Statement No. 102, Certain Risk Disclosures. This statement was issued December 2023 to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to

occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact.

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

Budget Process

The annual budget document is the financial plan for the operation of the County. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the County's financial position. An annual operating budget is prepared for the General Fund and Special Revenue Funds.

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

1) In August, the County Administrator submits to the Board of Commissioners a tentative operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2) Public notice of budget and tax proposals is provided in conformance with Georgia law.
3) Public hearings are conducted to obtain taxpayer comments.
4) Prior to January 1, the budget is formally adopted.
5) In December, budgets for the General Fund and Special Revenue Funds are adopted on the cash basis.

The appropriated budgets are prepared by fund, function, and department. Transfers of appropriations between departments require the approval of the County Commissioners. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the department level.

The County does not employ the use of encumbrance accounting in governmental funds and no material purchase orders, contracts, or other commitments existed at the end of the year which should have been encumbered.

Capital Projects Budget

The construction of certain major capital facilities and improvements, which are accounted for by the County in the Capital Projects Fund, are subject to budgetary control on a project basis. The budgets are approved by the Board of Commissioners and are generally subject to specific provisions of voter referendums, State statutes, and/or grant agreements. Appropriations for a specific project do not lapse until completion of the project.

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NOTE 3 - DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2025 are summarized as follows:

Primary Government		
Amounts as presented on the entity-wide Statement of Net Position:		
Cash and cash equivalents	$	6,544,294
Restricted cash and cash equivalents		4,185,119
Amounts as presented on the Statement of Fiduciary Net Position:		
Cash and cash equivalents		3,213,931
Total	$	13,943,344
Deposits with financial institutions	$	13,211,146

The County does not have a formal investment policy for interest rate, credit, concentration of credit, or custodial credit risks.

Custodial credit risk – deposits. In the case of deposits, this 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 depositor insurance, obligation of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2025, the bank balance was $13,211,146. Of the bank balance, $11,961,146 was covered by federal depository insurance or by collateral held by the County's agent in the County's name.

NOTE 4 – RECEIVABLES AND TAX REVENUE

Property Tax

Property taxes are levied on property values assessed as of January 1. State law requires that property taxes be based on assessed value, which is 40% of market value. The billing, representing the 2025 year tax levy, was mailed on December 7, 2025. The billings are considered past due 60 days after the billing date and penalties and interest are assessed. The applicable property is subject to lien after the billings are 90 days delinquent.

Upon completion of all assessments and tax returns, the information is turned over to the Grady County Tax Commissioner for completion of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval.

The Grady County Tax Commissioner distributes tax notices and collects tax payments. Collections of the county taxes and remittance of them to the appropriate fund or government are accounted for in the Tax Commissioner Agency Fund.

Receivables

Receivables as of December 31, 2025 for the County's individual major funds, non-major funds, and fiduciary funds in the aggregate are as follows:

	General Fund	E-911 SRF	SPLOST 2019 CPF	TSPLOST 2020 CPF	Total
Property tax receivable	$ 10,550,616	$ -	$ -	$ -	$ 10,550,616
Sales tax receivable	396,866	-	666,252	365,723	1,428,841
Accounts receivable	197,162	70,191	-	-	267,353
Net total receivables	$ 11,144,644	$ 70,191	$ 666,252	$ 365,723	$ 12,246,810

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

Generally, outstanding balances between funds include outstanding charges by one fund to another for services or goods and other miscellaneous receivables and payables between funds. The composition of interfund receivables and payables as of December 31, 2025 is as follows:

Fund	Due From	Due To
General Fund	$ -	$ 300
GOHS Grant SRF	100	-
CDBG CPF	100	-
TSPLOST CPF	100	-
	$ 300	$ 300

During the course of normal operations, numerous transactions take place between funds such as expenditures or transfers of resources to provide services, service debt or construct assets. These inter-fund transactions are eliminated and no interest is charged on such transfers.

	Transfers In			
Transfers Out	General Fund	E-911 SRF	CDBG CPF	Total
General Fund	$ -	$ 696,479	$ 85,856	$ 782,335
Recreation SRF	300	-	-	300
	$ 300	$ 696,479	$ 85,856	$ 782,635

$696,479 was transferred from the General Fund to the E-911 Special Revenue Fund to cover cash short-falls.

$300 was transferred from the Recreation Special Revenue Fund to the General Fund to transfer funds that were incorrectly deposited into the wrong account.

$85,856 was to transfer expenditures from the General Fund to the CDBG Capital Projects Fund.

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NOTE 6 – CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended December 31, 2025:

Primary Government

Governmental activities:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 5,556,128	$ -	$ -	$ -	$ 5,556,128
Construction in Progress	33,767,605	5,480,756	-	(33,118,471)	6,129,890
Total capital assets, not being depreciated	39,323,733	5,480,756	-	(33,118,471)	11,686,018
Capital assets being depreciated and amortized:					
Buildings	20,382,712	1,047,069	-	33,040,975	54,470,756
Machinery and Equipment	13,639,397	1,415,997	(399,122)	-	14,656,272
Roads and Bridges	116,331,083	219,016	-	77,496	116,627,595
Right-To-Use Equipment	225,534	20,431	-	-	245,965
Total capital assets being depreciated and amortized	150,578,726	2,702,513	(399,122)	33,118,471	186,000,588
Less accumulated depreciation:					
Buildings	(11,220,048)	(591,259)	-	-	(11,811,307)
Machinery and Equipment	(9,356,629)	(819,100)	79,824	-	(10,095,905)
Roads and Bridges	(88,353,622)	(1,349,438)	-	-	(89,703,060)
Less accumulated amortization:					
Right-To-Use Equipment	(106,097)	(50,822)	-	-	(156,919)
Total accumulated depreciation and amortized:	(109,036,396)	(2,810,619)	79,824	-	(111,767,191)
Total capital assets, being depreciated and amortized, net	41,542,330	(108,106)	(319,298)	33,118,471	74,233,397
Governmental activities capital assets, net	$ 80,866,063	$ 5,372,650	$ (319,298)	$ -	$ 85,919,415

Depreciation Expense was charged to functions as follows:	Governmental Activities
General Government	$ 418,938
Public Safety	555,807
Public Works	1,746,713
Recreation	80,217
Housing and Development	8,944
Total Governmental Activities Depreciation Expense	$ 2,810,619

NOTE 7 – LONG TERM DEBT

South Georgia Governmental Services Authority and Grady County Lake Authority Revenue Bonds

On February 3, 2015, the County issued $8,795,000 in Grady County Lake Authority Revenue Bonds, Series 2015 with interest rates from 4.00% to 4.25%. The bonds have annual principal installments beginning on October 1, 2031 and semiannual interest installments due on April 1 and October 1 beginning October 1, 2015.

On October 20, 2020, the County issued $8,940,000 in Grady County Lake Authority Revenue Bonds, Series 2020 with interest rates from 3.00% to 5.00%. The proceeds were used to pay off (refund) the existing bond series 2010. The bonds have annual principal installments beginning on October 1, 2021 and semiannual interest installments due on April 1 and October 1 beginning April 1, 2021.

The proceeds are to be used to finance the costs of designing, acquiring, constructing, and equipping a 960 acre recreational fishing lake within the County.

A summary of the terms of the bonds as of December 31, 2025 are as follows:

Fund and Description	Orginal Amount	Interest Rate	Maturity Date	Amount
Grady County Lake Authority Revenue Bond, Series 2015	$ 8,795,000	various	2040	$ 8,795,000
Grady County Lake Authority Revenue Bond, Series 2020	8,940,000	various	2030	4,890,000
Bond premiums				1,392,371
Less current portion				(900,000)
Total				$ 14,177,371

The annual debt service requirement to maturity of the bonds at December 31, 2025 is as follows:

Year	Principal	Interest	Total
2026	$ 900,000	$ 600,763	$ 1,500,763
2027	935,000	564,763	1,499,763
2028	980,000	527,363	1,507,363
2029	1,010,000	488,163	1,498,163
2030	1,065,000	437,663	1,502,663
2031-2035	3,955,000	1,706,863	5,661,863
2036-2040	4,840,000	725,025	5,565,025
Total	$ 13,685,000	$ 5,050,603	$ 18,735,603

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Notes Payable

Grady County, Georgia has seven note agreements for financing the acquisition of various equipment.

Debt service requirements on notes payable in repayment as of December 31, 2025 are as follows:

Year	Principal	Interest	Total
2026	$ 888,971	$ 159,723	$ 1,048,694
2027	487,901	137,203	625,104
2028	468,123	120,724	588,847
2029	468,017	105,608	573,625
2030	489,155	89,870	579,025
2031-2035	2,250,762	251,823	2,502,585
2036-2036	506,906	13,484	520,390
Total	$ 5,559,835	$ 878,435	$ 6,438,270

The following is a summary of note obligations in repayment:

Purpose	Original Amounts	Payment Amounts	Interest Rate	Payments	Minimum Lease Payments	Net Present Value
John Deere Financial - purchase of John Deere 5100 Utility Tractor	$ 63,261	$ 1,054	0.00%	60	$ 3,164	$ 3,164
ACC of GA - purchase contract for purchase of 2018 Dodge Ram 3500 Ambulance	171,126	16,530	2.47%	11	-	-
First Security Finance - Energy Enhancement Program	5,833,615	Various	2.66%	16	5,384,055	4,600,980
Lease One Magnolia - purchase contract for purchase of Mack Granite dump	399,122	854	5.20%	18	-	-
Lease One Magnolia - purchase contract for purchase of motor grader	276,000	Various	4.36%	60	143,578	136,352
Lease One Magnolia - purchase contract for purchase of two 2025 Mack Granite F dump trucks	418,800	1,675	4.79%	18	425,164	418,800
KS State Bank - purchase contract for purchase of seven vehicles	400,539	$ 96,462	6.43%	5	482,308	400,539
Totals	$ 7,562,463				$ 6,438,269	$ 5,559,835

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Lease Payable

The County has entered into multiple lease agreements ranging from two to five years. As of December 31, 2025 in accordance with GASB Statement No. 87 – Leases, the Right-To-Use Lease asset estimated future liabilities are as follows:

Year End	Principal	Interest	Payment
2026	$ 34,482	$ 1,742	$ 36,224
2027	27,466	1,199	28,665
2028	18,390	671	19,061
2029	7,199	247	7,446
2030	3,323	74	3,397
	$ 90,860	$ 3,933	$ 94,793

Changes in Long-Term Liabilities

The following is a summary of the activity in long-term liabilities for the year ended December 31, 2025:

Compensated absences are generally liquidated by the General Fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue Bonds:					
GCLA Revenue Bond Series 2015	$ 8,795,000	$ -	$ -	$ 8,795,000	$ -
GCLA Revenue Bond Series 2020	5,760,000	-	(870,000)	4,890,000	900,000
Plus deferred amounts for issuance premiums	1,598,555	-	(206,184)	1,392,371	-
Total bonds payable	16,153,555	-	(1,076,184)	15,077,371	900,000
Leases payable	116,878	20,430	(46,448)	90,860	34,482
Notes payable	5,565,717	819,339	(825,221)	5,559,835	888,971
Compensated absences	249,202	131,980	(104,170)	277,012	-
Governmental activities long-term liabilities	$ 22,085,352	$ 971,749	$ (2,052,023)	$ 21,005,078	$ 1,823,453

NOTE 8 – RESTRICTIONS OF FUND BALANCES

In the governmental fund financial statements, fund balances consist of nonspendable prepaid items, restricted, and unassigned amounts. Restrictions of fund balances represent that portion which is not appropriable for expenditure or is legally segregated for a specific future use. The remaining portion is unassigned.

Fund balance nonspendable prepaid items and restrictions at December 31, 2025 include:

Nonspendable Prepaid Items	$ 199,123
Restricted for:	
Capital Projects	$ 4,498,445
Legal Reference Materials	$ 36,155
Public Safety	$ 266,752
Recreation	$ 111,259

NOTE 9 - SPECIAL PURPOSE LOCAL OPTION SALES TAX

The voters of Grady County approved a referendum imposing a special one percent retail sales and use tax for a limited period of time not to exceed six years from the imposition date of April 1, 2020. The referendum will raise $18,000,000 for various capital outlay projects.

NOTE 10 - TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX

The voters of Grady County approved a referendum imposing a special one percent retail sales and use tax for a limited period of time not to exceed six years from the imposition date of September 1, 2020. The referendum will raise $15,000,000 for various transportation capital outlay projects.

NOTE 11 – PENSION PLAN

Primary Government

Effective January 1, 1991, amended February 22, 1995, amended and restated January 1, 2000, July 1, 2012, and January 1, 2015. Amended May 1, 2020 and July 7, 2020, the County participates in the following defined benefit pension plan.

The County's defined benefit pension plan, the Grady County, Georgia Defined Benefit Plan (GCGDBP), provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met. GCGDBP is affiliated with the Association County Commissioners of Georgia Defined Benefit Plan (ACCGDBP), an agent multiple-employer public employee retirement system administered by the Association County Commissioners of Georgia. The Constitution of the State of Georgia enables the governing authority of the County, the Board of Commissioners, to establish and amend the benefit provisions of the plans that participate in ACCGDBP. The Association County Commissioners of Georgia issues a publicly available financial report that includes financial statements and required supplementary information for ACCGDBP. That report may be obtained from GEBCorp, 191 Peachtree Street NE, Suite 700, Atlanta, Georgia 30303.

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with five years of participation in the Plan, but not beyond age 70. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of .50% of average annual compensation up to $6,600 plus 1.00% of average annual compensation in excess of $6,600 plus $36 for each year of service. For service earned after July 1, 2012, the benefit formula was changed to 1.25% of Average Annual Compensation for each year of service.

As of January 1, 2025, employee membership data related to the plan was as follows:

Retirees, beneficiaries and disables receiving benefits		44
Terminated plan participants entitled to but not yet receiving benefits		66
Active employees participating in the plan		79
Total number of plan participants		189
Part-time active employees not participating in the Plan		29
Covered compensation for active participants	$	3,662,722
Average remaining future service for active participants		9.77

Statement of Net Fiduciary Net Position

Market Value of Assets		
Cash & Cash Equivalent.	$	354,824
Bonds		-
Fixed Interest Insurance Account		23,593
Marketable Securities		5,834,779
Total	$	6,213,196
Receivable		
Employer Contributions	$	-
Employee Contributions		-
Due From Insurance Pool		-
Accrued Interest Income		8,369
Total	$	8,369
Liabilities		
Administrative Expenses	$	20,482
Accrued Investment Fee		-
Accrued Auditing Fees		-
Payable to Insurance Pool		-
Total	$	20,482
Fiduciary Net Position	$	6,201,083

Statement of Changes in Fiduciary Net Position

Additions		
Asset Transfer	$	-
Service Credit Transfer In		-
Employer Contributions		69,022
Employee Contributions		112,201
Net Investment Income		589,398
Employee Contribution - BuyBack		-
Total Additions	$	770,621
Deductions		
Investment Expense	$	23,357
Administrative Expenses		38,543
Benefit Payments		229,626
Post-Retirement Death Benefit Expense		37,456
Pre-Retirement Death Benefit Expense		-
Asset Transfer to Successor Plan		-
Service Credit Transfer Out		-
Refund of Employee Contributions		50,709
Total Deductions	$	379,691
Net Increase (Decrease) in Fiduciary Net Position	$	390,930
Net Position Held in Trust for Pension Benefits		
Beginning of Year	$	5,810,153
End of Year	$	6,201,083
Money Weighted Rates of Return		11.49%

Net Position Restricted for Pensions

Fiduciary Net Position	$ 6,201,083
Deferred Outflow of Resources	450,428
Deferred Inflow of Resources	(761,987)
Net Position Restricted for Pensions	$ 6,512,642

Summary of Significant Accounting Policies

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by this Plan.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

Contributions

The County is required to contribute at an actuarially determined rate in accordance with Section 47-20 of the Georgia Code, which sets forth the minimum funding standards for state and local government pension plans. Certain administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contributions rates for the County and its plan participants.

Board of Trustees

The Trustees for the Association County Commissioners of Georgia (ACCG) Pension Plan and Trust oversees the administration, investment and funding of the Association County Commissioners of Georgia Retirement Program for member employers.

Actuarial assumptions

The total pension liability as of December 31, 2025 was determined by an actuarial valuation as of January 1, 2025 using the following actuarial assumptions, applied to all periods included in the measurement:

Year Ending December 31	2025
Valuation date	January 1, 2025
Measurement date	December 31, 2025
Inflation	N/A
Salary increases including inflation	3.5% Actuarial
Investment return	7.0% per year
Actuarial cost method	Entry Age Normal

The mortality table is the Pub-2010 GE (50%) & PS (50%) Amount weighted with Scale AA to 2025.

- Projected assets are sufficient to pay all projected benefits promised to current plan participants.
- In projecting plan assets, the assumed contribution was based on the average contribution made to the plan over the prior five years.

- Effective December 31, 2018, the expected long-term rate of return used to discount all projected benefit payments was revised from 7.25% to 7.00%.

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

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

Discount rate

The expected long-term rate of return used to discount all projected benefit payments is 7.00%.

Changes in net pension liability

	Total Pension Liability (TPL) (a)	Increase (Decrease) Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balance as of December 31 , 2024	$ 6,468,865	$ 5,810,153	$ 658,712
Changes for the year:			
Service cost	158,922	-	158,922
Interest	443,009	-	443,009
Liability experience (gain)/Loss	(169,222)	-	(169,222)
Assumption change	10,850	-	10,850
Employer contributions	-	69,022	(69,022)
Employee contributions	-	112,201	(112,201)
Net investment income	-	589,398	(589,398)
Benefit payments*	(280,335)	(280,335)	-
Service Credit Transfer	-	-	
Administrative expense	-	(38,543)	38,543
Other	-	(60,813)	60,813
Net changes	163,224	390,930	(227,706)
Balance as of December 31 , 2025	$ 6,632,089	$ 6,201,083	$ 431,006

*Includes refunds of employee contributions totaling $50,709.
**Other changes include Post-Retirement Death Benefit Expense of $37,456 and Investment Expense of $23,357.

Pension plan fiduciary net position

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

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 revised 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:

	Current Discount		
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total Pension Liability	$ 7,585,797	$ 6,632,089	$ 5,845,608
Fiduciary Net Position	6,201,083	6,201,083	6,201,083
Net Pension Liability	$ 1,384,714	$ 431,006	$ (355,475)

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

For the year ended December 31, 2025, the County recognized pension expense of ($32,320) consisting of the following:

Service Cost	$ 158,922
Plan Change	-
Interest on TPL	443,009
Amortization of:	
Liability Experience (Gain)/Loss	(125,793)
Change in assumption	(90,774)
Asset (Gain)/Loss	16,684
Employee Contributions	(112,201)
Projected earnings on plan investments	(398,166)
Administration Expense	38,543
Other Change in FNP (Post-Retirement Death Benefit Expense)	37,456
Total Pension Expense	$ (32,320)

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At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Demographic gain / loss	$ 450,428	$ -
Net difference in projected and actual earnings on pension plan investments	-	(761,987)
Total	$ 450,428	$ (761,987)
Asset (Gain) / Loss	$ 238,578	$ (391,776)
Liability (Gain) / Loss	196,633	(231,399)
(Gain) / Loss due to Assumption Change	15,217	(138,812)
Total	$ 450,428	$ (761,987)
Year:		
2025	$ 8,204	$ (262,248)
2024	202,515	(112,280)
2023	-	(379,290)
2022	239,709	(8,169)
2021	-	-
2020	-	-

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Pensions with Special Funding Situations

The following pension plans are all cost-sharing, multiple employer defined benefit plans. These plans are considered to be special funding situations. Below is a list of the plans presented:

Name of Pension Plan	Plan Website
Employees Retirement System – (ERS)	ers.ga.gov
Georgia Judicial Retirement System – (GJRS)	ers.ga.gov
Sheriffs' Retirement Fund of Georgia – (SRFG)	georgiasheriffs.org
Judges of the Probate Courts Retirement Fund of Georgia – (JPCRF)	pjrf.georgia.gov
Peace Officers' Annuity and Benefit Fund of Georgia – (POAB)	poab.georgia.gov
Superior Court Clerks' Retirement Fund of Georgia – (SCCRF)	sccrf.com
Georgia Firefighters' Pension Fund – (GFPF)	gfpf.org

The employer contributions are funded by the State on behalf of the local county employer. Since the County does not contribute directly to the plans, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the County. The following table summarizes the proportional share of the collective net pension liability for each of the plans.

	ERS	GJRS	SRFG	JPCRF	POAB	SCCRF	GFPF	**Total**
County's proportionate share of the collective net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the collective net pension liability (asset) associated with the County	-	(95,785)	164,963	(160,104)	8,470	(83,021)	1,057,844	892,367
Total Net Pension Liability (Asset)	$ -	$ (95,785)	$ 164,963	$ (160,104)	$ 8,470	$ (83,021)	$ 1,057,844	$ 892,367
Pension revenue and expense for State support	$ (18,497)	$ 23,647	$ 14,695	$ 12,314	$ 1,554	$ 33,682	$ 280,219	$ 347,614

Pension plan descriptions, assumptions, and related disclosures may be found in separately issued reports as of December 31, 2025 for each of these plans, and are available at the websites listed above.

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NOTE 12 – RISK MANAGEMENT

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters.

Property and General Liability and Worker's Compensation

The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency (IRMA) for property and liability insurance and the Association County Commissioners of Georgia (ACCG) Group Self – Insurance Worker's Compensation Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The ACCG administers both risk pools.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the worker's compensation laws 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.

Group Medical Benefits

The County provides health insurance for its employees through a commercial insurance provider. During the year ended December 31, 2025, there were no significant reductions in insurance coverage from the prior year and there have been no settlements exceeding insurance coverage in the years ended December 31, 2025 or the previous six years.

Related Party Transactions

The County had no related party transactions during the reporting period.

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NOTE 13 – JOINT VENTURES

Southwest Georgia Regional Commission

Under Georgia law, the County is a member of the Southwest Georgia Regional Commission (SWGRC) along with surrounding counties and municipalities and is required to pay dues thereto. The SWGRC is a multi-funded organization receiving funds from federal, state, and local agencies, plus member governments. Its purpose is to further the orderly growth, economic prosperity, and well-being of the people of the Southwest Georgia area. During the year ended December 31, 2025, the County paid dues to the SWGRC of approximately $17,328. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organization structure of the regional commission in Georgia. The regional commission board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from:

Southwest Georgia Regional Commission
P.O. Box 346
Camilla, Georgia 31730

E - 911 System

The County entered an agreement with Decatur County, Georgia on April 6, 1993 to implement an emergency 911 system. Each county is responsible for the maintenance and operational costs of the system. Separate financial statements are not issued.

Sanitary Landfill

The County entered an agreement with the City of Cairo, Georgia and the City of Whigham, Georgia on February 10, 1992 to deposit solid waste in the sanitary landfill operated by the City of Cairo. The agreement provides that each party will equitably share in the cost of the operation of the landfill. The agreement also provides that the City of Cairo will establish a sinking fund to meet future capital needs or expenditures that may be required to comply with local, state, or federal laws (i.e., ground water monitoring costs and other post closure costs). Should the City of Cairo incur any unexpected cost or additional requirements associated with post closure in excess of sinking/reserve funds retained, each party will make a contribution toward the additional costs in the percentage that shall equal the percentage of the total waste deposited at the landfill by the parties over the term of this agreement. The City of Whigham and Grady County shall not be required to make contributions toward additional costs that are due solely to the negligent act or intentional wrongful act of the City of Cairo in the administration of the landfill.

Each year, the City of Cairo provides to the City of Whigham and Grady County information regarding operation of the landfill during the previous year. If it is determined that the funds collected do not meet the cost of the operation of the landfill and sinking/reserve fund requirements, each party makes a contribution toward the deficit in a percentage that equals the percentage of the total waste deposited at the landfill by the parties. If it is determined that the funds collected exceed the cost of operation of the landfill, the excess is transferred to the sinking/reserve fund and each party is given credit in an amount based upon the percentage of waste deposited at the landfill by the parties toward any future deficit. Any excess that is accumulated over the term of the agreement is considered to be jointly owned by all parties based on the percentage of waste deposited at the landfill over the term of the agreement and will be disbursed at such time as there are no required costs to monitor the landfill. Separate financial statements are not prepared or issued by the sanitary landfill joint venture.

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

Grady County Joint Development Authority

The County entered into an agreement with the City of Whigham, Georgia and the City of Cairo, Georgia to establish a joint development authority. The purpose of the Grady County Joint Development Authority (the Authority) is to facilitate economic development within Grady County by coordinating the efforts of elected officials, the Cairo-Grady County Chamber of Commerce, private organizations and citizens, and state and local organizations toward this end. It is contemplated that the Authority shall be the coordinating agency for organizations and businesses located within Grady County and agencies, organizations, and businesses outside Grady County to foster economic growth and improve the welfare of all citizens of Grady County.

The business of the Authority shall be conducted and managed by its Board of Directors that shall consist of seven (7) members. The members of the Authority shall be selected by Grady County Board of Commissioners (3), the City of Cairo (3), and the City of Whigham (1) for such terms as the appointing agency shall determine.

Multi-County Development Authority

The County via concurrent resolutions of the governing bodies of Brooks, Colquitt, Thomas, Grady and Mitchell Counties created the "Joint Development Authority of Brooks, Colquitt, Grady, Mitchell and Thomas Counties." The development authority is a public body corporate and politic, and an instrumentality of the participating counties. The general purposes of the Authority as set forth in the Development Authorities Law of Georgia are to promote the economic development of the geographical area of its operation and exercise all powers granted by Georgia Law.

The business of the Authority shall be conducted and managed by its Board of Directors that shall consist of fifteen (15) members. The governing body of each participating County appoints three members and such member shall be a resident and taxpayer of such County.

NOTE 15 – RELATED ORGANIZATIONS

The following is a list of related organizations for which Grady County appoints the voting majority of the Board of Directors:

- Grady County Recreation Advisory Board
- Board of Family and Children's Services
- Grady County Planning Commission
- Board of Tax Assessors and Board of Equalization
- Grady County Emergency Advisory Board

These organizations are not financially accountable to Grady County because the County does not impose its will or have a financial benefit or burden relationship with the organization.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Litigation

The County is involved in various legal proceedings and litigation arising in the normal course of operations. In the opinion of management, the outcome of such proceedings will not materially affect the financial position of the County.

NOTE 17 – DEFINED CONTRIBUTION PLAN

The County participates in the ACCG 457 Deferred Compensation Plan for the Grady County, Georgia (the Plan), a defined contribution plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by the Public Employees Benefit Services Corporation (PEBSCO) on behalf of Grady County employees. The Plan is available to all full-time County employees, and permits them to defer a portion of their salary until future years. Employees may contribute up to $24,500 each years, and the employees pays all contributions. Plan assets are held in trust for the benefit of the plan participants and their beneficiaries, and will not be diverted to any other purpose.

For the year ended December 31, 2025, actual contributions by the County and Plan participants were $0 and $135,731 respectively.

NOTE 18 - SPECIAL ITEM – SALE OF CAPITAL ASSETS

During the fiscal year ended December 31, 2025, the County sold capital assets, which are transactions the County considers infrequent in occurrence. The County has reported these transactions as special items in the government-wide financial statements as required by GASB 34, paragraph 56.

The transactions consisted of the sale of various pieces of equipment.

NOTE 19 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through June 11, 2026, the date on which the financial statements were available to be issued.

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NOTE 20 – DISCRETELY PRESENTED COMPONENT UNIT – GRADY COUNTY HEALTH DEPARTMENT

A. Deposits and Investments

The Health Department maintains cash deposits in various Federal Deposit Insurance Corporation ("FDIC") - insured bank accounts.

Interest Rate Risk

The Health Department does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

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 June 30, 2025, the Health Department did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by State statutes.

Certificates of Deposit

Certificates of deposit are recorded at their face value, offset by the appropriate discount or premium which approximates fair value. The premium or discount, if any, is amortized on a straight-line basis through the maturity date of the certificate.

B. Capital Assets

Capital asset activity for the Grady County Health Department for the year ended June 30, 2025 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Other capital assets:				
Machinery and Equipment	$ 139,649	$ -	$ -	$ 139,649
Total other capital assets at cost	139,649	-	-	139,649
Less accumulated depreciation for:				
Machinery and Equipment	(110,053)	(7,420)	-	(117,473)
Total accumulated depreciation	(110,053)	(7,420)	-	(117,473)
Total capital assets, net	29,596	(7,420)	-	22,176
Governmental activities capital assets, net	$ 29,596	$ (7,420)	$ -	$ 22,176

C. Right of Use Assets/Liabilities

Leases - In conjunction with the implementation of GASB 87, *Leases,* the Organization has set a threshold for capitalizing leases with a liability of $5,000 or more. Lease expenses for the year ended December 31, 2025 for noncapitalized leases amounted to $3,601.

Lessee - The Health Department is a lessee for a non-cancellable lease of equipment. The Health Department recognizes a lease liability and an intangible Right of Use lease asset (lessee asset) in the government-wide financial statement. The Health Department recognizes lease liabilities with an initial value of $5,000 or more.

At the commencement of a lease, the Health Department initially measures the lease liability at the present value of payments expected to be made during the lease terms. Subsequently, the lease liability is reduced by the principal portion of the 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, or the life of the lease, whichever is shorter.

Key estimates and judgements related to leases include how the Health Department determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The Health Department uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the health department generally uses its estimated incremental borrowing rate as the discount rate for the leases.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed-payments and purchase option price that the health department is reasonably certain to exercise.

The Health Department monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported Right of Use assets and lease liabilities are reported as Right of Use liability on the Statement of Net Position.

D. Long-Term Liabilities

The activity in long-term liabilities for the Grady County Health Department, a discretely presented component unit, for the year ended June 30, 2025 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Compensated absences	$ 46,733	$ -	$ (933)	$ 45,800
Long-term liabilities	$ 46,733	$ -	$ (933)	$ 45,800

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E. Due From DPH

The Grady County Health Department has amounts due from the Georgia Department of Public Health at June 30, 2025 as follows:

	Due From
Grant-in-Aid	$ 52,622
Total	$ 52,622

F. Retirement Plan

ERS - EMPLOYEE RETIREMENT SYSTEM - GASB 68

Plan Description

The ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

Benefits Provided

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

Under the Old Plan, the New Plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

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

Contributions

Member contributions under the old plan are 4% of annual compensation, up to $4,200, plus 6% of annual compensation in excess of $4,200. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Health Department's total required contribution rate for the year ended June 30, 2025 was 29.20% of annual covered payroll for old plan members and new plan members, and 25.51% for GSEPS members. The Health Department's contribution to ERS totaled $156,604 for the

year ended June 30, 2025. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the Health Department reported a liability of $897,311 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024 was determined using standard roll-forward techniques. The Health Department's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2024. At June 30, 2024, the Health Department's proportion was 0.019932%, which was a decrease of 0.000663% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Health Department recognized pension expense of $66,143. At June 30, 2025, the Health Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 48,096	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	101,064
Changes in proportion and differences between Employer contributions and proportionate share of contributions	6,182	19,588
Employer Contributions subsequent to the measurement date	156,604	-
	$ 210,882	$ 120,652

Health Department contributions subsequent to the measurement date of $156,604 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	$ (27,206)
2027	61,691
2028	(61,504)
2029	(39,355)
2030	-
Thereafter	-

Actuarial Assumptions

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

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

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+) Set Back (-)	Adjustments to Rates
Service Retirees	Generaly Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July I, 2014-June 30, 2019.

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

The target asset allocation and estimates of arithmetic real rates of returns for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Fixed Income	30.00%	1.50%
Domestic Large Equities	46.40%	9.10%
Domestic Small Equities	1.10%	13.00%
International Developed Market Equities	13.60%	9.10%
International Emerging Market Equities	3.90%	11.10%
Alternatives	5.00%	10.60%
Total	100.00%	

* Rates shown are net of inflation

Discount Rate

The discount rate used to measure the collective total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate:

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Health Department's proportionate share of the net pension liability	$ 1,351,907	$ 897,311	$ 514,996

Pension Plan Fiduciary Net Position

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

G. OPEB Asset, OPEB Liabilities, , OPEB Income, and OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

SEAD-OPEB - TERM LIFE INSURANCE - GASB 75

Plan Description

SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employees' Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a costsharing multiple-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plan other than OPEB Plans.* The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investment of such payments.

Benefits Provided

The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect of the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964 is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon the death of the retiree.

Contributions

Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. There were no employer contributions required for the fiscal year ended June 30, 2025.

At June 30, 2025, the Health Department reported an asset of $118,993 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2023. An expected total OPEB asset as of June 30, 2024 was determined using standard roll-forward techniques. The Health Department's proportion of the net OPEB asset was based on actual member salaries reported to the

SEAD-OPEB plan during the fiscal year ended June 30, 2024. At June 30, 2024, the Health Department's proportion was 0.021201%, which was a decrease of 0.000017% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Health Department's recognized OPEB income of $15,174. At June 30, 2025, the Health Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 478	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and difference between Health Department contributions and proportionate share of contributions	27	10,611
Health Department contributions subsequent to the measurement date	-	-
Total	$ 505	$ 10,611

Health Department contributions subsequent to the measurement date of $-0- are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB asset in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended June 30:	
2026	$ (27,206)
2027	61,691
2028	(61,504)
2029	(39,355)
2030	-
Thereafter	-

Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	Includes inflation
ERS	3.00-6.75%
GJRS	3.75%
LRS	N/A
Investment rate of return	7.00% net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	N/A

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+) Set Back (-)	Adjustments to Rates
Service Retirees	Generaly Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period for the period July 1, 2014-June 30, 2019.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Fixed Income	30.00%	1.50%
Domestic Large Equities	46.40%	9.10%
Domestic Small Equities	1.10%	13.00%
International Developed Market Equities	13.60%	9.10%
International Emerging Market Equities	3.90%	11.10%
Alternatives	5.00%	10.60%
Total	100.00%	

* Rates shown are net of inflation

Discount Rate

The discount rate used to measure the total OPEB asset was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

Sensitivity of the Employer's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net OPEB asset	$ 91,131	$ 118,993	$ 141,885

OPEB Plan Fiduciary Net Position

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

SHBP-OPEB - STATE HEALTH BENEFITS PLAN - GASB 75

Plan Benefits

Employees of State organizations defined in §45-18-25 of the *Official Code of Georgia Annotated* (O.C.G.A) are provided OPEB through the State OPEB Fund-a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 45 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

Benefits Provided

The State OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for employees of State organizations (including technical colleges) and other entities authorized by law to contract with the Department of Community Health ("DCH") for inclusion in the plan. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System ("ERS"), Georgia Judicial Retirement System ("JRS"), Legislative Retirement System ("LRS"), Teachers Retirement System ("TRS") or Public-School Employees Retirement Systems ("PSERS"). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement ("HRA"), Health Maintenance Organization ("HMO"), and a High Deductible Health Plan ("HDHP"). The State OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the State OPEB Fund is permitted.

Contributions

As established by the Board, the State OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the State OPEB Fund from the Health Department were $31,075 for the year ended June 30, 2025. Active employees are not required to contribute to the State OPEB Fund.

OPEB Liabilities, OPEB Income, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

At June 30, 2025, the Health Department reported an asset of $46,651 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2023. An expected total OPEB asset as of June 30, 2025 was determined using standard roll-forward techniques. The Health Department's proportion of the net OPEB asset was actuarially determined based on Health Department contributions during the fiscal year ended June 30, 2024. At June 30, 2024, the Health Department's proportion was 0.018507%, which was a decrease of 0.000325% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Health Department recognized OPEB income of $7,100. At June 30, 2025, the Health Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 12,630	$ 18,914
Changes of assumptions	21,794	55
Net difference between projected and actual earnings on OPEB plan investments	-	34,414
Changes in proportion and difference between employer contributions and proportionate share of contributions	11,690	1,009
Employer contributions subsequent to the measurement date	31,075	-
Total	$ 77,189	$ 54,392

Health Department contributions subsequent to the measurement date of $31,075 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB asset in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2026	$ 375
2027	7,493
2028	(7,951)
2029	(8,195)
2030	-
Thereafter	-

Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	3.00-6.75%, including inflation
Long-term expected rate of Investment return	7.00%, compounded annually, net of expense, and including inflation
Healthcare cost trend rate	6.75%
Ultimate trend rate	4.50%
Year of Ultimate trend rate	2032

Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 105% for males and 108% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted to 103% for males and 106% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 106% for males and 105% for females) with the MP-2019 Projection scale applied generationally.

The actuarial assumptions used in the June 30, 2023 valuation are based on the results of the most recent actuarial experience studies for the pension systems, which covered the five-year period ending June 30, 2019, and adopted by the pension Board on December 17, 2020.

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Fixed Income	30.00%	2.60%
Equities	70.00%	9.10%
	100.00%	

**Rates shown are net of inflation*

Discount Rate

In order to measure the total OPEB asset, as of June 30, 2024, for the State OPEB fund, a discount rate of 7.00% was used, the same as last year's rate. The projection of cash flows used to determine the discount rate assumed that contributions from members and from the Health Department will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Based on those assumptions, the 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 investments was applied to all periods of projected benefit payments to determine the total OPEB asset. Projected future benefit payments for all current plan members were projected through 2123.

The following presents the collective net OPEB asset of the participating Health Departments calculated using the discount rate of 7.00% as well as what the collective net OPEB asset 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 discount rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net OPEB liability	$ 3,093	$ 46,651	$ 84,137

The following presents the collective net OPEB asset (liability) of the participating Health Departments, as well as what the collective net OPEB asset (liability) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Employer's proportionate share of the net OPEB liability	$ 90,147	$ 46,651	$ (4,470)

Detailed information about the OPEB plan's fiduciary net position is available in the 2024 State of Georgia Annual Comprehensive Financial Report which is publicly available at: https://sao.georgia,gov/statewidereporting/acfr.

H. SUBSEQUENT EVENTS:

The Health Department has evaluated subsequent events through January 12, 2026, the date on which the financial statements were available to be issued.

Operational Changes for Staffing

Grady County Health Department operates in the Southwest Health District with the Dougherty County Health Department operating as the lead county. During the fiscal year 2025, the Southwest Health District made the decision to move to a centralized accounting and payroll process in order to streamline those functions as a cost savings and additional risk reduction measure. Effective July 1, 2025, all employees of the Grady County Health Department became employees of the Dougherty County Health Department. Grady County Health Department continues to be fully staffed and provides the same level of service as it has historically. This change will result in a change in the presentation of salaries and benefits for future years.

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NOTE 21 – DISCRETELY PRESENTED COMPONENT UNIT – GRADY COUNTY HOSPITAL AUTHORITY

A. Deposits and Investments

Total deposits and investments as of December 31, 2025 are summarized as follows:

Cash and cash equivalents	$ 354,209
Deposits with financial institutions	$ 354,209

B. Capital Assets

Capital asset activity for the Grady County Hospital Authority for the year ended December 31, 2025 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 438,056	$ -	$ -	$ 438,056
Total capital assets, not being depreciated	438,056	-	-	438,056
Other capital assets:				
Buildings	26,442,967	-	-	26,442,967
Total other capital assets at cost	26,442,967	-	-	26,442,967
Less accumulated depreciation for:				
Machinery and Equipment	(3,901,072)	(474,268)	-	(4,375,340)
Total accumulated depreciation	(3,901,072)	(474,268)	-	(4,375,340)
Other capital assets, net				
Total capital assets, net	22,541,895	(474,268)	-	22,067,627
Governmental activities capital assets, net	$ 22,979,951	$ (474,268)	$ -	$ 22,505,683

SUBSEQUENT EVENTS:

The Organization has evaluated subsequent events through May 6, 2026, the date on which the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

Grady County, Georgia
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget- Positive (Negative)
REVENUES				
Taxes	$ 15,858,900	$ 16,255,600	$ 16,531,498	$ 275,898
Licenses & Permits	128,500	128,500	165,578	37,078
Intergovernmental	94,500	94,500	80,263	(14,237)
Fines, Forfeitures, & Penalties	510,000	510,000	520,642	10,642
Charges for Services	1,297,200	1,297,200	1,842,888	545,688
Investment Income	500	500	192,842	192,342
Miscellaneous	503,500	503,500	254,749	(248,751)
Total Revenues	18,393,100	18,789,800	19,588,460	798,660
EXPENDITURES				
General Government				
County Commissioners	1,602,800	1,900,300	1,605,975	294,325
Registrar	12,600	16,000	1,677	14,323
Tax Assessor	552,900	552,900	443,325	109,575
Tax Commissioner	485,900	485,900	478,553	7,347
Buildings & Grounds	1,095,200	1,095,200	924,325	170,875
General Administration	909,300	909,300	848,333	60,967
Interagency	526,900	593,800	545,341	48,459
Total General Government	5,185,600	5,553,400	4,847,529	705,871
Judicial				
Courts	603,700	641,300	571,798	69,502
Clerk of Superior Court	412,300	412,300	367,021	45,279
Probate Court	413,400	438,200	422,045	16,155
Magistrate Court	335,500	335,500	328,832	6,668
Total Judicial	1,764,900	1,827,300	1,689,696	137,604
Public Safety				
Sheriff	2,683,300	2,892,800	2,811,555	81,245
Jail	2,171,200	2,236,400	2,049,775	186,625
Fire Department	634,500	634,500	387,343	247,157
Ambulance Services	4,605,500	4,615,100	3,361,466	1,253,634
Coroner	70,200	70,200	49,911	20,289
Total Public Safety	10,164,700	10,449,000	8,660,050	1,788,950
Public Works				
Roads & Bridges	5,520,400	5,520,400	5,343,221	177,179
Solid Waste	1,338,800	1,413,500	1,396,092	17,408
Shop	401,000	407,600	395,800	11,800
Total Public Works	7,260,200	7,341,500	7,135,113	206,387
Health & Welfare				
Health	175,000	182,000	158,642	23,358
Total Health & Welfare	175,000	182,000	158,642	23,358
Housing & Development				
Housing	540,600	540,600	517,260	23,340
Total Housing & Development	540,600	540,600	517,260	23,340

Grady County, Georgia
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget- Positive (Negative)
Culture & Recreation				
Recreation	570,500	570,500	540,318	30,182
Parks	416,000	416,000	213,025	202,975
Total Culture & Recreation	986,500	986,500	753,343	233,157
Total Expenditures - All Departments	26,077,500	26,880,300	23,761,633	3,118,667
Net Excess	(7,684,400)	(8,090,500)	(4,173,173)	3,917,327
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(849,500)	(849,500)	(782,035)	67,465
Sale of Capital Assets	100	100	435,833	435,733
Total Other Financing Sources (Uses)	(849,400)	(849,400)	(325,773)	523,627
Net Excess after Other Financing Sources	(8,533,800)	(8,939,900)	(4,498,946)	4,440,954
Fund Balances - Beginning	17,418,311	17,418,311	17,418,311	-
Fund Balances - Ending	$ 8,884,511	$ 8,478,411	$ 12,919,365	$ 4,440,954

Grady County, Georgia
Budgetary Basis Comparison Schedule
E-911 - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Charges for Services	$ 389,900	$ 293,600	$ 420,311	$ 126,711
Interest	200	200	2,754	2,554
Miscellaneous	100	100	-	(100)
Total Revenues	390,200	293,900	423,065	129,165
Expenditures				
General Government	1,216,200	1,254,300	1,246,514	7,786
Total Expenditures	1,216,200	1,254,300	1,246,514	7,786
Excess (Deficiency) of Revenues Over Expenditures	(826,000)	(960,400)	(823,449)	136,951
Other Financing Sources				
Transfers In	826,000	826,000	696,479	(129,521)
Total Other Financing Sources	826,000	826,000	696,479	(129,521)
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	-	(134,400)	(126,970)	7,430
Fund balance - beginning	135,714	135,714	135,715	-
Fund balance - ending	$ 135,714	$ 135,714	$ 8,745	$ -

Note A-Explanation of Differences between Revenues, Expenditures and Other Financing Sources (Uses) for Budgetary Funds on a Budgetary Basis

Financial Statements General Fund:	General Fund
Expenditures	
Actual amounts (budgetary basis) "expenditures" from the budgetary comparison schedules	$ 23,761,633
Adjustments:	
The County records expenditures on the cash basis of accounting for budgetary purposes.	1,090,072
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	$ 24,851,705
Other financing sources	
Actual amounts (budgetary basis) "other financing sources and uses" from the budgetary comparison schedule	$ (325,773)
Adjustments:	
The County financed some assets using leases and other debt agreements. For GAAP purposes the net present value of these agreements were reported as capital expenditures. The County only budgets for the actual cash paid out.	819,339
Total other financing sources and uses as reported on the statement of revenues, expenditures and changes in fund balance - general fund	$ 493,566

Grady County, Georgia
Budgetary Comparison
For the Year Ended December 31, 2025

Note B to Required Supplementary Information

Budget and Budgetary Accounting

Listed below is a summary of the procedures followed by the County in establishing the budgetary data reflected in the budgetary comparison schedule;

At least three months prior to year-end the County Finance Director and budget managers begin work on the proposed operating budget for the coming fiscal year;

Commissioners. The budget was adopted on December 19, 2024. The budget was amended as needed during the fiscal year. The budget includes proposed expenditures and the means of financing them;

Public Hearings are conducted to obtain taxpayer comments;

The budget is legally enacted through passage of a resolution;

Budget managers are restricted to budgeted amounts by department;

The County adopts a General Fund budget that provides for most of the appropriations of the governmental activities of the County. The County adopts budgets for Special Revenue and Debt Service funds as required by Georgia law. These budgets are not adopted on a basis consistent with generally accepted accounting principles. Budgets for Capital Projects are prepared for the project life rather than for the current fiscal year. Project appropriations for these budgets do not lapse at the end of each fiscal year but rather at the conclusion of the project.

All appropriations (except Capital Project Funds' appropriations) lapse at year-end. There were no material purchase orders, contracts or other commitments which were encumbered.

Capital Projects Funds use project budgeting.

Fiduciary type funds are agency funds and budgets are not prepared for these funds.

The legal level of budgetary control is at the department level with the exception of the salaries and benefits line items. Transfers between departments require approval of County Commissioners.

Grady County, Georgia
Required Supplementary Information - Pension Plan
December 31, 2025

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability as of beginning of year	$ 6,468,865	$ 5,811,984	$ 6,204,364	$ 5,935,687	$ 6,082,374	$ 5,726,768	$ 5,233,289	$ 4,600,423	$ 4,767,653	$ 4,208,584
Service cost	158,922	181,910	190,917	190,428	182,067	198,348	161,235	121,496	98,299	115,821
Interest	452,821	406,839	434,305	415,498	425,766	400,874	366,330	333,531	339,615	315,644
Plan change	-	-	-	-	-	-	-	-	-	-
Assumption change	10,850	10,588	(436,262)	10,183	7,486	10,146	272,779	392,880	9,327	150,365
Benefit payments (adjusted for interest)	(290,147)	(233,331)	(281,884)	(273,895)	(233,114)	(269,882)	(195,549)	(202,840)	(166,634)	(144,305)
Service credit transfer (adjusted for interest)	-	(63,064)	-	-	-	-	-	-	-	-
Experience (gain)/(loss)	(169,222)	353,939	(299,456)	(73,537)	(528,892)	16,120	(111,316)	(12,201)	(447,837)	121,544
Total Pension Liability as of December 31, 2023	$ 6,632,089	$ 6,468,865	$ 5,811,984	$ 6,204,364	$ 5,935,687	$ 6,082,374	$ 5,726,768	$ 5,233,289	$ 4,600,423	$ 4,767,653
Fiduciary Net Position as of beginning of year	$ 5,810,153	$ 5,364,286	$ 4,738,428	$ 5,590,817	$ 4,974,743	$ 4,379,698	$ 3,593,253	$ 3,821,182	$ 3,339,513	$ 3,097,059
Employer contributions	69,022	86,571	147,494	168,570	172,246	214,677	175,874	97,992	97,441	158,395
Employee contributions (including buyback)	112,201	132,128	113,398	90,136	92,017	97,373	100,862	91,990	87,778	80,436
Net investment income	589,398	578,339	708,774	(788,978)	751,929	606,644	748,785	(167,870)	520,980	215,740
Benefit payments	(280,335)	(218,759)	(229,895)	(210,875)	(196,601)	(174,801)	(147,133)	(149,146)	(166,634)	(139,089)
Service credit transfer	-	(60,931)	-	-	-	-	-	-	-	-
Employee contribution refunds	-	(6,682)	(42,457)	(53,758)	(28,630)	(85,955)	(41,803)	(46,598)	-	-
Administrative expense	(38,543)	(42,215)	(36,646)	(34,445)	(32,512)	(33,840)	(31,378)	(19,392)	(15,391)	(19,886)
Other	(60,813)	(22,584)	(34,810)	(23,039)	(142,375)	(29,053)	(18,762)	(34,905)	(42,505)	(53,142)
Fiduciary Net Position as of December 31, 2023	$ 6,201,083	$ 5,810,153	$ 5,364,286	$ 4,738,428	$ 5,590,817	$ 4,974,743	$ 4,379,698	$ 3,593,253	$ 3,821,182	$ 3,339,513
Net position liability as of beginning of year	$ 658,712	$ 447,698	$ 1,465,936	$ 344,870	$ 1,107,631	$ 1,347,070	$ 1,640,036	$ 779,241	$ 1,428,140	$ 1,111,525
Net pension liability as of end of year	$ 431,006	$ 658,712	$ 447,698	$ 1,465,936	$ 344,870	$ 1,107,631	$ 1,347,070	$ 1,640,036	$ 779,241	$ 1,428,140
Fiduciary Net Position as a percentage of Total Pension Liability	93.5%	89.8%	92.3%	76.4%	94.2%	81.8%	76.5%	68.7%	83.1%	70.0%
Covered-employee payroll	$ 3,662,722	$ 4,077,166	$ 3,230,242	$ 3,180,763	$ 3,181,355	$ 3,562,904	$ 3,196,324	$ 2,960,313	$ 2,492,519	$ 2,703,699
Net pension liability as a percentage of covered-employee payroll	11.8%	16.2%	13.9%	46.1%	10.8%	31.1%	42.1%	55.4%	31.3%	52.8%

Note: This schedule will present 10 years of information once the data is available.

Grady County, Georgia
Required Supplementary Information - Pension Plan
December 31, 2025

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLAN

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 69,022	$ 93,698	$ 145,522	$ 164,142	$ 167,247	$ 207,473	$ 168,466	$ 95,313	$ 101,955	$ 158,395
Contribution in relation to the actuarially determined contribution	69,022	86,571	147,494	168,570	172,246	214,677	175,874	97,992	97,441	158,395
Contribution deficiency (excess)	$ -	$ 7,127	$ (1,972)	$ (4,428)	$ (4,999)	$ (7,204)	$ (7,408)	$ (2,679)	$ 4,514	$ -
Covered-employee payroll	$ 3,662,722	$ 4,077,166	$ 3,230,242	$ 3,180,763	$ 3,181,355	$ 3,562,904	$ 3,196,324	$ 2,960,313	$ 2,492,519	$ 2,703,699
Contributions as a percentage of covered-employee payroll	1.9%	2.1%	4.6%	5.3%	5.4%	6.0%	5.5%	3.3%	3.9%	5.9%

Notes to Schedule:

Valuation date	January 1, 2025
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age Normal
Asset valuation method	Market value as of measurement date
Salary increases	3.50%
Investment rate of return	7.00%
Retirement:	Probability of Retirement
ages 60 to 63	10%
ages 64	20%
ages 65 to 69	30%
age 70	100%
Mortality	Pub-2010 GE (50%) & PS (50%) Amt-Weighted with Scale AA to 2025

Grady County, Georgia
Required Supplementary Information - Pension Plan
December 31, 2025

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITIES - COST-SHARING MULTIPLE-EMPLOYER PENSION PLANS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sheriff's Retirement Fund of Georgia										
County's proportion of the net pension liability (asset)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability (asset) associated with the County	$ 164,963	$ 364,844	$ 456,410	$ 495,121	$ 495,121	$ 360,080	$ 360,080	$ 308,677	$ 308,677	$ 402,696
County's covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net position as a percentage of the total pension liability (asset)	62.89%	62.89%	62.89%	62.89%	62.89%	62.89%	62.89%	65.34%	65.34%	56.67%
Peace Officers' Annuity and Benefit Fund of Georgia										
County's proportion of the net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State of Georgia's proportionate share of the net pension liability associated with the County	$ 8,470	$ 11,774	$ 29,240	$ 1,022	$ 1,022	$ 5,378	$ 5,369	$ 4,630	$ 4,630	$ 17,973
County's covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net pension as a percentage of the total pension liability	0.01%	0.01%	1.44%	3.00%	3.00%	2.29%	3.84%	101.62%	101.62%	92.18%

Note: This schedule will present 10 years of information once the data is available.

SUPPLEMENTAL INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Grady County, Georgia

For the Year Ended December 31, 2025

NON-MAJOR GOVERNMENTAL FUNDS

Grady County, Georgia
Combining Balance Sheet
Non-Major - Governmental Funds
December 31, 2025

	Special Revenue Funds	Capital Projects Funds	Totals
Assets			
Restricted Cash	$ 417,172	$ 200	$ 417,372
Total Assets	$ 417,172	$ 200	$ 417,372
Liabilities & Fund Balances			
Liabilities			
Accounts Payable	$ 3,006	$ -	$ 3,006
Due to Other Funds	100	100	200
Total Liabilities	3,106	100	3,206
Fund Balances			
Restricted for:			
Capital Projects Funds	-	100	100
Legal Reference Materials	36,155	-	36,155
Public Safety	266,752	-	266,752
Recreation	111,259	-	111,259
Unassigned	(100)	-	(100)
Total Fund Balances	414,066	100	414,166
Total Liabilities & Fund Balance	$ 417,172	$ 200	$ 417,372

Grady County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major - Governmental Funds
For the Year Ended December 31, 2025

	Special Revenue Funds	Capital Projects Funds	Totals
Revenues			
Fines	$ 42,857	$ -	$ 42,857
Charges for Services	19,748	-	19,748
Intergovernmental	237,910	-	237,910
Donations	72,489	-	72,489
Interest	11,380	30	11,410
Miscellaneous	38,601	-	38,601
Total Revenues	422,985	30	423,015
Expenditures			
Current:			
General Government	76,850	-	76,850
Public Safety	318,735	-	318,735
Capital Outlay:			
General Government	-	85,856	85,856
Public Safety	25,896	-	25,896
Culture & Recreation	54,441	20,529	74,970
Total Expenditures	475,922	106,385	582,307
Excess (Deficiency) of Revenues Over Expenditures	(52,937)	(106,355)	(159,292)
Other Financing Sources			
Transfers In	-	85,856	85,856
Transfers Out	(300)	-	(300)
Total Other Financing Sources	(300)	85,856	85,556
Net Change in Fund Balance	(53,237)	(20,499)	(73,736)
Fund Balance - Beginning	467,303	20,599	487,902
Fund Balance - Ending	$ 414,066	$ 100	$ 414,166

Grady County, Georgia

For the Year Ended December 31, 2025

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Drug Abuse & Treatment – This fund is used to account for the drug abuse fees that are restricted for specific purposes.

Confiscated Assets – This fund is used to account for the government's share of monies that have been forfeited through the court system that are legally restricted for law enforcement purposes.

Recreation – This fund is used to account for revenues and expenditures that are restricted for specific recreation purposes.

Law Library – This fund provides for the operation and maintenance of the County's Law Library.

Friends Against Drugs Squad – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

Jail Construction & Staffing – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

SWAT Donations – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

Drug Court – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

Victim/Witness Protection – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

County Supplement Juvenile Services – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

GOHS Grant – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

EMA Grant – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

EMS Trauma – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

Opioid Settlement – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

VFD Fireworks Grant – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

CHIP Grant – This fund is used to account for revenues and expenditures that are restricted for specific purposes.

Grady County, Georgia
Combining Balance Sheet
Non-Major - Special Revenue Funds
December 31, 2025

	Drug Abuse & Treatment	Confiscated Assets	Recreation	Law Library	Friends Against Drugs Squad	Jail Construction & Staffing	SWAT Donations
Assets							
Restricted Cash	$ 80,521	$ 1,612	$ 111,259	$ 36,155	$ 3,441	$ 6,310	$ 593
Total Assets	$ 80,521	$ 1,612	$ 111,259	$ 36,155	$ 3,441	$ 6,310	$ 593
Liabilities & Fund Balances							
Liabilities							
Accounts Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to Other Funds	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-
Fund Balances							
Restricted for:							
Legal reference materials	-	-	-	36,155	-	-	-
Public safety	80,521	1,612	-	-	3,441	6,310	593
Recreation	-	-	111,259	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	80,521	1,612	111,259	36,155	3,441	6,310	593
Total Liabilities and Fund Balance	$ 80,521	$ 1,612	$ 111,259	$ 36,155	$ 3,441	$ 6,310	$ 593

Drug Court Participant	Victim/ Witness Protection	County Supplement Juvenile Services	GOHS Grant	EMA Grant	EMS Trauma Grant	Opioid Settlement	VFD Fireworks Grant	CHIP Grant	Totals
$ 33,688	$ 3,289	$ 4,882	$ -	$ -	$ 6,019	$ 112,093	$ 17,270	$ 40	$ 417,172
$ 33,688	$ 3,289	$ 4,882	$ -	$ -	$ 6,019	$ 112,093	$ 17,270	$ 40	$ 417,172
$ -	$ 3,006	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,006
-	-	-	100	-	-	-	-	-	100
-	3,006	-	100	-	-	-	-	-	3,106
-	-	-	-	-	-	-	-	-	36,155
33,688	283	4,882	-	-	6,019	112,093	17,270	40	266,752
-	-	-	-	-	-	-	-	-	111,259
-	-	-	(100)	-	-	-	-	-	(100)
33,688	283	4,882	(100)	-	6,019	112,093	17,270	40	414,066
$ 33,688	$ 3,289	$ 4,882	$ -	$ -	$ 6,019	$ 112,093	$ 17,270	$ 40	$ 417,172

Grady County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major - Special Revenue Funds
For the Year Ended December 31, 2025

	Drug Abuse & Treatment	Confiscated Assets	Recreation	Law Library	Friends Against Drugs Squad	Jail Construction & Staffing	SWAT Donations
Revenues							
Fines	$ 19,063	$ 102	$ -	$ 15,150	$ -	$ -	$ -
Charges for Services	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Donations	-	-	10,105	-	-	62,384	-
Interest	2,250	57	3,437	3	197	379	17
Miscellaneous	-	-	-	-	3,000	-	-
Total Revenues	21,313	159	13,542	15,153	3,197	62,763	17
Expenditures							
Current:							
General Government	-	-	-	6,764	-	-	-
Public Safety	21,392	1,192	-	-	-	62,900	-
Capital Outlay:							
Public Safety	-	-	-	-	-	-	-
Culture & Recreation	-	-	54,441	-	-	-	-
Total Expenditures	21,392	1,192	54,441	6,764	-	62,900	-
Excess (Deficiency) of Revenues Over Expenditures	(79)	(1,033)	(40,899)	8,389	3,197	(137)	17
Other Financing Sources							
Transfers Out	-	-	(300)	-	-	-	-
Total Other Financing Sources	-	-	(300)	-	-	-	-
Net Change in Fund Balance	(79)	(1,033)	(41,199)	8,389	3,197	(137)	17
Fund Balance - Beginning	80,600	2,645	152,458	27,766	244	6,447	576
Fund Balance - Ending	$ 80,521	$ 1,612	$ 111,259	$ 36,155	$ 3,441	$ 6,310	$ 593

Drug Court Participant	Victim/ Witness Protection	County Supplement Juvenile Services	GOHS Grant	EMA Grant	EMS Trauma Grant	Opioid Settlement	VFD Fireworks Grant	CHIP Grant	Totals
$ 8,542	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 42,857
-	17,348	2,400	-	-	-	-	-	-	19,748
-	-	-	-	7,578	5,340	-	22,633	202,359	237,910
-	-	-	-	-	-	-	-	-	72,489
895	80	87	75	380	149	3,337	37	-	11,380
-	-	-	7,171	-	-	28,430	-	-	38,601
9,437	17,428	2,487	7,246	7,958	5,489	31,767	22,670	202,359	422,985
-	-	-	10,820	-	-	59,266	-	-	76,850
3,182	18,966	-	-	-	3,384	-	5,400	202,319	318,735
-	-	-	-	25,896	-	-	-	-	25,896
-	-	-	-	-	-	-	-	-	54,441
3,182	18,966	-	10,820	25,896	3,384	59,266	5,400	202,319	475,922
6,255	(1,538)	2,487	(3,574)	(17,938)	2,105	(27,499)	17,270	40	(52,937)
-	-	-	-	-	-	-	-	-	(300)
-	-	-	-	-	-	-	-	-	(300)
6,255	(1,538)	2,487	(3,574)	(17,938)	2,105	(27,499)	17,270	40	(53,237)
27,433	1,821	2,395	3,474	17,938	3,914	139,592	-	-	467,303
$ 33,688	$ 283	$ 4,882	$ (100)	$ -	$ 6,019	$ 112,093	$ 17,270	$ 40	$ 414,066

Grady County, Georgia
Budgetary Basis Comparison Schedule
Drug Abuse & Treatment - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Fines & Forfeitures	$ 18,000	$ 21,400	$ 19,063	$ (2,337)
Interest	-	-	2,250	2,250
Total Revenues	18,000	21,400	21,313	(87)
Expenditures				
Public Safety	18,000	21,400	21,392	8
Total Expenditures	18,000	21,400	21,392	8
Excess (Deficiency) of Revenues Over Expenditures	-	-	(79)	(79)
Fund balance - beginning	80,600	80,600	80,600	-
Fund balance - ending	$ 80,600	$ 80,600	$ 80,521	$ (79)

Grady County, Georgia
Budgetary Basis Comparison Schedule
Confiscated Assets - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Fines & Forfeitures	$ 9,400	$ 200	$ 102	$ (98)
Interest	100	-	57	57
Total Revenues	9,500	200	159	(41)
Expenditures				
Public Safety	9,500	1,200	1,192	8
Total Expenditures	9,500	1,200	1,192	8
Excess (Deficiency) of Revenues Over Expenditures	-	(1,000)	(1,033)	(33)
Fund balance - beginning	2,645	2,645	2,645	-
Fund balance - ending	$ 2,645	$ 1,645	$ 1,612	$ (33)

Grady County, Georgia
Budgetary Basis Comparison Schedule
Recreation - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Donations	$ 109,900	$ 11,000	$ 7,836	$ (3,164)
Interest	100	-	3,437	3,437
Total Revenues	110,000	11,000	11,273	273
Expenditures				
Recreation	110,000	52,200	52,172	28
Total Expenditures	110,000	52,200	52,172	28
Excess (Deficiency) of Revenues Over Expenditures	-	(41,200)	(40,899)	301
Fund balance - beginning	152,458	152,458	152,458	-
Fund balance - ending	$ 152,458	$ 111,258	$ 111,259	$ 1

Grady County, Georgia
Budgetary Basis Comparison Schedule
Law Library - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Fines & Forfeitures	$ 50,000	$ 50,000	$ 15,150	$ (34,850)
Interest	-	-	3	3
Total Revenues	50,000	50,000	15,153	(34,847)
Expenditures				
Court System	50,000	50,000	6,764	43,236
Total Expenditures	50,000	50,000	6,764	43,236
Excess (Deficiency) of Revenues Over Expenditures	-	-	8,389	8,389
Fund balance - beginning	27,766	27,766	27,766	-
Fund balance - ending	$ 27,766	$ 27,766	$ 36,155	$ 8,389

Grady County, Georgia
Budgetary Basis Comparison Schedule
Friends Against Drugs Squad - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Interest	$ -	$ -	$ 197	$ 197
Miscellaneous	3,000	3,100	3,000	(100)
Total Revenues	3,000	3,100	3,197	97
Expenditures				
Public Safety	3,000	200	-	200
Total Expenditures	3,000	200	-	200
Excess (Deficiency) of Revenues Over Expenditures	-	2,900	3,197	297
Fund balance - beginning	244	244	244	-
Fund balance - ending	$ 244	$ 3,144	$ 3,441	$ 297

Grady County, Georgia
Budgetary Basis Comparison Schedule
Jail Construction & Staffing - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Donations	$ 50,000	$ 62,800	$ 62,384	$ (416)
Interest	-	-	379	379
Total Revenues	50,000	62,800	62,763	(37)
Expenditures				
Public Safety	50,000	62,900	62,900	-
Total Expenditures	50,000	62,900	62,900	-
Excess (Deficiency) of Revenues Over Expenditures	-	(100)	(137)	(37)
Fund balance - beginning	6,447	6,447	6,447	-
Fund balance - ending	$ 6,447	$ 6,347	$ 6,310	$ (37)

Grady County, Georgia
Budgetary Basis Comparison Schedule
SWAT Donation Fund - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Donations	$ 2,000	$ 100	$ -	$ (100)
Interest	-	-	17	17
Total Revenues	2,000	100	17	(83)
Expenditures				
Public Safety	2,000	-	-	-
Total Expenditures	2,000	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	100	17	(83)
Fund balance - beginning	576	576	576	-
Fund balance - ending	$ 576	$ 676	$ 593	$ (83)

Grady County, Georgia
Budgetary Basis Comparison Schedule
Drug Court Participant - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Fines & Forfeitures	$ 5,000	$ 8,600	$ 8,542	$ (58)
Interest	-	-	895	895
Total Revenues	5,000	8,600	9,437	837
Expenditures				
Public Safety	5,000	3,200	3,182	18
Total Expenditures	5,000	3,200	3,182	18
Excess (Deficiency) of Revenues Over Expenditures	-	5,400	6,255	855
Fund balance - beginning	27,433	27,433	27,433	-
Fund balance - ending	$ 27,433	$ 32,833	$ 33,688	$ 855

Grady County, Georgia
Budgetary Basis Comparison Schedule
Victim/Witness Protection - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Charges for Services	$ 10,000	$ 17,500	$ 17,348	$ (152)
Interest	-	-	80	80
Total Revenues	10,000	17,500	17,428	(72)
Expenditures				
Public Safety	10,000	19,000	18,966	34
Total Expenditures	10,000	19,000	18,966	34
Excess (Deficiency) of Revenues Over Expenditures	-	(1,500)	(1,538)	(38)
Fund balance - beginning	1,821	1,821	1,821	-
Fund balance - ending	$ 1,821	$ 321	$ 283	$ (38)

Grady County, Georgia
Budgetary Basis Comparison Schedule
County Supplement Juvenile Services - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Charges for Services	$ 100	$ 2,500	$ 2,400	$ (100)
Interest	-	-	87	87
Total Revenues	100	2,500	2,487	(13)
Expenditures				
Public Safety	100	-	-	-
Total Expenditures	100	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	2,500	2,487	(13)
Fund balance - beginning	2,395	2,395	2,395	-
Fund balance - ending	$ 2,395	$ 4,895	$ 4,882	$ (13)

Grady County, Georgia
Budgetary Basis Comparison Schedule
GOHS Grant - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Interest	$ -	$ -	$ 76	$ 76
Miscellaneous	20,000	7,300	7,171	(129)
Total Revenues	20,000	7,300	7,247	(53)
Expenditures				
General Government	20,000	10,900	10,820	80
Total Expenditures	20,000	10,900	10,820	80
Excess (Deficiency) of Revenues Over Expenditures	-	(3,600)	(3,573)	27
Fund balance - beginning	3,474	3,474	3,474	-
Fund balance - ending	$ 3,474	$ (126)	$ (99)	$ 27

Grady County, Georgia
Budgetary Basis Comparison Schedule
EMA Grant - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Intergovernmental	$ 8,800	$ 8,000	$ 7,578	$ (422)
Interest	-	-	380	380
Total Revenues	8,800	8,000	7,958	(42)
Expenditures				
Public Safety	17,600	25,900	25,896	4
Total Expenditures	17,600	25,900	25,896	4
Excess (Deficiency) of Revenues Over Expenditures	(8,800)	(17,900)	(17,938)	(38)
Other Financing Sources				
Operating Transfers In (Out)	8,800	-	-	-
Total Other Financing Sources	8,800	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	-	(17,900)	(17,938)	(38)
Fund balance - beginning	17,938	17,938	17,938	-
Fund balance - ending	$ 17,938	$ 38	$ -	$ (38)

Grady County, Georgia
Budgetary Basis Comparison Schedule
EMA Trauma Grant - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Intergovernmental	$ 8,000	$ 5,500	$ 5,340	$ (160)
Interest	-	-	149	149
Total Revenues	8,000	5,500	5,489	(11)
Expenditures				
Public Safety	8,000	3,400	3,384	16
Total Expenditures	8,000	3,400	3,384	16
Excess (Deficiency) of Revenues Over Expenditures	-	2,100	2,105	5
Fund balance - beginning	3,914	3,914	3,914	-
Fund balance - ending	$ 3,914	$ 6,014	$ 6,019	$ 5

Grady County, Georgia
Budgetary Basis Comparison Schedule
Opioid Settlement - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Interest	$ -	$ -	$ 3,337	$ 3,337
Miscellaneous	55,000	31,800	28,430	(3,370)
Total Revenues	55,000	31,800	31,767	(33)
Expenditures				
Public Safety	55,000	59,300	59,266	34
Total Expenditures	55,000	59,300	59,266	34
Excess (Deficiency) of Revenues Over Expenditures	-	(27,500)	(27,499)	1
Fund balance - beginning	139,592	139,592	139,592	-
Fund balance - ending	$ 139,592	$ 112,092	$ 112,093	$ 1

Grady County, Georgia
Budgetary Basis Comparison Schedule
VFD Fireworks Grant - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Intergovernmental	$ -	$ 17,300	$ 17,233	$ (67)
Interest	-	-	37	37
Total Revenues	-	17,300	17,270	(30)
Expenditures				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	17,300	17,270	(30)
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ 17,300	$ 17,270	$ (30)

Grady County, Georgia
Budgetary Basis Comparison Schedule
CHIP Grant - Special Revenue Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Intergovernmental	$ -	$ 202,400	$ 202,359	$ (41)
Total Revenues	-	202,400	202,359	(41)
Expenditures				
Public Safety	-	202,400	202,319	81
Total Expenditures	-	202,400	202,319	81
Excess (Deficiency) of Revenues Over Expenditures	-	-	40	40
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ 40	$ 40

Grady County, Georgia

For the Year Ended December 31, 2025

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

To account for and report fiancial resources that are

restricted, committed, or assigned to expenditures for captial projects.

CDBG – This fund is used to account for grant award draws and expenditures for capital projects.

Aquatic Center – This fund is used to account for proceeds and disbursements related to the Aquatic Center

GTIB – This fund is used to account for all Special Purpose Local Option Sales Tax collected and the outlays as specified by the 2012 referendum.

Grady County, Georgia
Combining Balance Sheet
Non-Major - Capital Projects Funds
December 31, 2025

	Aquatic Center	GTIB	CDBG	Totals
Assets				
Restricted Cash	$ -	$ 100	$ 100	$ 200
Total Assets	$ -	$ 100	$ 100	$ 200
Liabilities & Fund Balances				
Liabilities				
Due to Other Funds	$ -	$ -	$ 100	$ 100
Total Liabilities	-	-	100	100
Fund Balances				
Restricted for:				
Capital Projects Funds	-	100	-	100
Total Fund Balances	-	100	-	100
Total Liabilities & Fund Balances	$ -	$ 100	$ 100	$ 200

Grady County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major - Capital Projects Funds
For the Year Ended December 31, 2025

	Aquatic Center	GTIB	CDBG	Totals
Revenues				
Interest	$ 30	$ -	$ -	$ 30
Total Revenues	30	-	-	30
Expenditures				
Capital Outlay:				
General Government	-	-	85,856	85,856
Culture & Recreation	20,529	-	-	20,529
Total Expenditures	20,529	-	85,856	106,385
Excess (Deficiency) of Revenues Over Expenditures	(20,499)	-	(85,856)	(106,355)
Other Financing Sources				
Transfers In	-	-	85,856	85,856
Total Other Financing Sources	-	-	85,856	85,856
Net Change in Fund Balance	(20,499)	-	-	(20,499)
Fund Balance - Beginning	20,499	100	-	20,599
Fund Balance - Ending	$ -	$ 100	$ -	$ 100

Grady County, Georgia
For the Year Ended December 31, 2025

CUSTODIAL FUNDS

Grady County, Georgia
Combining Statement of Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2025

	Clerk of Superior Court	Probate Court	Tax Commissioner	Magistrate Court	Sheriff's Department	Totals
Assets						
Cash	$ 138,194	$ 7,458	$ 2,913,340	$ 25,779	$ 129,160	$ 3,213,931
Tax Receivable	-	-	19,369,544	-	-	19,369,544
Total Assets	$ 138,194	$ 7,458	$ 22,282,884	$ 25,779	$ 129,160	$ 22,583,475
Liabilities						
Uncollected Taxes	$ -	$ -	$ 19,369,544	$ -	$ -	$ 19,369,544
Due to Others	-	-	2,150,414	-	-	2,150,414
Total Liabilities	-	-	21,519,958	-	-	21,519,958
Net Position						
Net Position-Held for Others	138,194	7,458	762,926	25,779	129,160	1,063,517
Total Net Position	$ 138,194	$ 7,458	$ 762,926	$ 25,779	$ 129,160	$ 1,063,517

Grady County, Georgia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2025

	Clerk of Superior Court	Probate Court	Tax Commissioner	Magistrate Court	Sheriff's Department	Totals
Additions						
Taxes	$ 404,666	$ -	$ 31,214,085	$ -	$ -	$ 31,618,751
Fees	830,522	76,959	809,196	167,591	102,193	1,986,461
Total Additions	1,235,188	76,959	32,023,281	167,591	102,193	33,605,212
Deductions						
Payment of Taxes to Other Agencies	404,666	-	30,746,184	-	-	31,150,850
Payment of Fees to Other Agencies	763,880	73,896	999,557	162,522	91,800	2,091,655
Total Deductions	1,168,546	73,896	31,745,741	162,522	91,800	33,242,505
Changes in Net Position	66,642	3,063	277,540	5,069	10,393	362,707
Net Position Begnning of Year	71,552	4,395	485,386	20,710	118,767	700,810
Net Position End of Year	$ 138,194	$ 7,458	$ 762,926	$ 25,779	$ 129,160	$ 1,063,517

STATE REPORTING REQUIREMENTS

Grady County, Georgia
Annual Report of 9-1-1 Expenditures
For the Year Ended December 31, 2025

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

Grady County, Georgia
Annual Report of 9-1-1 Expenditures
For the Year Ended December 31, 2025

10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	$	
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:			
11a	Lease costs	46-5-134(f)(1)(I)	$	
11b	Purchase costs	46-5-134(f)(1)(I)	$	
11c	Maintenance costs	46-5-134(f)(1)(I)	$	
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	$	
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center			
13a	Lease costs	46-5-134(f)(2(B)(ii)	$	
13b	Purchase costs	46-5-134(f)(2(B)(ii)	$	
13c	Maintenance costs	46-5-134(f)(2(B)(ii)	$	
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	$	
15	Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations			
15a	Lease costs	46-5-134(f)(2(B)(iv)	$	
15b	Purchase costs	46-5-134(f)(2(B)(iv)	$	
15c	Maintenance costs	46-5-134(f)(2(B)(iv)	$	
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems			
16a	Lease costs	46-5-134(f)(2(B)(v)	$	1,246,514
16b	Purchase costs	46-5-134(f)(2(B)(v)	$	
16c	Maintenance costs	46-5-134(f)(2(B)(v)	$	
17	Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose			
	Intergovernmental Contract		$	-
	General Supplies and Materials		$	-

Grady County, Georgia
Annual Report of 9-1-1 Expenditures
For the Year Ended December 31, 2025

	Repairs	$	-
		$	
		$	
		$	
		$	
		$	
18	Total Expenditures (total of all amounts reported on Lines 2 through 17 above)	$	1,246,514

Reconciling Note:

Non-Allowable Items

Professional Fees

Total Expenditures on Combining Statement of Revenues, Expenditures & Changes in Fund Balance $ 1,246,514

Non-allowable expenditures were paid with funds transferred into the E-911 Fund from the General Fund.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by the service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official LaFaye Copeland Date 6/11/2026

Print Name of Chief Elected Official LaFaye Copeland

Title of Chief Elected Official Chair

Signature of Chief Financial Officer Holly D. Murkerson Date 6/11/2026

Print Name of Chief Financial Officer Holly D. Murkerson

Grady County, Georgia
Community Development Block Grant Program
Source and Application of Funds Schedule

Grant # 24p-y-065-1-6401

December 31, 2025

Total Program Funds Allocated to Recipient	$ 1,000,000
Less: Total Program Year 2025 Funds Drawn Down by Recipient	-
Funds still available from Grant Resources	$ 1,000,000
Total Program funds held at beginning of year	$ -
Total Program Year 2025 Funds Drawn Down & Received by Recipient	-
Less: Funds applied and expended to Program Year 2025 Cost	-
TOTAL PROGRAM YEAR 2025 FUNDS HELD BY RECIPIENT	$ -

Grady County, Georgia
Community Development Block Grant Program
Source and Application of Funds Schedule

Grant # **24p-y-065-1-6401**

December 31, 2025

Program Activity	Activity Number	Latest Approved Budget CDBG Funds	Current Period Expenditures	Prior Period Expenditures	Grand Total Expenditures to Date	Questioned Costs
Public Facilities and Improvements	P-003-00	$ 1,000,000	$ -	$ -	$ -	**$ -**
TOTAL		$ 1,000,000	$ -	$ -	$ -	$ -

Grady County, Georgia
Schedule of Special Purpose
Local Option Sales Tax - 2019
For the Year Ended December 31, 2025

Project	Original Estimated Cost	Expenditure			Estimated Percentage of Completion
		Prior Years	Current Year	Total	
Special Purpose Local Option Sales Tax - 2019					
County roads, streets and bridges	$ 1,346,000	$ 661,992	$ 154,162	$ 816,154	60.64%
Parks & recreation facility improvements	600,000	-	611,862	611,862	101.98%
Public safety equipment	1,000,000	911,813	397,307	1,309,120	130.91%
Retirement of existing indebtedness	7,800,000	2,984,565	619,291	3,603,856	46.20%
City of Cairo	6,912,000	6,337,208	1,584,924	7,922,132	114.61%
City of Whigham	342,000	293,752	78,421	372,173	108.82%
Total expenditures	$ 18,000,000	$ 11,189,330	$ 3,445,967	$ 14,635,297	

Reconciliation of the SPLOST Schedule above to expenditures reported in the the SPLOST Capital Projects Fund on Page 6

Expenditures from SPLOST schedule (above)	$ 3,445,967
Non-SPLOST Tax Expenditures	
Principal paid on debt	870,000
Total expenditures per SPLOST Capital Projects Fund on Page 6	$ 4,315,967

Grady County, Georgia
Schedule of Transportation Special Purpose
Local Option Sales Tax - 2020
For the Year Ended December 31, 2025

Project	Original Estimated Cost	Expenditure			Estimated Percentage of Completion
		Prior Years	Current Year	Total	
Transportation Special Purpose Local Option Sales Tax - 2020					
Road and Transportation	$ 8,955,000	$ 6,868,518	$ 768,276	$ 7,636,794	85.28%
Total expenditures	$ 8,955,000	$ 6,868,518	$ 768,276	$ 7,636,794	

Reconciliation of the TSPLOST Schedule above to expenditures reported in the the TSPLOST Capital Projects Fund on Page 6

GOVERNMENTAL AUDITING STANDARDS REQUIREMENTS

Perry L. Henry, LLC

Certified Public Accountant and Consultant

Perry L. Henry, CPA, CGFM, CFS

Members
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants

726 East Shotwell Street, P.O. Box 1422 Bainbridge, GA 39818 * Phone 229-246-0550 * Fax 229-246-7908

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

Honorable Chairperson and Members of
the County Commission
Grady County, Georgia

We have audited, in accordance with audit standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Grady County, Georgia as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Grady County, Georgia's basic financial statements, and have issued our report dated thereon June 11, 2026. Our report includes a reference to other auditors who audited the financial statements of the Grady County Health Department, as described in our report on Grady County, Georgia's financial statements. This report includes our consideration of the results of the other auditor's testing on internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it related to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control over Financial Reporting

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

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

that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as item *2017-M* that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Grady County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Grady County, Georgia's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Perry L. Henry, LLC
Perry L. Henry, LLC
Bainbridge, Georgia

June 11, 2026

2017-M

Condition:

The County (Board of Commissioners and/or Elected Constitutional Officers) does not have adequate separation of duties in various functions of the County.

Criteria:

Internal control is a process designed to provide reasonable assurance about your objectives with regard to reliability of:

(1) financial reporting,
(2) effectiveness and efficiency of operations and
(3) compliance with applicable laws and regulations.

Cause:

There is an insufficient number of staff to properly segregate functions of all transaction cycles.

Effect:

The County (Board of Commissioners and/or Elected Constitutional Officers) will be exposed to increased risk that the financial statements will be materially misstated, whether by error or intentionally, and not be detected in a timely manner.

Recommendation:

The County (Board of Commissioners and/or Elected Constitutional Officers) should monitor the control environment and continue to strengthen controls where cost effective.

Management's Response:

Management (Board of Commissioners and/or Elected Constitutional Officers) agree and will continue to seek out new ways to compensate for the lack of segregation of duties.