

Habersham County, Georgia

Annual Comprehensive Financial Report

For Fiscal Year Ended

June 30, 2025



This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2025

Prepared by: Finance Department

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

Part I

Introductory Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

HABERSHAM COUNTY, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the fiscal year ended June 30, 2025

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Table of Contents	i-iii
Certificate of Achievement for Excellence in Financial Reporting	iv
Principal Officials	v
Habersham County Organizational Chart	vi
Letter of Transmittal	vii-xii
FINANCIAL SECTION	
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-16
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17-18
Statement of Activities	19
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	20
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	24-25
Emergency Medical Services Special Revenue Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	26
Opioid Settlement Special Revenue Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	27
Proprietary Funds:	
Statement of Net Position	28
Statement of Revenues, Expenses, and Changes in Net Position	29
Statement of Cash Flows	30-31
Fiduciary Funds:	
Statement of Fiduciary Net Position	32
Statement of Changes in Fiduciary Net Position	33
Component Units:	
Combining Statement of Net Position	34
Combining Statement of Activities	35
Notes to the Financial Statements	36-90
Required Supplementary Information:	
Schedule of Changes in the Net Pension Liability (Assets) and Related Ratios	91-92
Schedule of Contributions	93-94
Notes to the Required Supplementary Information	95-96

TABLE OF CONTENTS

	PAGE
SUPPLEMENTARY INFORMATION SECTION	
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	97-98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	99-100
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Indigent Defense Special Revenue Fund	101
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Jail Special Revenue Fund	102
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Juvenile Services Special Revenue Fund	103
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Emergency 911 Special Revenue Fund	104
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Hotel/Motel Tax Special Revenue Fund	105
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Law Library Special Revenue Fund	106
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Accountability Court Special Revenue Fund	107
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Inmate Welfare Special Revenue Fund	108
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Senior Center Special Revenue Fund	109
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Southeast Aquatic Resources Partnership Special Revenu	110
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Fitness Center Special Revenue Fund	111
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - American Rescue Plan Act 2021 Special Revenue Fund	112
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Hospital Debt Service Fund	113
Statement of Fiduciary Net Position - Custodial Funds	114
Statement of Changes in Fiduciary Net Position - Custodial Funds	115-116

TABLE OF CONTENTS

	PAGE
STATISTICAL SECTION	
Introduction to the Statistical Section	117
Financial Trends	
Net Position by Component	118-119
Changes in Net Position	120-123
Governmental Activities Tax Revenues by Source	124
Fund Balances of Governmental Funds	125-126
Changes in Fund Balances of Governmental Funds	127-128
General Government Tax Revenues by Source	129
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	130-131
Property Tax Rates - Direct and Overlapping Governments	132-133
Principal Taxpayers	134
Property Tax Levies and Collections	135
Debt Capacity	
Ratios of Outstanding Debt by Type	136
Direct and Overlapping Governmental Activities Debt	137
Legal Debt Margin Information	138-139
Demographic and Economic Information	
Demographic and Economic Statistics	140
Principal Employers	141
Operating Information	
Full-time Equivalent County Government Employees by Function	142-143
Operating Indicators by Function	144-145
Capital Asset Statistics by Function	146-147
OTHER REPORTING SECTION	
Single Audit Section	
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*	148-149
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	150-152
Schedule of Expenditures of Federal Awards	153-154
Notes to the Schedule of Expenditures of Federal Awards	155
Schedule of Findings and Questioned Costs	156-158
State Reporting Section	
Schedule of Projects Financed with Special Purpose Local Option Sales Tax	159
Schedule of Supplemental Official Income	160

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Habersham County
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Habersham County, Georgia
BOARD OF COMMISSIONERS



District 1
Kelly Woodall



District 2
Dustin Mealor



District 3
Jimmy Tench



District 4
Bruce Harkness



District 5
Ty Akins
Chairman

ELECTED OFFICIALS

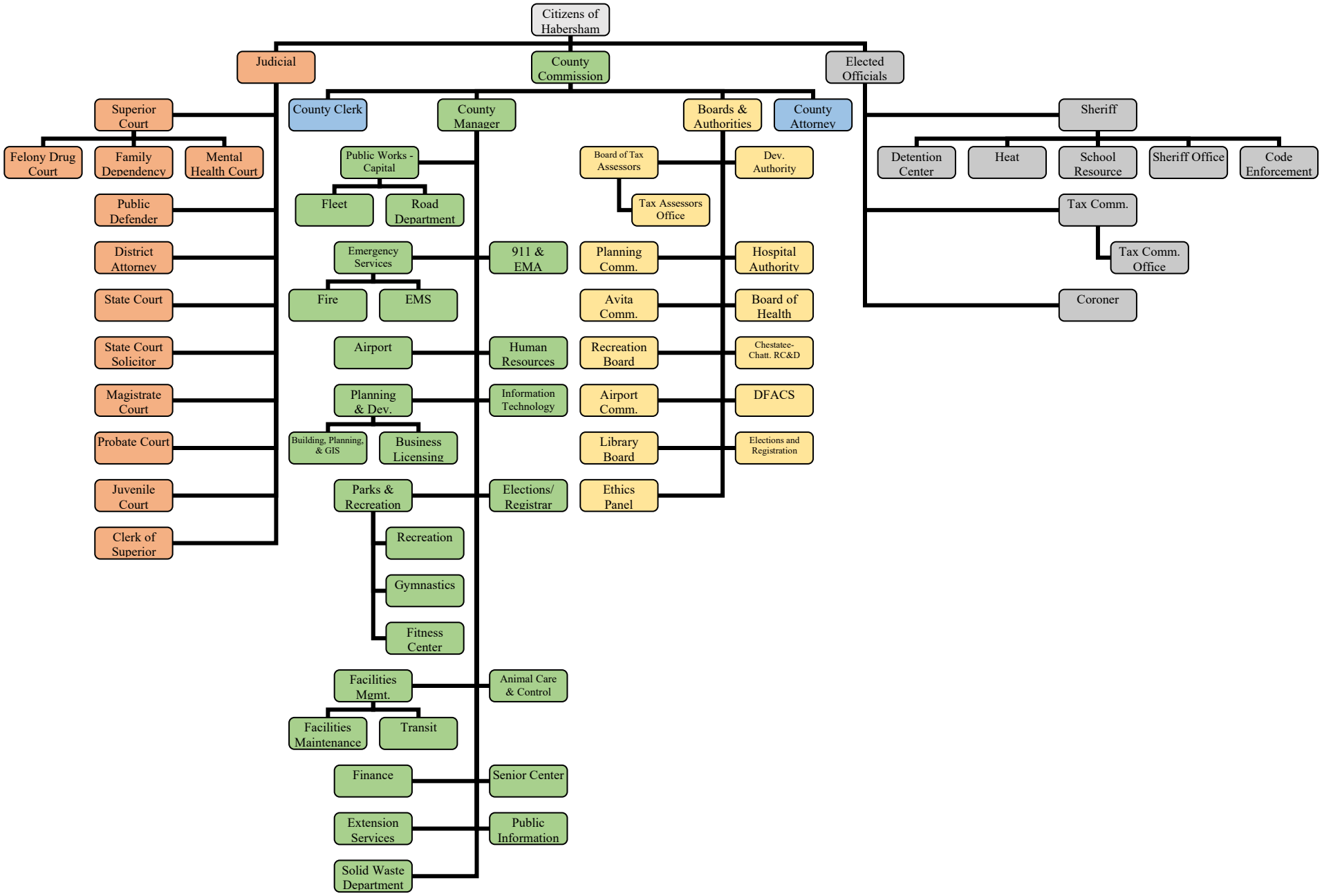
William Oliver	Chief Judge, Superior Court	June Black-Warren	Tax Commissioner
B. Nicole Carswell	Judge, Superior Court	Kasey C. McEntire	Coroner
Carlton Jones III	Judge, Superior Court	Robin Krockum	Sheriff
David Wall	Clerk of Superior Court	Pamela F. Wooley	Probate Judge
M. Steven Campbell	Chief Judge, State Court	Tricia Hise	Chief Magistrate
George Christian	District Attorney	Jessica Martin	Solicitor General

COUNTY ADMINISTRATION

Tim Sims	County Manager	Melanie Billinger	Interim E-911 & EMA Director
Angela Davis	County Attorney	Jeff Adams	Emergency Service Director
Brandalin Carnes	County Clerk	Madi Nix	Animal Care & Control Director
Kiani Holden	Interim Finance Director	Rachel Walker	Accountability Courts Director
Ann Cain	Human Resouces Director	Lori Pearson	Juvenile Court Judge
Tracy Williamson	IT Director	Laurel Ellison	Chief Registrar & Elections Supervisor
Mike Beecham	Planning & Development Dir.	Joan Church	Chief Tax Appraiser
Jerry Baggett	Public Works Director	Terry Lannon	Interim Parks & Recreation Director
Mike Bramlett	Facilities Mgmt Director	Kathy Holcomb	Senior Center Director
Johnnie Vickers	Interim Landfill Director	Steven Patrick	County Extension Coordinator
William Harden	Airport Manager		

HABERSHAM COUNTY
GEORGIA | Est. 1818

Habersham County Organizational Chart



HABERSHAM COUNTY
GEORGIA | Est. 1818

Office of County Commissioners
130 Jacob's Way, Suite 301
706-839-0200 Fax: 706-839-0219
www.habershamga.com

Transmittal Letter

The Honorable Chairman and
Members of the Board of Commissioners:

December 26, 2025

Introduction

I am pleased to present the Annual Comprehensive Financial Report for fiscal year ending June 30, 2025, for Habersham County, Georgia. Georgia law requires all local governments with a population of 1,500 persons or more, or expenditures of $550,000 or more, to prepare an annual audit report that contains basic financial statements and the opinion of an external auditor; then to submit the annual audit report to the Georgia Department of Audits and Accounts within 180 days of the local government's fiscal year end. The accuracy of data, thoroughness, and fairness of presentation, including all disclosures of the Annual Financial Report, remain the responsibility of the local government. I believe the data presented to be accurate in all material aspects, and the presentation to fairly represent the financial position and operational result of Habersham County, Georgia as measured by the financial activity of its various funds. The County has established, and maintains, internal controls to protect the government's assets from loss, theft, misuse, or misrepresentation. These internal controls provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement as the cost of internal controls should not outweigh their benefits.

The government-wide financial statements report information on the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which are normally supported by tax and intergovernmental revenues, and other non-exchange transactions are reported separately from business-type activities which rely on fees and charges to external customers for support. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Habersham County (the primary government) and its component units.

Rushton, LLC, has issued an unmodified opinion on the Habersham County, Georgia Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025. That opinion is located at the beginning of the financial section of this report. Management's Discussion and Analysis immediately follows the independent auditor's opinion and provides an analysis of the general government and enterprise activities for the fiscal year, an overview of capital assets and debt administration, and economic condition and outlook. Other unaudited supplementary information includes a statistical section which offers operational, economic, and historical data that provides a context for assessing a government's economic condition.

This audit report has been performed in compliance with the *Government Auditing Standards*. Reports included in the Compliance/Single Audit Section are:

- The 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;
- Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance;
- Schedule of Expenditures of Federal Awards;
- Schedule of Findings and Questioned Costs for the current and prior year;
- Schedule of Management's Corrective Action.

The State of Georgia also requires additional reports related to Schedule of Projects Financed with Special Purpose Local Options Sales Tax. They are located at the end.

Reporting Entity

Habersham County's governing authority is the Habersham County Board of Commissioners. Habersham County is divided into five districts; the five members of the Board of Commissioners are elected at large for staggered, four-year terms. The chairman and vice-chairman of the Board of Commissioners are elected by the Board annually at their January meeting. The general duties of the Commissioners are:

- To enact resolutions and ordinances for the general health, safety and welfare of the residents of Habersham County
- To levy taxation when necessary to finance the operation of county government
- To plan for future public service needs
- To provide necessary services to safeguard the well-being and safety of county residents

County Commissioners have authority over the construction and maintenance of county roads, election facilities and equipment, the airport, and parks and recreational facilities. The Commission's taxing power allows the County to have law enforcement, fire and emergency medical services, patrol cars, courthouse, and jail. The Board selects a County Manager to run the day-to-day operations of the County. The County Manager serves at-will for the Board as a contractual employee. The County Manager is the Chief Administrative Officer and Budget Officer for the County.

Economic Condition & Outlook

Habersham County is well positioned for economic growth and prosperity. We have experienced a moderate recovery since the pandemic of 2020. Housing and commercial construction have risen throughout this year, and retail sales have increased by 3.1% over the prior year.

Habersham County continues to take steps to improve in the future, thereby improving our citizens' lives. With one of the area's newest industrial parks, Habersham County has over 120 acres available offering ample choices for nearly all types of business and industry. Ten building pads have been graded and all utilities, including fiber optic, are available. All sites have been sold and are being developed at this current time. The County's design for the expansion of the Airport Business Park and development has gotten underway at the Airport site. Design plans are underway to build additional Hangers and a Terminal expansion. The County's Development Authority purchased 45 acres for an additional Business Park sites and currently has those sites listed. Lastly, in FY24 we worked with federal and state partners to extend the runway of the Habersham County Airport to 5,500 feet to handle jet traffic. That project was completed along with a parallel taxiway extension project which complemented the new terminal building completed in FY19. Now with the additional runway and apron expansion, the Airport is able to host various new clients and customers well into the future.

The total General Fund balance as of June 30, 2025, was $6,513,644 vs. $6,904,316 in FY2024, a decrease of $390,672. The Unrestricted Fund balance is $5,326,652 vs. $5,504,316 in, FY2024, a decrease of $454,635. The Unassigned Fund balance was $1,774,089. The Unrestricted Fund balance represents 13% of the FY2026 Original Budget, which is less than the Habersham County Fund Balance Policy minimum of 17%. The Unrestricted Fund balance includes $2,454,535 which has been assigned to future government projects. Also, $1,098,028 was assigned to the FY26 Approved Budget. As in the past, a Prior Year Fund balance has been budgeted for non-recurring CIP expenditures. The Unrestricted Fund balance serves as a useful measure of a government's net resources available for spending at the end of a fiscal year.

During FY2025, Habersham County continued to provide services by meeting budgetary challenges with deliberated solutions. As in previous years, there was a need for additional positions and market-comparable salaries for numerous departments. The FY2025 Budget included increases in salary for all County employees with the continuation of the performance based 3% merit increase program. The originally approved FY2025 General Fund Budget of $39,171,485 resulted in a millage rate roll back to 11.771 mils which is a decrease of .911 mills from the

prior year.

Additionally, the Hospital Bond millage rate remained the same at 0.757 mills, while the Emergency Medical Services millage increased 0.151 mills to 1.275 mills.

While financial resources continue to present challenges in providing critical and desired services within Habersham County, there were many accomplishments made throughout the County that should be celebrated. FY2025 held many significant accomplishments including construction projects and operational improvements throughout all departments.

FY2025 Accomplishments:

Emergency Services: During FY2025, the Emergency Services Department replaced a fire engine, remounted an ambulance, and continued the process of replacing general & personal protection equipment with the use of SPLOST VII funding. Purchased two additional Med Units and put them in service for transporting patients. These were purchased with SPLOST VII and grant funding. Habersham continues to be one of only four counties participating in an exclusive Pre-Hospital Blood program that allows paramedics in ambulances to administer blood products. Habersham County was part of the pilot program that proved successful, which has served as a model for the statewide spread of this program. It has resulted in better patient outcomes for victims of traumatic injuries and internal bleeding. Before this program began, in the state of GA, only air medical helicopters staffed with a registered nurse and paramedic could initiate blood products in a prehospital setting.

Airport: During FY2025, the Airport entered its fourth year under County managed Staff vs. a private third party Fixed Base Operator. We hired a new Airport Manager who will continue supervising a staff of five to oversee operations and maintenance of the airport facility. Revenues continued to increase by 11.5% being under County management vs. having to share revenue with the third party FBO. Air Methods, a medical air transport company that provides air ambulance services, continued operating at Habersham Airport. The U.S. Forestry Service is using the Habersham County Airport as a home base while their helicopter contract is active. The Habersham County Airport has been ranked 15th out of 103 Georgia airports for the number of aircraft based at the airport as of June 2023, according to a report provided to the Airport Commission by Phil Eberly, President of Lead Edge Design Group, Inc. This puts our airport in the top 20th percentile of airports in the state of Georgia for aircraft based at our facility. The Airport was awarded several grants for Runway rehabilitation, Apron expansion and ROFA clearing in the amount of $4,500,000. The County has a portion to match with these funds and the projects were nearing completion at the end of FY2024. FY2025 Habersham County Airport started work on airport field lighting project which is partially funded by grant funds which the county is responsible for a match amount. This project is expected to be completed in FY2026.

Roads & Bridges: Roadway Resurfacing projects for FY2025 consisted of milling, patching, leveling, and resurfacing a total of 12.11 miles of County roads. The GDOT LMIG Grant was $844,815 and the total project value was $2.21M. The County received an extra $1.04M in one time State Road Funding from the State of Georgia in FY2025 for the second year in a row. The Road Department completed approximately 2,580 work orders in FY2025.

Sheriff's Office/Jail/HEAT: The Sheriff's Office continued the use of a Drive Square Simulation System during FY2025. This portable in-vehicle driving simulator facilitates cost-effective officer training/re-training of pursuits, traffic stops, situation awareness, and siren and lights use in the field instead of at a training center. The jail remains a significant burden due to issues with maintenance, non-compliance, and overpopulation as pre-pandemic levels have returned.

E-911 & Emergency Management: The upgrade to the new 800 MGZ Radio System was awarded in Fall of 2022. Tower location and land acquisition to place additional towers across the County have been confirmed and leases approved for sites and construction has begun on the tower sites. The installation of the new system is underway with projected completion in 2025. Upon completion, the radio system coverage for the new system will be at a 98% level

compared to the 70% coverage level the non-emergency system currently gives the County at this time. It is estimated that the installation process will be completed in Winter 2026.

Habersham County Landfill: Habersham County closed the Construction Debris area of the Landfill, and the area became full during FY 2024. The Recycling Process is being reviewed by the County Administration to not only encourage citizens to recycle but to find solutions to the lack thereof with citizens using the recycling drop off points. Further study on this topic continues into the next fiscal year. Grant funding is also being researched to help offset the cost of these upgrades.

Millage Rate: The Habersham County Board of Commissioners approved the FY2025 General Fund Budget of $39,171,485 resulted in a millage rate roll back to 11.771 mils which is a decrease of .911 mills from the prior year. Additionally, the Hospital Bond millage rate remained the same at 0.757 mills, while the Emergency Medical Services millage increased 0.151 mills to 1.275 mills

Other Accomplishments:

Finance: Habersham County's Fiscal Year 2024 Budget received a Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA); and the Annual Comprehensive Financial Report for FY2024 received a Certificate of Achievement for Excellence in Financial Reporting from the GFOA.

E-911 & Emergency Management: Lynn Smith, E911/EMA Director, and Melanie Bellinger, Deputy E911/EMA Director, became a Certified Public-Safety Executive of the Association of Public-Safety Communication Professionals International. Habersham County met the Incentive Standards Outlined in the Georgia Emergency Management Agency/Homeland Security Federal-State-Local Disaster Match Policy, qualifying the County for a reduced local match requirement for public assistance programs.

Federal and State Grants: FY2025 was a continuation of the recent success in obtaining and executing grant related projects. During FY2025 we received $6,665,439 in State and Federal Grants which were expended for 48 grant funded projects. There were 18 state grant items covering an assortment of departments for a total of $3,381,662 state grants. Federal grant revenues totaled $3,283,978 including 31 federal grant projects. Some state and federal grants overlapped such as the GEMA and FEMA grants and the FAA Airport projects.

Emergency Services: Fire Department continues its successful completion of its water supply shuttle service, all residents within 5 miles of a fire station continue to receive a class 5 ISO rating. The county water shuttle rating reduces the former 5/9 ISO rating for areas without an adequate water supply to 5 overall, so residents who are not on public water have the same ISO rating as residents and businesses who are on public water. This will allow major savings in property insurance rates for residents that were previously in the ISO 9 category. The new ISO rating will reduce property insurance for a $200,000 home from $2,750 to $1,214, a savings of $1,548.

Transit: Habersham County Transit operates two vehicles that provide transportation throughout the work week. Approximately 9,184 annual trips were taken by citizens utilizing this service to travel 72,885 miles within Habersham County.

SPLOST VII: Collections began April 2021 for the SPLOST VII program. The referendum passed with a 76% approval rate by the voters. Collections have been averaging 3% higher overall than this time last year and 21% over estimated collections. SPLOST VII collections will continue through March 31, 2027.

Information Technology: The Mountain Judicial Circuit received an ARPA funded grant award for upgrades to Audio & Video systems throughout the district in the amount of $880,000. The IT department completed the organization for implementing of this upgrade during FY2024 throughout the Mountain Judicial Circuit's three Counties. The Board of Commissioner meetings were also conducted in accordance with open meetings requirements as normal while still adhering to social distancing requirements during FY2024. The Information Technology and Facilities Maintenance Department staff engaged in a multi-agency effort for continued system maintenance.

Initiatives and Foresight:

An examination of these financial statements compared to the prior year shows that, in some cases, we have eliminated or reduced our reliance on General Funds to support some Special Revenue and Enterprise Fund programs. For example, the Airport, Landfill, and Development Authority have become self-supporting programs from an operating expense standpoint. Due to an increase in their self-generated income, Transit, Parks & Recreation and Animal Control have seen a significant decrease in the amount of support required from the General Fund.

In the future, we will continue to focus on:

1. Professional Service Delivery: Ensure that County services are delivered in a professional and courteous manner and enhance the efficiency and effectiveness of services provided to the citizens of Habersham County.

2. Innovative Budget Reporting: Develop and present a budget that is forward looking in funding the delivery of County services. Find innovative funding options for new capital equipment. Building construction projects will continue to be a budgeting challenge in future years due to inflation and supply chain issues.

3. Public Information: The purpose of this position is to help maximize communication with the media and public concerning the ongoing activities of Habersham County Government. We will continue to be transparent with information to the citizens and ensure the website is kept up-to-date and accurate, provide enhanced monthly reports, and daily communications to the Commission and media. We will also work to expand our presence on social media.

4. Work Force Stabilization: A strategic goal of the FY2025 budget was to improve wage and benefit structures to attract and retain trained, professional staff, and reduce turnover rates in County departments. Economic pressures require us to invest more to recruit and retain personnel with valuable training and experience to ensure that a high level of professional service is provided. A Compensation Study was completed in October 2022 and was implemented in January 2023 with increases in salary for every County employee to achieve market rates completing this goal. This implementation has helped stabilize retention during FY2025.

5. Employee Benefit Cost Stabilization: The costs of employee health benefits and pension benefits continue to rise. We will continue to monitor the results of implementing the self-insured health benefit program, which has greatly reduced growth in the rising costs of health benefit expenses.

6. Jail Construction: Considering that the Public Jail Bond Referendum to authorize the new jail bond was voted down, we need to consider the alternative action needed to deal with the growth in the jail population as well as compliance issues in the current jail. Inflation and the economy will pose a challenge to this project. A possible reactivation of an old Industrial Development Authority that was allowed to go dormant several years ago will be studies to see if this Authority could help in the financing of this facility.

7. Airport Construction Project: The CIP will focus on continuing with obstruction clearing and building new T-Hangars. Lease rates on current hangars have been raised to be more comparable to local market rates and will be monitored to adjust to market in the future. The Airport Commission is developing a Minimum Standards document in anticipation of future growth to specify guidelines that will make it easier for businesses to operate at the airport.

8. Economic Development: Habersham County's commitment to the Economic Development Council and economic development efforts county wide continue to be a high priority.

9. Emergency Services Department: During FY2025 wage adjustments were approved by the Commission to improve the County's ability to attract and retain Paramedic/Firefighters and EMT/Firefighters to improve the

staffing level of the Ambulance Service. Call volume increased significantly and has required an increase in the number of full-time staffed ambulances from four (4) to five (5) to meet the demand for service.

10. Planning and Development: The Development Authority is still pursuing the design and engineering of the industrial park expansion on the former Reed Property. A local engineering firm has been retained to develop design plans and costs. The Authority will explore funding options and timelines once the design is completed and approved.

11. Information Technology: The CIP budget will continue to focus on technology, which has become a new priority for two reasons: a) opportunities to improve operating efficiency, and b) security improvements for defending against malware, ransomware, and network hacking.

The financial management of Habersham County's government is a group effort encompassing each department director and elected official's input. The County's favorable financial position is illustrated by the County's excellent Bond credit rating Aa3 and the continual growth in the County's fund balance.

I would like to thank everyone that has participated in this process.

Sincerely,

Kiani Holden,
Interim Finance Director

This page intentionally left blank.

Part II

Financial Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Habersham County, Georgia

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Habersham County, Georgia, as of June 30, 2025, and the respective changes in the financial position and, where applicable, cash flows thereof, and the budgetary comparisons of the General Fund, Emergency Medical Services Special Revenue Fund, and Opioid Settlement Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Habersham County Health Department, a component unit of Habersham County, Georgia, which represents 26.3%, 13.7%, and 99.3%, respectively, of the assets, net position, and revenues of the aggregate 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 Habersham County Health Department, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Habersham County, Georgia and to meet our 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 opinion.

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 Habersham County, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 Habersham County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of supplemental official income are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, the schedule of supplemental official income, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2025, on our consideration of Habersham County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Habersham County, Georgia's internal control over financial reporting and compliance.

Rushton, LLC

Gainesville, Georgia
December 26, 2025

This page intentionally left blank.

HABERSHAM COUNTY
GEORGIA | Est. 1818

Office of Commissioners
Finance Department
130 Jacob's Way, Suite 302, Clarkesville, GA 30523
706-839-0200 Fax: 706-839-0219
www.habershamga.com

MANAGEMENT'S DISCUSSION AND ANALYSIS

Habersham County management is proud to present this narrative discussion and analysis of Habersham County's financial performance for the fiscal year ended June 30, 2025. This report is drafted annually to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about Habersham County. As required by the Governmental Accounting Standards Board (GASB) Statement No. 34, this discussion and analysis affords comparisons with the previous fiscal year.

Financial Highlights

- Habersham County's assets and deferred outflows exceeded its liabilities and deferred inflows at June 30, 2025 by $72,677,015 (*net position*). Of this amount, $6,361,926 is reported as unrestricted net position. This is an decrease of $102,123 from the previous fiscal year for unrestricted. Total net position increased by $1,969,568 from the previous fiscal year.

- As of June 30, 2025, Habersham County's governmental funds reported combined ending fund balances of $29,606,842. Approximately 6% of this total amount, or $1,774,089 is reported as unassigned and available for spending at the Board's discretion. Approximately 60.7% or $17,972,519, is restricted for capital outlay. Information about Habersham County's Policy on Fund Balance can be found in Note 2P in the *Notes to the Financial Statements* beginning on page 50.

More detailed information regarding these activities and funds begins on page 17.

Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to Habersham County's basic financial statements. Habersham County's basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

Government-wide Financial Statements (Reporting the County as a whole)

The focus of the government-wide financial statements is on the overall financial position and activities of Habersham County and is designed to provide a broad overview of the County's financial activities in a manner similar to a private business enterprise.

The County's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These two statements report information about Habersham County using the accrual basis of accounting, which is similar to the accounting used by non-public businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The purpose of the *Statement of Net Position* (pages 17-18) is to report all of the assets held and liabilities owed by the County as well as the deferred outflows and inflows of resources. The County reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources is labeled *net position*. While the purpose of County Government is not to accumulate net position, as this amount increases it can indicate the strength of the County's financial position as a whole. When this amount decreases it can indicate a weakening of the County's financial position.

The *Statement of Activities* (page 19) presents the revenues and expenses of the County. Under the accrual basis of accounting, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net position*. The Statement of Activities primary focus is on the *net cost* of various activities provided by the County and identifies the extent to which each function of the County draws from general revenues or is self-financing through user fees, special revenues, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, we divide Habersham County into three types of activities:

- *Governmental activities* – Most of the County's basic services are reported under this category including judicial, public safety, public works, and general administration. Taxes such as: real property, sales, insurance premium and intangibles fund most of these services.

- *Business-type or Enterprise activities* – The County charges fees to customers to assist in recovering the cost for providing certain services. The County's solid waste tipping fees, transit system fees, and airport fuel sales receipts are reported in this category.

- *Discretely Presented Component Units* – A component unit is a legally separate organization for which the elected officials of the County can be financially accountable. The Habersham County Development Authority, and the Habersham County Health Department, although legally separate, function for all practical purposes as departments of Habersham County and have been included as an integral part of the government.

The County's government-wide financial statements are presented on pages 17-19.

Fund Financial Statements (Reporting the County's Major Funds).
The focus of fund financial statements is directed at specific activities of the County and its most significant funds, not the County as a whole. A fund is an entity with a self-balancing set of accounts that the County uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the County's non-major funds can be found beginning on page 101. The County's funds are divided into three broad categories: governmental; proprietary; and fiduciary. They use different prescribed accounting methodologies.

- *Governmental Funds* – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on the short-term view of the County's general government operations and the basic services it provides. Governmental funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash.

  Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By so doing, readers may better understand the long-term impact of the government's near-term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided following each statement.

  Habersham County maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Emergency Medical Services, Opioid Settlement, and SPLOST #7 which are considered major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 97-100 of this report.

  Habersham County adopts an annual appropriated budget for its General Fund, Emergency Medical Services Fund, and Opioid Settlement Fund. A budgetary comparison statement has been included for both funds to show the final result of actual revenues and expenditures as compared to the initial projections.

  The County's basic governmental fund financial statements are presented on pages 20-27 of this report.

  Proprietary Funds – When the County charges customers for the services it provides, whether to outside customers or internally to departments of the

County, these services are generally reported in proprietary funds. The County maintains one type of proprietary funds: Enterprise Funds. These proprietary funds are prepared using the same accrual basis of accounting as the government-wide financial statements.

Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. Habersham County uses enterprise funds to account for its Solid Waste, Transit, and Airport functions.

The County's proprietary fund financial statements are presented on pages 28-31.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs and services. The accounting used for fiduciary funds is similar to that used for proprietary funds. Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements. The fiduciary fund financial statements are presented on page 32-33.

Notes to the financial statements.
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-90 of this report.

Required Supplementary Information.
Other supplementary information includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements.

This report includes two schedules (pages 21 and 23) which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on fund financial statements.
- Certain tax revenues that are earned, but not available, are reported as revenue on the government-wide statements but as deferred inflows of resources on the fund statements.
- Unless due and payable, long-term liabilities, such as lease obligations, compensated absences, bonds and notes payable, and others only appear as liabilities in the government-wide statements.

- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements but are reported as expenditures on the governmental fund financial statements.

Overview of the County's Financial Position and Operations

The County's overall financial position and operations for this fiscal year is summarized as follows based on the information included in the government-wide financial statements (see pages 17-19):

Habersham County
Net Position
Fiscal Years 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current assets	$ 37,472,105	$ 28,983,836	$ 3,329,780	$ 7,353,377	$ 40,801,885	$ 36,337,213
Noncurrent assets	71,258,878	65,546,866	32,215,311	33,839,862	103,474,189	99,386,728
Total Assets	108,730,983	94,530,702	35,545,091	41,193,239	144,276,074	135,723,941
Deferred Outflows of Resources						
Charges of debt refunding	168,660	182,715	0	0	168,660	182,715
Pension	467,479	863,518	32,867	63,801	500,346	927,319
Total Deferred Outflows of Resources	636,139	1,046,233	32,867	63,801	669,006	1,110,034
Current liabilities	13,713,092	9,078,640	429,333	3,773,165	14,142,425	12,851,805
Noncurrent liabilities	50,382,884	45,845,570	7,508,686	5,981,503	57,891,570	51,827,073
Total Liabilities	64,095,976	54,924,210	7,938,019	9,754,668	72,033,995	64,678,878
Deferred Inflows of Resources						
Leases	178,394	0	0	0	178,394	0
Pension	53,515	189,663	2,161	8,455	55,676	198,118
Total Deferred Inflows of Resources	231,909	189,663	2,161	8,455	234,070	198,118
Net Position						
Net investment in capital assets	24,000,405	19,063,631	31,395,818	30,100,759	55,396,223	49,164,390
Restricted	10,918,866	16,328,540	0	0	10,918,866	16,328,540
Unrestricted	10,119,966	5,070,891	(3,758,040)	1,393,158	6,361,926	6,464,049
Total Net Position	$ 45,039,237	$ 40,463,062	$ 27,637,778	$ 31,493,917	$ 72,677,015	$ 71,956,979

Net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflow of resources for Habersham County exceeded liabilities and deferred inflow of resources by $72,677,015 at the close of fiscal year 2025. Approximately 76% of Habersham County's net position is reflected in its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire them. The County uses capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position comprises 15% of

total net position. This amount represents resources that are subject to external restrictions or enabling legislation on how they may be used.

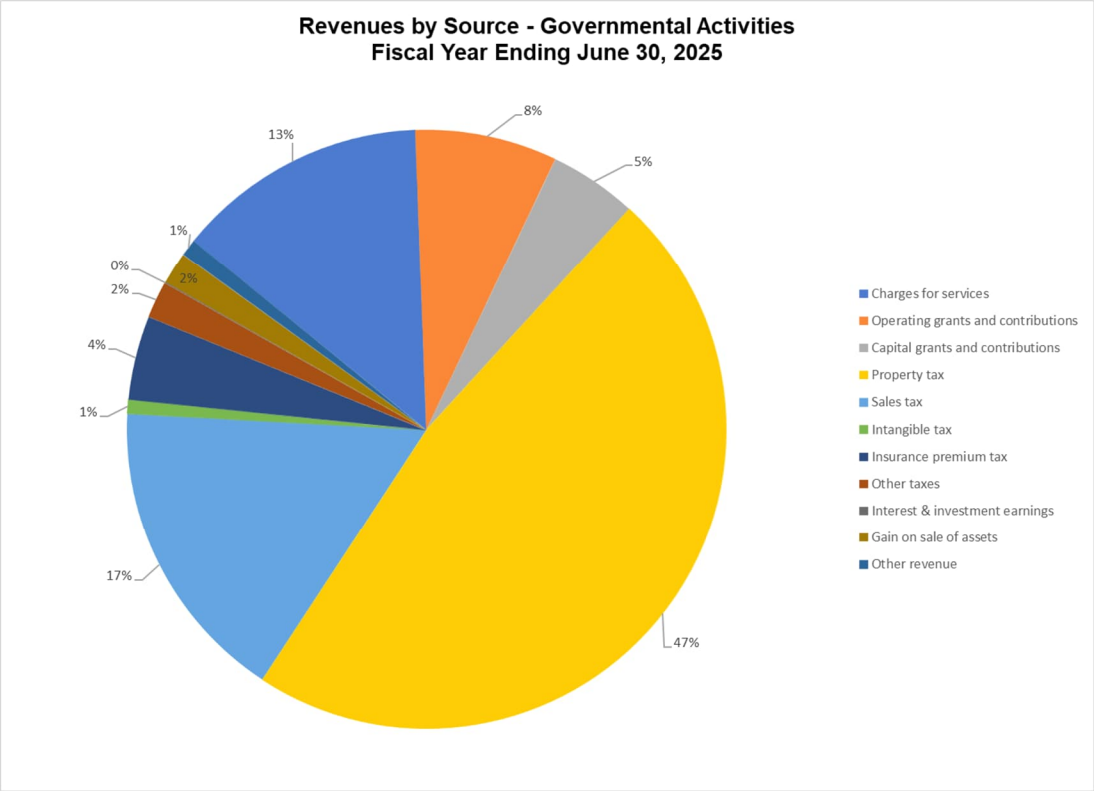
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Habersham County's net position changed during the fiscal year.

Habersham County
Changes in Net Position
Fiscal Years 2025 and 2024

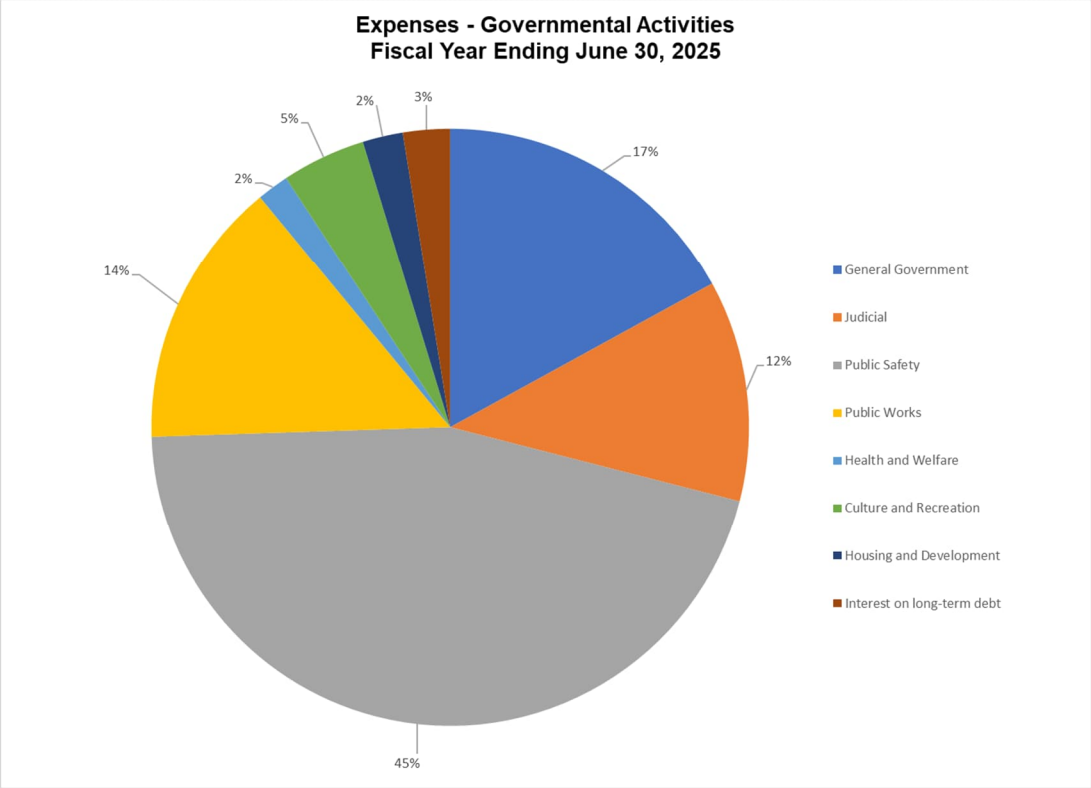
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for services	$ 8,585,958	$ 9,326,998	$ 2,517,414	$ 3,020,651	$ 11,103,372	$ 12,347,649
Operating grants and contributions	4,844,155	5,889,291	72,116	69,567	4,916,271	5,958,858
Capital grants and contributions	2,997,510	2,910,297	694,115	4,195,228	3,691,625	7,105,525
General revenues:						
Property tax	29,990,762	28,363,527	0	0	29,990,762	28,363,527
Sales tax	10,493,189	10,176,780	0	0	10,493,189	10,176,780
Intangible tax	490,909	422,999	0	0	490,909	422,999
Insurance premium tax	2,842,769	2,671,532	0	0	2,842,769	2,671,532
Other taxes	1,253,074	1,247,206	0	0	1,253,074	1,247,206
Interest & investment earnings	58,416	86,948	56,190	90,818	114,606	177,766
Gain on sale of assets	1,097,712	2,172	0	0	1,097,712	2,172
Other revenue	576,550	190,421	24,550	22,089	601,100	212,510
Total revenues	63,231,004	61,288,171	3,364,385	7,398,353	66,595,389	68,686,524
Expenses						
General Government	9,755,863	11,387,537	0	0	9,755,863	11,387,537
Judicial	6,869,142	6,867,475	0	0	6,869,142	6,867,475
Public Safety	26,083,312	23,233,723	0	0	26,083,312	23,233,723
Public Works	8,332,381	9,370,629	0	0	8,332,381	9,370,629
Health and Welfare	985,841	29,582,336	0	0	985,841	29,582,336
Culture and Recreation	2,599,959	2,671,708	0	0	2,599,959	2,671,708
Housing and Development	1,251,020	1,051,567	0	0	1,251,020	1,051,567
Interest on long-term debt	1,457,589	1,633,735	0	0	1,457,589	1,633,735
Landfill	0	0	3,688,916	2,856,122	3,688,916	2,856,122
Transit	0	0	199,330	191,495	199,330	191,495
Airport	0	0	3,402,468	3,259,097	3,402,468	3,259,097
Total expenses	57,335,107	85,798,710	7,290,714	6,306,714	64,625,821	92,105,424
Increase (decrease) in net position before transfers	5,895,897	(24,510,539)	(3,926,329)	1,091,639	1,969,568	(23,418,900)
Transfers	(114,811)	(842,192)	114,811	842,192	0	0
Increase (decrease) in net position	5,781,086	(25,352,731)	(3,811,518)	1,933,831	1,969,568	(23,418,900)
Net position - beginning	40,463,062	65,815,793	31,493,917	29,560,086	71,956,979	95,375,879
Change in accounting principle	(1,204,911)	0	(44,621)	0	(1,249,532)	0
Net position - beginning (restated)	39,258,151	65,815,793	31,449,296	29,560,086	70,707,447	95,375,879
Net position - ending	$ 45,039,237	$ 40,463,062	$ 27,637,778	$ 31,493,917	$ 72,677,015	$ 71,956,979

Governmental Activities –

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



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



Business-Type Activities –

Business-type activities decreased Habersham County's net position by $3,811,518 or 12%, excluding transfers. This decrease is due to a decline in charges for sales and services and an increase in costs of sales and services and personal services in the Landfill Fund. The amount of transfers from the Governmental Activities to the Proprietary Funds was $114,811. This transfer was due to capital projects being completed earlier than anticipated and the County's grant match for some of these projects had not been anticipated until the FY2026 budget year. This will result in futures savings in the FY2026 budget.

Financial Analysis of the County's Funds

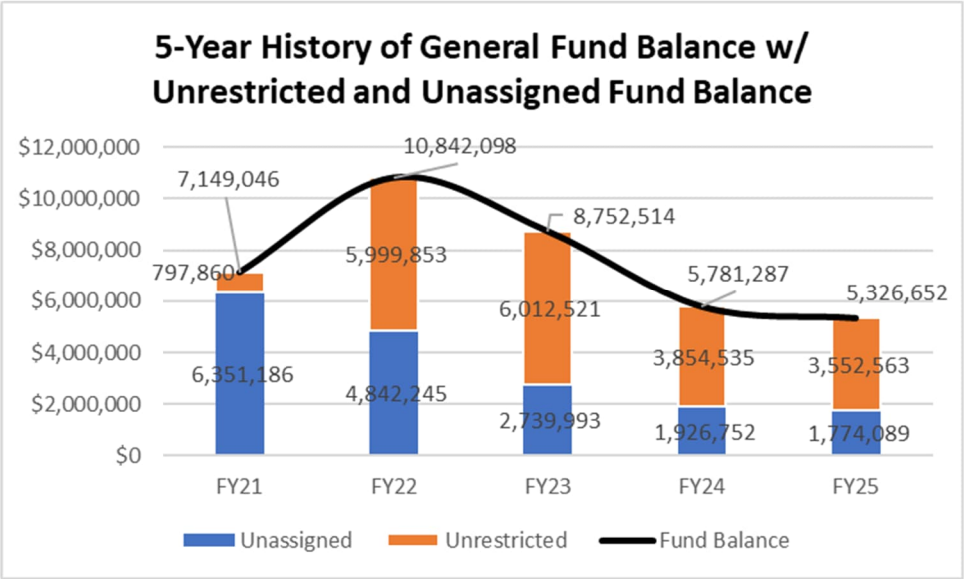
Habersham County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As the County completed this fiscal year, its governmental funds reported a combined ending fund balance of $29,606,842. Of this amount, $1,774,089 constitutes unassigned fund balance whereas assigned fund balance was $5,320,868.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the General Fund balance was $6,513,644, the assigned fund balance was $3,552,563, and unassigned fund balance was $1,774,089. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 27% of total fund balance in the General Fund. Unassigned fund balance represents 4.7% of total General Fund expenditures of $37,716,285, while total fund balance represents approximately 17% of that same amount. The County ended the fiscal year realizing a decrease in the overall fund balance in the General Fund by $390,672, or approximately 5.7%. The County decreased unassigned fund balance in the General Fund by $152,663 or 7.9%. Additionally, $1,098,028 has been assigned to the FY26 budget to support one-time expenditures that do not increase recurring operating costs. The Habersham County Policy on fund balance defines the allowable uses of unreserved, undesignated fund balance in excess of 17% of the General Fund operating expenditures.

The following chart illustrates the 5-Year history of the General Fund Balance with Unrestricted and Unassigned Fund Balance.



General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year. Budgeted revenues and expenditures in total increased from original to final budgets. The County ended the fiscal year with revenues exceeding original budgeted expectations in several tax categories. Tax revenues for the year increased primarily due to increased property value, which grew because of 3% growth in new properties or development growth across the County. Property tax revenue increased 4% along with Insurance Premium Tax increasing 6% over last year's revenues. However, the County ended the fiscal year with a decrease in the fund balance.

Other Major Funds

In addition to the General Fund, Habersham County presents three other major governmental funds; the Emergency Medical Services Fund, the Opioid Settlement Fund and the SPLOST #7 fund. The Emergency Medical Services fund ended FY25 with a fund balance of $412,681, a decrease of $38,630 from FY24, mostly attributed to an increase in transfers out and a decline in ambulance charges. The Opioid Settlement Fund ended FY 25 with a fund balance of $361,718 an increase of $19,198 from FY24 due to additional settlements payments received. The SPLOST #7 Fund ended FY25 with a fund balance of $19,297,249 an increase of $6,139,359 from FY24. This increase was chiefly attributable to the issuance of long-term debt for the construction of the animal control facility.

Non-major Governmental Funds

In addition to the General Fund and Other Major Funds listed above, Habersham County has 12 additional Special Revenue funds, 1 additional debt service fund, and 1 additional Capital Projects funds.

Proprietary Funds

Habersham County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the County's three proprietary funds are listed below with the prior year for comparison:

Fund	FY2025 Unrestricted Net Position	FY2024 Unrestricted Net Position
Landfill	$(2,802,117)	$(998,687)
Transit	$(109,531)	$(123,029)
Airport	$(846,392)	$2,514,874

The Landfill Fund decreased unrestricted net position by $1,803,430. Post-closure care liability as of June 30, 2025 is $6,676,206 versus $5,675,929 as of the end of fiscal year 2024. This is an increase of $1,000,277, or 17.6%. Transit fund increased unrestricted net position by $13,498, or 11%. Airport unrestricted net position decreased $3,361,266, or 133%. The decrease is primarily attributed to the decrease in intergovernmental capital contributions of $3,331,590.

Capital Assets and Debt Administration

Capital Assets. Habersham County has invested $103,351,051 in capital assets (net of accumulated depreciation) compared to $99,386,728 in the previous fiscal year. This represents an increase of 4%. Approximately 69% of this investment is related to governmental activities and includes infrastructure, land, buildings, machinery, and equipment. Capital assets held by the County at fiscal year-end are summarized as follows:

Habersham County
Capital Assets (net of accumulated depreciation)
Fiscal Years 2025 and 2024

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 4,481,467	$ 4,481,467	$ 2,974,777	$ 2,974,777	$ 7,456,244	$ 7,456,244
Construction in progress	7,804,665	3,789,310	6,428,709	5,938,069	14,233,374	9,727,379
Buildings	42,830,943	45,383,889	1,203,786	1,203,786	44,034,729	46,587,675
Land improvements	7,187,079	6,536,411	9,806,530	9,753,504	16,993,609	16,289,915
Leasehold improvements	348,074	348,074	0	0	348,074	348,074
Machinery and equipment	4,982,106	4,649,177	4,062,617	3,227,474	9,044,723	7,876,651
Furniture and fixtures	7,489,014	6,997,524	0	0	7,489,014	6,997,524
Vehicles	13,905,100	12,756,666	1,115,392	1,157,920	15,020,492	13,914,586
Infrastructure	80,334,094	76,974,696	35,911,654	35,911,654	116,245,748	112,886,350
Intangible Right to Use-Bldgs	1,050,425	1,034,330	0	0	1,050,425	1,034,330
Total	170,412,967	162,951,544	61,503,465	60,167,184	231,916,432	223,118,728
Accumulated Depreciation	(99,277,227)	(97,404,678)	(29,288,154)	(26,327,322)	(128,565,381)	(123,732,000)
Net Capital Assets	$ 71,135,740	$ 65,546,866	$ 32,215,311	$ 33,839,862	$103,351,051	$ 99,386,728

Major capital asset expenditures during the current fiscal year for governmental activities included the following:

- Purchase of vehicles and heavy equipment for various departments
- Purchase of Emergency Management and Emergency Medical equipment
- Continuing road construction, road improvements, culvert repairs and bridge repairs
- Improvements at the Recreation Complex
- Continuing improvements to the Airport
- Radio System improvements

Additional information on Habersham County's capital assets can be found in Note 10 on pages 60-63 of this report.

Debt. On June 30, 2025, Habersham County had a total debt balance outstanding for governmental activities in the amount of $51,305,656 as compared to $48,470,859 the previous fiscal year. Habersham County's outstanding debt for governmental activities has increased by $2,834,797 during the fiscal year. At June 30, 2025 the balance on the Hospital Authority of Habersham County Taxable Revenue Anticipation Bond, Series 2014 was $22,816,413. In October 2019, Habersham County entered into an intergovernmental agreement with the Hospital Authority to pay the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2019 Bonds. The proceeds were used by the County to (a) refund a portion of the Authority's Revenue Anticipation Certificate, Series 2014, and (b) pay the costs of issuing the Series 2019 Bonds. At June 30, 2025 the balance of this contract payable is $8,650,000. In May 2020, Habersham County entered into an intergovernmental agreement with the Hospital Authority to pay the Authority amounts sufficient to enable the Authority to pay the debt services on the Series 2020 Bonds. The proceeds were used by the County to (a) refund the Authority's Revenue Anticipation Certificate, Series 2018, an (b) pay the costs of issuing the Series 2020 Bonds. This bond is a direct placement financing bond in the amount of $5,230,000 that was available for the County to draw upon as needed up until July 31, 2022. At June 30, 2025 the balance of this contract payable is $199,569. During fiscal year 2018 the County issued $6,380,000 Certificates of Participation, Series 2018, for the purpose of constructing an Administration Building. On June 30, 2025 the balance was $5,373,347. In March 2021, the County issued $10,865,000 of General Obligation Sales Tax Bonds, Series 2021 to be used to fund a portion of the SPLOST 7 projects. These Bonds are payable first from the one cent special purpose local options sales and use taxes collected within the County. On June 30, 2025, the balance was $4,326,530. Additionally, in 2025 Habersham County entered issued $6,850,000 Series 2025 revenue bonds for the purpose of constructing a new animal control facility. At June 30, 2025 the balance was $6,850,000.

Additional information on the County's long-term liabilities can be found in Notes 11 - 13 on pages 63-74 of this report.

Economic Condition and Outlook

Habersham County continues to work to maintain healthy fund reserves and provide services to its citizens. The County is well positioned for economic growth and prosperity but has experienced moderate recovery since the 2008 recession. This slower economic growth has resulted in ongoing struggles in providing citizen services resulting in a heavy reliance on residential property taxes and Special Purpose Local Option Sales Tax (SPLOST) for infrastructure and facility improvements.

The following key issues and factors are considered in preparation of the budget:

- Housing and commercial construction has risen in the last year
- Retail Sales have increased by 4.3% over the prior year
- Rising Salary costs related to a more competitive labor market.
- Residential and Commercial Growth increasing in the southern end of the County.

Habersham County has taken the following steps in an effort to change the economic development outlook and improve citizens' lives:

- Improvements in the 120 Acre Industrial Park have us well positioned with ten pads already developed. Full utilities, including fiber optic internet, were available on all sites. Of those ten pads, all ten have been sold and have been developed. An additional 45 acres has been purchased for additional industrial park expansion which are being marketed for sale by our Development Authority.
- Continuous support and increasing activity of the Economic Development Council and Development Authority has been the catalyst for this development.
- The Development Authority has designed the expansion of the Industrial Park while beginning long-term planning to acquire and develop an additional Business Park in other parts of the County.
- Partnering with federal and state governments in order to extend the taxiway the full length of the 5,500 runway was completed in 2021. With the recently completed improvements along with the new terminal building and new terminal apron the airport continues to bring new opportunities to the County. The County has plans to build additional T-Hangers to allow for more fixed base aircrafts to locate at the Airport. The Airport was awarded several grants for Runway rehabilitation, Apron expansion and ROFA clearing in the amount of $4,500,000 which were or are nearing completion.

Contacting the County

This financial report is designed to provide County citizens, taxpayers, customers, and creditors with a general overview of Habersham County's finances and to demonstrate the County's high level of accountability for the revenue it receives and the services it provides. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance
Habersham County
ATTN: Kiani Holden, Interim Finance Director
130 Jacob's Way, Suite 302
Clarkesville, Georgia 30523
Email: kcholden@habershamga.com

Administration
Habersham County
ATTN: Tim Sims, County Manager
130 Jacob's Way, Suite 301
Clarkesville, Georgia 30523
Email: tsims@habershamga.com

Website http://www.habershamga.com/finance.cfm

This page intentionally left blank.

BASIC FINANCIAL STATEMENTS

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2025

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 19,094,134	$ 1,555,178	$ 20,649,312	$ 2,081,289
Certificates of deposit	2,086,810	0	2,086,810	0
Investments	796,688	2,628,904	3,425,592	576,807
Restricted assets				
Cash and cash equivalents	6,745,168	0	6,745,168	0
Intergovernmental receivable	421,546	0	421,546	0
Receivables (net)				
Accounts	1,740,791	179,233	1,920,024	18,762
Intergovernmental	1,893,115	18,780	1,911,895	0
Taxes	1,089,779	0	1,089,779	0
Leases	60,775	0	60,775	0
Inventory	0	57,437	57,437	0
Prepaid items	2,433,547	0	2,433,547	0
Internal balances	1,109,752	(1,109,752)	0	0
Total current assets	37,472,105	3,329,780	40,801,885	2,676,858
Noncurrent assets				
Leases receivable	123,138	0	123,138	0
Proportionate share of net OPEB asset	0	0	0	109,430
Capital assets				
Non-depreciable	12,286,132	9,403,486	21,689,618	1,583,142
Depreciable/amortizable (net)	58,849,608	22,811,825	81,661,433	964,763
Total noncurrent assets	71,258,878	32,215,311	103,474,189	2,657,335
Total assets	108,730,983	35,545,091	144,276,074	5,334,193
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges of debt refunding	168,660	0	168,660	0
Deferred outflows of resources - pension	467,479	32,867	500,346	259,827
Deferred outflows of resources - OPEB	0	0	0	74,730
Total deferred outflows of resources	636,139	32,867	669,006	334,557
LIABILITIES				
Current liabilities				
Payables				
Accounts	4,330,315	104,533	4,434,848	36,157
Intergovernmental	979,431	0	979,431	0
Interest	505,333	34,785	540,118	0
Accrued salaries and expenses	928,927	47,278	976,205	264
Compensated absences	2,045,922	90,830	2,136,752	67,800
Unearned revenue	297,393	17,600	314,993	179
Claims reserve	346,008	0	346,008	0
Notes payable	386,952	134,307	521,259	0
Leases payable	213,598	0	213,598	0
Bonds payable	2,161,479	0	2,161,479	0
Contracts payable	1,299,277	0	1,299,277	0
Certificates of participation	218,457	0	218,457	0
Total current liabilities	13,713,092	429,333	14,142,425	104,400

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Noncurrent liabilities				
Compensated absences	$ 681,974	$ 30,277	$ 712,251	$ 38,274
Net pension liability	2,675,017	117,017	2,792,034	0
Proportionate share of net pension liability	0	0	0	833,925
Notes payable	2,074,526	685,186	2,759,712	0
Leases payable	414,721	0	414,721	0
Bonds payable	9,015,051	0	9,015,051	0
Contracts payable	30,366,705	0	30,366,705	0
Certificates of participation	5,154,890	0	5,154,890	0
Post-closure care costs	0	6,676,206	6,676,206	0
Total noncurrent liabilities	50,382,884	7,508,686	57,891,570	872,199
Total liabilities	64,095,976	7,938,019	72,033,995	976,599
DEFERRED INFLOWS OF RESOURCES				
Leases	178,394	0	178,394	0
Deferred inflows of resources - pension	53,515	2,161	55,676	93,925
Deferred inflows of resources - OPEB	0	0	0	62,653
Total deferred inflows of resources	231,909	2,161	234,070	156,578
NET POSITION				
Net investment in capital assets	24,000,405	31,395,818	55,396,223	2,547,905
Restricted for:				
Judicial	405,583	0	405,583	0
Public safety	1,577,625	0	1,577,625	0
Capital outlay	7,936,685	0	7,936,685	0
Debt service	983,240	0	983,240	0
Grant specifications	15,733	0	15,733	0
OPEB	0	0	0	109,430
Other	0	0	0	194
Unrestricted	10,119,966	(3,758,040)	6,361,926	1,878,044
Total net position	$ 45,039,237	$ 27,637,778	$ 72,677,015	$ 4,535,573

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 9,755,863	$ 1,024,184	$ 10,000	$ 0	$ (8,721,679)
Judicial	6,869,142	671,062	2,859,933	0	(3,338,147)
Public Safety	26,083,312	5,684,404	420,257	357,223	(19,621,428)
Public Works	8,332,381	306,340	989,820	2,640,287	(4,395,934)
Health and Welfare	985,841	0	291,615	0	(694,226)
Culture and Recreation	2,599,959	574,588	269,852	0	(1,755,519)
Housing and Development	1,251,020	325,380	2,678	0	(922,962)
Interest on long-term debt	1,457,589	0	0	0	(1,457,589)
Total governmental activities	57,335,107	8,585,958	4,844,155	2,997,510	(40,907,484)
Business-type activities					
Landfill	3,688,916	1,586,636	0	0	(2,102,280)
Transit	199,330	19,359	72,116	0	(107,855)
Airport	3,402,468	911,419	0	694,115	(1,796,934)
Total business-type activities	7,290,714	2,517,414	72,116	694,115	(4,007,069)
Total primary government	64,625,821	11,103,372	4,916,271	3,691,625	(44,914,553)
Component Units					
Habersham County Development Authority					
Housing and Development	161,567	10,000	0	0	(151,567)
Habersham County Health Department					
Health and Welfare	1,410,703	458,337	913,048	0	(39,318)
Total component units	1,572,270	468,337	913,048	0	(190,885)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (40,907,484)	$ (4,007,069)	$ (44,914,553)	$ (190,885)
General revenues				
Taxes				
Property	29,990,762	0	29,990,762	0
Sales	10,493,189	0	10,493,189	0
Intangible	490,909	0	490,909	0
Insurance premium	2,842,769	0	2,842,769	0
Other	1,253,074	0	1,253,074	0
Investment income (loss)	58,416	56,190	114,606	36,711
Payments from Habersham County	0	0	0	3,764
Gain on sale of assets	1,097,712	16,991	1,114,703	3,387
Other	576,550	7,559	584,109	0
Transfers	(114,811)	114,811	0	0
Total general revenues and transfers	46,688,570	195,551	46,884,121	43,862
Change in net position	5,781,086	(3,811,518)	1,969,568	(147,023)
Net position - beginning, as previously reported	40,463,062	31,493,917	71,956,979	4,682,596
Change in accounting principle	(1,204,911)	(44,621)	(1,249,532)	0
Net position - beginning, as restated	39,258,151	31,449,296	70,707,447	4,682,596
Net position - ending	$ 45,039,237	$ 27,637,778	$ 72,677,015	$ 4,535,573

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

HABERSHAM COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	General	Emergency Medical Services	Opioid Settlement	SPLOST #7	Nonmajor Governmental Funds	Totals
ASSETS						
Cash and cash equivalents	$ 2,275,873	$ 106,521	$ 304,549	$ 12,125,563	$ 4,281,628	$ 19,094,134
Certificates of deposit	0	0	0	1,980,660	106,150	2,086,810
Investments	796,688	0	0	0	0	796,688
Restricted assets						
Cash and cash equivalents	40,192	0	0	6,704,976	0	6,745,168
Intergovernmental receivable	0	0	0	421,546	0	421,546
Receivables (net)						
Accounts	103,241	510,776	939,050	0	187,724	1,740,791
Intergovernmental	1,351,397	0	0	0	541,718	1,893,115
Taxes	119,649	7,020	0	937,970	25,140	1,089,779
Leases	183,913	0	0	0	0	183,913
Prepaid items	1,108,817	0	0	1,324,730	0	2,433,547
Due from other funds	2,979,950	0	0	0	0	2,979,950
Total assets	$ 8,959,720	$ 624,317	$ 1,243,599	$ 23,495,445	$ 5,142,360	$ 39,465,441
LIABILITIES AND FUND BALANCES						
Liabilities						
Payables						
Accounts	$ 888,989	$ 33,314	$ 0	$ 3,077,386	$ 330,626	$ 4,330,315
Intergovernmental	0	0	0	979,431	0	979,431
Accrued salaries and expenditures	690,398	139,530	0	0	98,999	928,927
Due to other funds	0	37,634	0	141,379	1,691,185	1,870,198
Claims reserve	346,008	0	0	0	0	346,008
Unearned revenue	297,393	0	0	0	0	297,393
Total liabilities	2,222,788	210,478	0	4,198,196	2,120,810	8,752,272
Deferred inflows of resources						
Leases	178,394	0	0	0	0	178,394
Unavailable property taxes	44,894	1,158	0	0	0	46,052
Unavailable fines, fees, and forfeitures	0	0	881,881	0	0	881,881
Total deferred inflows of resources	223,288	1,158	881,881	0	0	1,106,327
Fund balances						
Nonspendable:						
Prepaid items	1,108,817	0	0	1,324,730	0	2,433,547
Leases	5,519	0	0	0	0	5,519
Restricted for:						
Judicial	0	0	0	0	405,583	405,583
Public safety	72,656	0	361,718	0	261,370	695,744
Capital outlay	0	0	0	17,972,519	0	17,972,519
Debt service	0	0	0	0	983,240	983,240
Grant specifications	0	0	0	0	15,733	15,733
Assigned to:						
Public safety	0	412,681	0	0	0	412,681
Government projects	2,454,535	0	0	0	0	2,454,535
Subsequent year's budget	1,098,028	0	0	0	0	1,098,028
Health and welfare	0	0	0	0	68,037	68,037
Capital outlay	0	0	0	0	1,287,587	1,287,587
Unassigned	1,774,089	0	0	0	0	1,774,089
Total fund balances	6,513,644	412,681	361,718	19,297,249	3,021,550	29,606,842
Total liabilities, deferred inflows of resources, and fund balances	$ 8,959,720	$ 624,317	$ 1,243,599	$ 23,495,445	$ 5,142,360	$ 39,465,441

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

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

Total fund balance - total governmental funds		$ 29,606,842
Amounts reported for governmental activities in the statement of net position are different because:		
Some assets are not financial resources and, therefore, are not reported in the funds. These are:		
Capital assets, net of accumulated depreciation and amortization		71,135,740
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds.		1,106,327
Deferred outflows of resources related to pensions and debt refunding are applicable to future periods and, therefore, are not reported in the funds.		636,139
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(231,909)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:		
Interest payable	$ 505,333	
Notes payable	2,461,478	
Leases payable	628,319	
Bonds payable	11,176,530	
Contracts payable	31,665,982	
Certificates of participation	5,373,347	
Compensated absences	2,727,896	
Net pension liability	2,675,017	(57,213,902)
Net position of governmental activities		$ 45,039,237

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2025

	General	Emergency Medical Services	Opioid Settlement	SPLOST #7	Nonmajor Governmental Funds	Totals
REVENUES						
Taxes	$ 30,172,581	$ 2,379,514	$ 0	$ 10,493,189	$ 2,002,865	$ 45,048,149
Licenses and permits	389,987	0	0	0	0	389,987
Fines, fees and forfeitures	1,402,165	0	94,568	0	267,895	1,764,628
Charges for services	2,737,076	2,553,383	0	0	1,101,142	6,391,601
Intergovernmental	2,572,343	11,680	0	2,116,794	2,498,906	7,199,723
Investment income (loss)	41,846	0	0	608,226	2,512	652,584
Contributions	74,462	9,539	0	0	41,900	125,901
Other	480,395	11,101	0	0	85,054	576,550
Total revenues	37,870,855	4,965,217	94,568	13,218,209	6,000,274	62,149,123
EXPENDITURES						
Current						
General government	8,948,389	0	0	0	0	8,948,389
Judicial	4,622,417	0	0	0	1,649,444	6,271,861
Public safety	16,934,525	4,558,766	0	0	2,172,504	23,665,795
Public works	3,464,498	0	0	0	405,793	3,870,291
Health and welfare	158,570	0	75,370	0	694,634	928,574
Culture and recreation	2,149,147	0	0	0	298,648	2,447,795
Housing and development	850,187	0	0	0	103,399	953,586
Capital outlay	0	0	0	8,562,031	1,637,623	10,199,654
Intergovernmental	0	0	0	3,086,487	0	3,086,487
Debt service	588,552	0	0	2,667,559	2,504,657	5,760,768
Total expenditures	37,716,285	4,558,766	75,370	14,316,077	9,466,702	66,133,200
Excess (deficiency) of revenues over (under) expenditures	154,570	406,451	19,198	(1,097,868)	(3,466,428)	(3,984,077)
Other financing sources (uses)						
Transfers in	1,788,295	0	0	0	4,270,091	6,058,386
Transfers out	(3,432,867)	(447,656)	0	(937,503)	(1,355,171)	(6,173,197)
Proceeds from sale of assets	1,099,330	2,575	0	0	0	1,101,905
Issuance of long-term debt	0	0	0	8,174,730	16,095	8,190,825
Total other financing sources (uses)	(545,242)	(445,081)	0	7,237,227	2,931,015	9,177,919
Net change in fund balance	(390,672)	(38,630)	19,198	6,139,359	(535,413)	5,193,842
Fund balances, July 1	6,904,316	451,311	342,520	13,157,890	3,556,963	24,413,000
Fund balances, June 30	$ 6,513,644	$ 412,681	$ 361,718	$ 19,297,249	$ 3,021,550	$ 29,606,842

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

HABERSHAM COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2025

Net change in fund balances - total governmental funds		$ 5,193,842
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays	$ 10,622,883	
Depreciation and amortization	(5,039,816)	5,583,067
In the statement of activities, the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increase financial resources.		
Cost of assets disposed	(3,171,460)	
Related accumulated depreciation	3,167,267	(4,193)
Contribution of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial sources.		
Cost of assets	10,000	
Related accumulated depreciation	0	10,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds These include recognition of unavailable revenue.		(39,890)
The issuance of debt provide current financial resources to governmental funds, but increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.		
Debt principal payments	3,923,217	
Amortization of contracts payable and certificates of participation premiums	14,058	
Amortization of bond premiums	236,479	
Amortization of deferred charge on bond refunding	(14,055)	
Net change in interest payable	29,665	
Issuance of long-term debt	(8,190,825)	(4,001,461)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense.		
Pension contributions	600,755	
Cost of benefits earned net of employee contributions	(1,220,323)	(619,568)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.		
Compensated absences		(340,711)
Change in net position of governmental activities		$ 5,781,086

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

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 28,120,250	$ 30,309,200	$ 30,172,581	$ (136,619)
Licenses and permits	354,000	354,000	389,987	35,987
Fines, fees and forfeitures	1,428,350	1,428,350	1,402,165	(26,185)
Charges for services	2,439,506	2,739,506	2,737,076	(2,430)
Intergovernmental	1,737,159	2,537,159	2,572,343	35,184
Investment income (loss)	46,000	46,000	41,846	(4,154)
Contributions	29,000	29,000	74,462	45,462
Other	143,400	543,400	480,395	(63,005)
Total revenues	34,297,665	37,986,615	37,870,855	(115,760)
EXPENDITURES				
Current				
General Government				
County-Wide	1,238,400	1,796,400	1,780,786	15,614
Commissioners	786,821	786,821	700,789	86,032
County Manager	360,083	520,083	519,702	381
County Finance	528,920	528,920	466,639	62,281
County Human Resources	629,326	629,326	586,937	42,389
Tax Commissioner	475,460	509,460	509,159	301
Tax Assessor	774,748	924,748	918,923	5,825
Board of Equalization	2,750	2,750	1,248	1,502
County Clerk	97,587	107,587	102,117	5,470
Registrar	574,098	471,598	472,339	(741)
Buildings and Grounds	1,340,854	1,617,854	1,625,568	(7,714)
Information Technology	900,688	1,170,688	1,172,308	(1,620)
Public Information	62,778	92,778	91,874	904
Judicial				
Probate Court	309,817	340,817	341,673	(856)
Magistrate Court	351,755	351,755	350,819	936
Clerk of Superior Court	913,962	913,962	851,241	62,721
Superior Court	393,333	493,333	452,695	40,638
District Attorney	744,900	744,900	693,091	51,809
Public Defender	982,937	982,937	996,504	(13,567)
State Court Judge	320,996	320,996	317,450	3,546
Juvenile Court	368,346	430,346	432,133	(1,787)
State Court Solicitor	219,246	219,246	186,811	32,435
Public Safety				
Sheriff	4,861,866	5,755,866	5,753,117	2,749
Jail	4,054,949	4,744,949	4,745,663	(714)
Heat Unit/SRO	1,183,928	1,563,928	1,428,358	135,570
Animal Control	796,715	878,715	864,656	14,059
Coroner	58,329	58,329	59,268	(939)
Fire	3,630,150	3,915,150	3,915,760	(610)
Emergency Management Agency	149,697	174,697	167,703	6,994
Public Works				
Fleet	960,979	960,979	771,077	189,902
Road Department	2,410,593	2,665,593	2,693,421	(27,828)

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

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Health and Welfare				
Georgia Mountains Community				
Mental Health	$ 30,000	$ 30,000	$ 0	$ 30,000
Senior Center	14,050	16,000	16,000	0
Habersham County				
Health Department	65,000	65,000	43,286	21,714
Habersham County				
Medical Center	200,000	200,000	0	200,000
Child Welfare	128,850	128,850	99,284	29,566
Culture and Recreation				
Libraries	341,869	461,869	462,198	(329)
Recreation	1,111,457	1,390,457	1,387,535	2,922
Gymnastics	435,811	435,811	299,414	136,397
Housing and Development				
Extension Service	167,113	167,113	131,868	35,245
Forestry	7,660	7,660	7,457	203
Building	743,961	743,961	695,465	48,496
Conservation	5,000	10,000	10,000	0
Planning Commission	11,450	11,450	5,397	6,053
Debt service	389,063	581,563	588,552	(6,989)
Total expenditures	34,136,295	38,925,245	37,716,285	1,208,960
Excess (deficiency) of revenues over (under) expenditures	161,370	(938,630)	154,570	1,093,200
Other financing sources (uses)				
Transfers in	980,000	1,480,000	1,788,295	308,295
Transfers out	(3,049,370)	(3,049,370)	(3,432,867)	(383,497)
Proceeds from sale of assets	508,000	1,108,000	1,099,330	(8,670)
Total other financing sources (uses)	(1,561,370)	(461,370)	(545,242)	(83,872)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,400,000)	(1,400,000)	(390,672)	1,009,328
Fund balances, July 1	1,400,000	1,400,000	6,904,316	5,504,316
Fund balances, June 30	$ 0	$ 0	$ 6,513,644	$ 6,513,644

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

HABERSHAM COUNTY, GEORGIA
EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) BASIS AND ACTUAL
For the fiscal year ended June 30, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 1,975,989	$ 1,975,989	$ 2,379,514	$ 403,525
Charges for services	2,500,000	2,500,000	2,553,383	53,383
Intergovernmental	7,000	7,000	11,680	4,680
Contributions	2,500	2,500	9,539	7,039
Other	0	0	11,101	11,101
Total revenues	4,485,489	4,485,489	4,965,217	479,728
EXPENDITURES				
Current				
Public safety				
Personal services	3,640,014	3,640,014	3,765,490	(125,476)
Contract services	472,923	472,923	488,517	(15,594)
Supplies	372,552	372,552	304,759	67,793
Total expenditures	4,485,489	4,485,489	4,558,766	(73,277)
Excess (deficiency) of revenues over (under) expenditures	0	0	406,451	406,451
Other financing sources (uses)				
Transfers out	0	0	(447,656)	(447,656)
Proceeds from sale of assets	0	0	2,575	2,575
Total other financing sources (uses)	0	0	(445,081)	(445,081)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	(38,630)	(38,630)
Fund balances, July 1	0	0	451,311	451,311
Fund balances, June 30	$ 0	$ 0	$ 412,681	$ 412,681

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

HABERSHAM COUNTY, GEORGIA
OPIOID SETTLEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines, fees and forfeitures	$ 0	$ 75,370	$ 94,568	$ 19,198
Total revenues	0	75,370	94,568	19,198
EXPENDITURES				
Current				
Health and welfare				
Contract services	0	8,425	8,425	0
Capital outlay	0	66,945	66,945	0
Total expenditures	0	75,370	75,370	0
Excess (deficiency) of revenues over (under) expenditures	0	0	19,198	19,198
Fund balances, July 1	0	0	342,520	342,520
Fund balances, June 30	$ 0	$ 0	$ 361,718	$ 361,718

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
ASSETS				
Current assets				
Cash and cash equivalents	$ 1,444,121	$ 0	$ 111,057	$ 1,555,178
Investments	2,628,904	0	0	2,628,904
Accounts receivable (net)	159,923	3,395	15,915	179,233
Intergovernmental receivable	0	18,780	0	18,780
Inventory	0	0	57,437	57,437
Total current assets	4,232,948	22,175	184,409	4,439,532
Noncurrent assets				
Capital assets				
Non-depreciable	872,059	5,525	8,525,902	9,403,486
Depreciable (net)	6,117,071	104,006	16,590,748	22,811,825
Total noncurrent assets	6,989,130	109,531	25,116,650	32,215,311
Total assets	11,222,078	131,706	25,301,059	36,654,843
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	21,530	1,447	9,890	32,867
LIABILITIES				
Current liabilities				
Payables				
Accounts	67,841	213	36,479	104,533
Interest	34,785	0	0	34,785
Accrued salaries and other payroll liabilities	31,522	4,882	10,874	47,278
Compensated absences	58,257	12,036	20,537	90,830
Unearned revenue	0	0	17,600	17,600
Due to other funds	83,825	103,256	922,671	1,109,752
Notes payable	134,307	0	0	134,307
Total current liabilities	410,537	120,387	1,008,161	1,539,085
Noncurrent liabilities				
Compensated absences	19,419	4,012	6,846	30,277
Net pension liability	83,445	8,280	25,292	117,017
Notes payable	685,186	0	0	685,186
Postclosure care	6,676,206	0	0	6,676,206
Total noncurrent liabilities	7,464,256	12,292	32,138	7,508,686
Total liabilities	7,874,793	132,679	1,040,299	9,047,771
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	1,295	474	392	2,161
NET POSITION				
Net investment in capital assets	6,169,637	109,531	25,116,650	31,395,818
Unrestricted	(2,802,117)	(109,531)	(846,392)	(3,758,040)
Total net position	$ 3,367,520	$ 0	$ 24,270,258	$ 27,637,778

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2025

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
OPERATING REVENUES				
Charges for sales and services	$ 1,586,636	$ 19,359	$ 782,644	$ 2,388,639
Rental income	0	0	128,775	128,775
Other	0	0	7,559	7,559
Total operating revenues	1,586,636	19,359	918,978	2,524,973
OPERATING EXPENSES				
Costs of sales and services	1,811,586	28,282	704,552	2,544,420
Personal services	1,038,107	145,150	343,854	1,527,111
Depreciation	795,307	25,898	2,354,062	3,175,267
Total operating expenses	3,645,000	199,330	3,402,468	7,246,798
Operating income (loss)	(2,058,364)	(179,971)	(2,483,490)	(4,721,825)
Non-operating revenues (expenses)				
Investment income (loss)	56,117	0	73	56,190
Interest expense	(43,916)	0	0	(43,916)
Intergovernmental	0	72,116	0	72,116
Gain (loss) on sale of assets	16,991	0	0	16,991
Total non-operating revenues (expenses)	29,192	72,116	73	101,381
Net income (loss) before capital contributions and transfers	(2,029,172)	(107,855)	(2,483,417)	(4,620,444)
Capital contributions				
Intergovernmental	0	0	694,115	694,115
Net income (loss) before transfers	(2,029,172)	(107,855)	(1,789,302)	(3,926,329)
Transfers in (out)				
Transfers in	0	114,811	0	114,811
Change in net position	(2,029,172)	6,956	(1,789,302)	(3,811,518)
Net position, July 1, as previously reported	5,426,495	0	26,067,422	31,493,917
Change in accounting principle	(29,803)	(6,956)	(7,862)	(44,621)
Net position, July 1, as restated	5,396,692	(6,956)	26,059,560	31,449,296
Net position, June 30	$ 3,367,520	$ 0	$ 24,270,258	$ 27,637,778

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2025

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
Cash flows from operating activities:				
Receipts from customers	$ 1,759,890	$ 17,292	$ 911,578	$ 2,688,760
Payments to suppliers	(874,573)	(29,414)	(707,204)	(1,611,191)
Payments to employees	(995,249)	(142,171)	(322,090)	(1,459,510)
Other	0	0	7,559	7,559
Net cash provided (used) by operating activities	(109,932)	(154,293)	(110,157)	(374,382)
Cash flows from non-capital financing activities:				
Receipts from other governments	0	66,491	0	66,491
Receipts from other funds	0	87,802	789,129	876,931
Payments to other funds	(124,753)	0	0	(124,753)
Net cash provided (used) by non-capital financing activities	(124,753)	154,293	789,129	818,669
Cash flows from capital and related financing activities:				
Receipts from other governments	0	0	3,286,582	3,286,582
Acquisition of capital assets	(972,301)	0	(566,015)	(1,538,316)
Payment of capital related accounts payable	(178,154)	0	(3,352,149)	(3,530,303)
Sale of capital assets	16,991	0	0	16,991
Issuance of notes payable	633,489	0	0	633,489
Principal payments - notes payable	(22,796)	0	0	(22,796)
Interest paid	(13,888)	0	0	(13,888)
Net cash provided (used) by capital and related financing activities	(536,659)	0	(631,582)	(1,168,241)
Cash flows from investing activities:				
Interest received	56,117	0	73	56,190
Purchase of investments	(34,429)	0	0	(34,429)
Net cash provided (used) by investing activities	21,688	0	73	21,761
Net increase (decrease) in cash and cash equivalents	(749,656)	0	47,463	(702,193)
Cash and cash equivalents, July 1	2,193,777	0	63,594	2,257,371
Cash and cash equivalents, June 30	$ 1,444,121	$ 0	$ 111,057	$ 1,555,178

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2025

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (2,058,364)	$ (179,971)	$ (2,483,490)	$ (4,721,825)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	795,307	25,898	2,354,062	3,175,267
Closure/post closure costs	1,000,277	0	0	1,000,277
(Increase) decrease in accounts receivable	173,254	(2,067)	(15,041)	156,146
(Increase) decrease in inventories	0	0	(36,922)	(36,922)
(Increase) decrease in deferred outflows of resources - pension	22,224	1,180	7,530	30,934
Increase (decrease) in accounts payable	(63,264)	(1,132)	34,270	(30,126)
Increase (decrease) in unearned revenue	0	0	15,200	15,200
Increase (decrease) in accrued payroll liabilities	20,637	1,205	12,861	34,703
Increase (decrease) in deferred inflows of resources - pension	(4,407)	(643)	(1,244)	(6,294)
Increase (decrease) in net pension liability	4,404	1,237	2,617	8,258
Total adjustments	1,948,432	25,678	2,373,333	4,347,443
Net cash provided (used) by operating activities	$ (109,932)	$ (154,293)	$ (110,157)	$ (374,382)

Noncash capital related financing activities:

Contributions of capital assets to the business-type activities from governmental activities totals $12,400.

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

HABERSHAM COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 2,033,932
Taxes receivable	107,196
Total assets	2,141,128
LIABILITIES	
Due to others	899,866
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 1,241,262

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

HABERSHAM COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2025

	Custodial Funds
ADDITIONS	
Taxes collected for other agencies	$ 24,410,648
Court fees collected for other agencies	1,857,851
Court individual cases	1,008,676
Sheriff fees collected	31,834
Sheriff inmate account deposits	360,589
Total additions	27,669,598
DEDUCTIONS	
Taxes distributed to other agencies	24,410,648
Court fees distributed to other agencies	1,810,064
Payments to others	1,723,645
Sheriff fees distributed to other agencies	31,834
Payments from inmates to others	351,733
Total deductions	28,327,924
Change in net position	(658,326)
Net position, July 1	1,899,588
Net position, June 30	$ 1,241,262

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2025

	Habersham County Development Authority	Habersham County Health Department	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 805,471	$ 1,275,818	$ 2,081,289
Investments	576,807	0	576,807
Accounts receivable (net)	2,369	16,393	18,762
Total current assets	1,384,647	1,292,211	2,676,858
Noncurrent assets			
Proportionate share of net OPEB asset	0	109,430	109,430
Capital assets			
Non-depreciable	1,583,142	0	1,583,142
Depreciable (net)	964,763	0	964,763
Total noncurrent assets	2,547,905	109,430	2,657,335
Total assets	3,932,552	1,401,641	5,334,193
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	0	259,827	259,827
Deferred outflows of resources - OPEB	0	74,730	74,730
Total deferred outflows of resources	0	334,557	334,557
LIABILITIES			
Current liabilities			
Accounts payable	17,148	19,009	36,157
Accrued salaries	264	0	264
Unearned revenue	179	0	179
Compensated absences	0	67,800	67,800
Total current liabilities	17,591	86,809	104,400
Noncurrent liabilities			
Compensated absences	0	38,274	38,274
Proportionate share of net pension liability	0	833,925	833,925
Total noncurrent liabilities	0	872,199	872,199
Total liabilities	17,591	959,008	976,599
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - Pension	0	93,925	93,925
Deferred inflows of resources - OPEB	0	62,653	62,653
Total deferred inflows of resources	0	156,578	156,578
NET POSITION			
Investment in capital assets	2,547,905	0	2,547,905
Restricted for OPEB	0	109,430	109,430
Restricted for other	0	194	194
Unrestricted	1,367,056	510,988	1,878,044
Total net position	$ 3,914,961	$ 620,612	$ 4,535,573

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2025

	Habersham County Development Authority	Habersham County Health Department	Totals
Expenses			
Health and Welfare	$ 0	$ 1,410,703	$ 1,410,703
Housing and Development	161,567	0	161,567
Total expenses	161,567	1,410,703	1,572,270
Program revenues			
Charges for services	10,000	458,337	468,337
Operating grants and contributions	0	913,048	913,048
Total program revenues	10,000	1,371,385	1,381,385
Net (expense) revenue	(151,567)	(39,318)	(190,885)
General revenues			
Investment income	36,711	0	36,711
Payments from Habersham County	3,764	0	3,764
Gain on sale of assets	3,387	0	3,387
Total general revenues	43,862	0	43,862
Change in net position	(107,705)	(39,318)	(147,023)
Net position - July 1	4,022,666	659,930	4,682,596
Net position, June 30	$ 3,914,961	$ 620,612	$ 4,535,573

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

1. Description of Government Unit

Habersham County, Georgia (the County) is located in the foothills of the Georgia Mountains about seventy-five miles northeast of Atlanta.

The County provides a full range of services, including public safety, health and welfare services, recreational programs, public works, and solid waste disposal services.

The County Government is governed by a five-member Board of Commissioners (the Board). Each Commissioner represents one of five districts and must reside in the district they represent. Board members are elected at-large for a four-year term.

The Board selects a County Manager to run the "day-to-day" operations of the County. The County Manager serves at the will of the Board as a contractual employee. The County Manager is the Chief Administrative Officer and the Budget Officer for the County.

The Finance Director serves as the Chief Financial Officer (CFO) for the County. The County CFO is responsible for all County financial activity including accounting, reporting and treasury management. The CFO is a career service County employee and works directly for the County Manager.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Habersham County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the government.

Habersham County Development Authority – The Authority exists to promote business development in Habersham County. The Habersham County Board of Commissioners appoints the majority of the governing board and the Development Authority receives the majority of its funding from the sale of property. Separate financial statements are not issued for the Authority.

Habersham County Health Department – The Habersham County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Habersham County Health Department and is responsible for the overall coordination of the local health activities. The Habersham County Board of Health (Board) governs the Health Department. The County appoints the voting majority of the Board. The Habersham County Health Department is funded by the State and County under the Grant-in-Aid provisions, and operated under the supervision of the local Board of Health. The Habersham County Health Department has a June 30 year-end. A copy of the Habersham County Health Department financial statements can be obtained from District 2, Public Health, 1280 Athens Street, Gainesville, GA 30507.

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has two discretely presented component units. While they are not considered to be major component units, they are nevertheless aggregated and shown in a separate column in the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges from interfund services provided. These services are not eliminated in the process of consolidation.

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

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

Emergency Medical Services Special Revenue Fund – This fund is used to account for activities of the County's emergency medical services.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Opioid Settlement Special Revenue Fund – This fund is used to account for the County's share of opioid settlement payment funds that are restricted for opioid remediation efforts.

Special Purpose Local Option Sales Tax #7 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

The County reports the following major proprietary funds:

Landfill Enterprise Fund – This fund is used to account for activities connected with the disposal of residential and commercial solid waste at the County's landfill. The landfill provides services to all citizens of Habersham County.

Transit Enterprise Fund – This fund is used to account for activities of the County's on-call bus service, available to any County resident.

Airport Enterprise Fund – This fund is used to account for activities of the County's airport service, available to any County resident.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds – This fund type is used to account for financial resources to be use for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Debt Service Funds – This fund type is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

Fiduciary Fund Types

Custodial Funds - Custodial Funds are fiduciary in nature and are accounted for using the accrual basis of accounting. These funds are used to account for assets held for others in Habersham Tax Commissioner, Probate Court, Magistrate Court, Clerk of Superior Court, and Sheriff Department.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Component Units

The Habersham County Development Authority and the Habersham County Health Department are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Revenues and Expenditures/Expenses

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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting.

Each year in April, a Budget Committee consisting of the Board of Commissioners, the County Manager, and the Financial Director prepare the proposed budget. Budget requests from the various County departments are presented to this committee for consideration. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Habersham County. These hearings are publicized in the local newspaper for at least one week before the hearings, and the budget document is made available for public inspection during this time. The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to July 1.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses must be approved by the Board of Commissioners.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end. The County does not use the encumbrance system of accounting.

2. Summary of Significant Accounting Policies (continued)

H. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The County reports investments using net asset value (NAV) when NAV is calculated in a manner consistent with fair value measurement guidelines, fair value is not readily determinable, and it is not probable for the investment to be sold at an amount other than NAV.

I. Intergovernmental Receivables

Receivables from state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year are recorded as prepaid items. Prepaid items in the governmental funds are recorded as expenditures when consumed.

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical costs nor related depreciation had historically been reported in the financial statements. The County has previously implemented the requirements for retroactive reporting of major general infrastructure assets acquired in 1981 forward.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition cost on the date donated.

The County has recorded intangible right-to-use leased assets as a result of implementing GASB Statement No. 87, *Leases*. The right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use leased assets are amortized on a straight-line basis over the shorter of the estimated useful life of the leased asset or life of the related lease.

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets, continued

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	$ 1
Buildings and improvements	7-40	$ 5,000
Land Improvements	15	$ 5,000
Machinery and Equipment	7-10	$ 5,000
Furniture and Fixtures	7	$ 5,000
Vehicles	5-10	$ 5,000
Computer Equipment and Software	3-5	$ 5,000
Distribution System	50	$ 5,000
Infrastructure	15-50	$ 50,000 - $150,000
Intangible Right-to-Use Assets		
Buildings	5-40	$5,000

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

2. Summary of Significant Accounting Policies (continued)

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred outflow of resource for deferred charges on bond refunding and their defined benefit pension plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to their defined benefit pension plans.

2. Summary of Significant Accounting Policies (continued)

M. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

N. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. Summary of Significant Accounting Policies (continued)

O. Restricted Assets and Restricted Net Position

Restricted assets represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

P. Fund Balances – Governmental Funds

Habersham County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

Committed – includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Commissioners (the County's highest level of authority) has authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of a resolution. The passage of the resolution must take place prior to the end of the applicable fiscal year. If the actual amount of the commitment is not available by the end of the fiscal year, the resolution must state the process or formula to calculate the actual amount as soon as information is available. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally.

Assigned – includes amounts that are intended to be used by the County for a specific purpose. Intent can only be expressed by the Board of Commissioners or their designee. An assignment of fund balance requires the majority vote of the Board. However, the Board has authorized the County Finance Director to automatically assign fund balance in the following situations:

- If upon passage of a budget resolution, any fund balance is used to balance a future budget, the amount used will be automatically recorded as Assigned Fund Balance.
- If any unspent funds for an ongoing capital project remain at fiscal year end, these funds will be automatically recorded as Assigned Fund Balance until the project is complete.
- If any residual fund balance exists in a special revenue fund, they will be automatically recorded as Assigned Fund Balance.

The County Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report this category of fund balance as a positive number.

The County will make every effort to use unassigned funds for the following purposes (listed in order of priority):

- To maintain the County's Rainy Day Fund at the prescribed level.
- To address unexpected revenue short-falls or expenditures encountered in the current fiscal year.
- To fund non-recurring capital expenditures. Unassigned fund balance will not be used to fund recurring expenditures or to compensate for structural budget deficits.

The unassigned fund balance of the General Fund at the end of each fiscal year shall not be less than 17% of the following fiscal year's projected budgeted expenditures. Any proposed appropriation that would result in the balance of the fund falling below the minimum fund balance ratio must be accompanied by a restoration plan that brings the fund back to the minimum within three years.

When multiple categories of fund balance are available for expenditure, the County will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

2. Summary of Significant Accounting Policies (continued)

Q. Compensation for Future Absences

In accordance with GASB Statement No. 101, *Compensated Absences*, it is the County's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

R. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

S. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

2. Summary of Significant Accounting Policies (continued)

T. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the County's financial position and operations. Certain prior year amounts have been reclassified to conform to the current year presentation.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned. The County follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

Interest Rate Risk

To achieve adequate liquidity within the County's portfolio, the County attempts to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any investment in the portfolio may not exceed two years from the date of acquisition by the County. In order to preserve liquidity and lessen market risk, not more than 25% of the total portfolio may mature more than two years beyond the date of calculation. No more than 25% of the total portfolio may mature more than one year beyond date of calculation, not inclusive of the two year rule. The maturity of non-negotiable time deposits may not exceed one year.

Concentration of Credit Risk

The County investment policy states that no more than 33% of the total investment portfolio shall be placed with a single issuer. This limitation does not apply to the Local Government Investment Pool or direct obligations of the United States Government.

Foreign Currency Risk

The County has no investments denominated in a foreign currency.

3. Deposit and Investment Risk (continued)

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of any corporation of the United States government, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County investment policy does not further limit its investment choices.

The County participates in the State of Georgia Local Government Investment Pool (Georgia Fund 1). Assets in this pool are invested in the Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

The Georgia Fund 1 is rated AAAf/S1 by Fitch. The weighted average maturity at the end of the current fiscal year was 51 days. At the end of the current fiscal year, the County's balance in Georgia Fund 1 was $11,890,336.

3. Deposit and Investment Risk (continued)

Credit Risk (continued)

At June 30, 2025, the County's investments in securities had the following maturities and credit ratings:

Investment Type	Net Asset Value	Maturity (in months)	Credit Rating (1)
Government Mutual Funds			
Mackay Bonds	$ 1,553,262	184	AA-
PIMCO Low Duration In Fd	873,197	40	A+
Thornburg Investment Trust	630,563	60	A+
Nuveen Georgia Muni Bd Fd	237,301	203	AA-
Fidelity Government Portfolio	131,269	1	AAA
	$ 3,425,592		

(1) - Standard and Poor's

At June 30, 2025, the Habersham County Development Authority's investments in securities had the following maturities and credit ratings:

Investment Type	Net Asset Value	Maturity (in months)	Credit Rating (1)
Government Mutual Funds			
Mackay Bonds	$ 353,701	184	AA-
Thornburg Investment Trust	218,404	60	A+
Fidelity Government Portfolio	4,702	1	AAA
	$ 576,807		

(1) - Standard and Poor's

4. Accounts Receivable

Net accounts receivable at June 30, 2025 consist of the following:

Primary Government:	
Major Funds	
General	$ 103,241
Emergency Medical Services	510,776
Opioid Settlement	939,050
Enterprise	
Landfill	159,923
Transit	3,395
Airport	15,915
Nonmajor Funds	
Emergency 911 Special Revenue	144,890
Senior Center Special Revenue	9,372
Southeast Aquatic Resources Partnership Special Revenue	32,150
Fitness Center Special Revenue	1,034
Hospital Debt Service	278
Total primary government	$ 1,920,024

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2025 consist of the following:

Primary Government:	
Major Funds	
General	$ 1,351,397
Transit	18,780
Nonmajor Funds	
Jail Special Revenue Fund	2,507
Emergency 911 Special Revenue Fund	17,764
Accountability Court Special Revenue Fund	506,500
American Rescue Plan Act 2021	14,947
Total primary government	$ 1,911,895

6. Leases Receivable

In 2025, the County entered into a three year lease agreement to provide the tenant the right to use a building. The tenant pays the County monthly payments of $5,000 the first year, $6,000 the second year, and $7,000 the third year. The Lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at an imputed discount rate of 2.68%. As of June 30, 2025, the lease receivable in the General Fund totaled $183,913 and the related deferred inflows of resources totaled $178,394. During the current fiscal year, the County recognized $28,773 of lease revenue (reported as rent revenue) and $1,745 of interest revenue under the lease.

7. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for digest year 2024, based upon the assessments of January 1, 2024, were levied on July 22, 2024, billed on August 23, 2024, and due on November 15, 2024. Tax liens may be issued 90 days after the due date.

8. Interfund Receivables and Payables

A summary of interfund receivables and payables as of June 30, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General	Landfill	$ 83,825
General	Transit	103,256
General	Airport	922,671
General	SPLOST #7	141,379
General	Emergency Medical Services	37,634
General	Nonmajor Governmental	1,691,185
		$ 2,979,950

The balances reported as Due to/Due from represent loans between the borrower funds and the lender funds. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

9. Interfund Transfers

A summary of interfund transfers for the fiscal year ended June 30, 2025 is as follows:

Transfer Out Fund	Transfer In Fund	Amount
General	Nonmajor Governmental	$ 3,318,056
General	Transit	114,811
Emergency Medical Services	General	447,656
SPLOST #7	Nonmajor Governmental	937,503
Nonmajor Governmental	General	1,340,639
Nonmajor Governmental	Nonmajor Governmental	14,532
		$ 6,173,197

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

The County adopted a resolution enacting a tax levy to make debt service payments on the Hospital Bonds and transferred excess to the General Fund. The transfer out of the SPLOST #7 Capital Projects Fund was for debt service payments made by the Hospital Debt Service Fund and capital assets purchased for the Landfill Fund.

10. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2025 was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Governmental activities				
Non-depreciable assets				
Land	$ 4,481,467	$ 0	$ 0	$ 4,481,467
Construction in progress	3,789,310	7,625,557	(3,610,202)	7,804,665
Total non-depreciable assets	8,270,777	7,625,557	(3,610,202)	12,286,132
Depreciable/amortizable assets				
Buildings	45,383,889	0	(2,552,946)	42,830,943
Land improvements	6,536,411	650,668	0	7,187,079
Leasehold Improvements	348,074	0	0	348,074
Machinery and equipment	4,649,177	332,929	0	4,982,106
Furniture and fixtures	6,997,524	491,490	0	7,489,014
Vehicles	12,756,666	1,766,948	(618,514)	13,905,100
Infrastructure	76,974,696	3,359,398	0	80,334,094
Intangible right-to-use assets				
Buildings	1,034,330	16,095	0	1,050,425
Total depreciable/amortizable assets	154,680,767	6,617,528	(3,171,460)	158,126,835
Less accumulated depreciation/amortization				
Buildings	(17,765,048)	(971,204)	2,548,753	(16,187,499)
Land improvements	(4,160,972)	(402,485)	0	(4,563,457)
Leasehold Improvements	(95)	(34,807)	0	(34,902)
Machinery and equipment	(3,581,120)	(282,935)	0	(3,864,055)
Furniture and fixtures	(4,736,569)	(687,660)	0	(5,424,229)
Vehicles	(8,509,260)	(1,367,438)	618,514	(9,258,184)
Infrastructure	(58,401,590)	(1,122,032)	0	(59,523,622)
Intangible right-to-use assets				
Buildings	(250,024)	(171,255)	0	(421,279)
Total accumulated depreciation/amortization	(97,404,678)	(5,039,816)	3,167,267	(99,277,227)
Total depreciable/amortizable assets, net	57,276,089	1,577,712	(4,193)	58,849,608
Governmental activities capital assets, net	$ 65,546,866	$ 9,203,269	$ (3,614,395)	$ 71,135,740

Decreases in construction in progress for governmental activities consist of projects placed in service in the amount of $3,610,202.

Beginning balances in capital assets for governmental activities were restated by classification.

10. Capital Assets (continued)

	Balance Beginning	Increases	Decreases	Balance Ending
Business-type activities				
Non-depreciable assets				
Land	$ 2,974,777	$ 0	$ 0	$ 2,974,777
Construction in progress	5,938,069	552,276	(61,636)	6,428,709
Total non-depreciable assets	8,912,846	552,276	(61,636)	9,403,486
Depreciable assets				
Buildings	1,203,786	0	0	1,203,786
Land improvements	9,753,504	53,026	0	9,806,530
Machinery and equipment	3,227,474	835,143	0	4,062,617
Vehicles	1,157,920	171,907	(214,435)	1,115,392
Infrastructure	35,911,654	0	0	35,911,654
Total depreciable assets	51,254,338	1,060,076	(214,435)	52,099,979
Less accumulated depreciation				
Buildings	(833,838)	(30,563)	0	(864,401)
Land improvements	(8,481,013)	(285,343)	0	(8,766,356)
Machinery and equipment	(1,925,781)	(397,742)	0	(2,323,523)
Vehicles	(638,644)	(187,102)	214,435	(611,311)
Infrastructure	(14,448,046)	(2,274,517)	0	(16,722,563)
Total accumulated depreciation	(26,327,322)	(3,175,267)	214,435	(29,288,154)
Total depreciable assets, net	24,927,016	(2,115,191)	0	22,811,825
Business-type activities capital assets, net	$ 33,839,862	$ (1,562,915)	$ (61,636)	$ 32,215,311

Decreases in construction in progress for business-type activities consist of projects placed in service in the amount of $61,636.

Beginning balances in capital assets for business-type activities were restated by classification.

10. Capital Assets (continued)

Capital asset activity for the discretely presented component units for the year ended June 30, 2025 was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Habersham County Development Authority				
Non-depreciable assets				
Land	$ 1,727,104	$ 0	$ (210,662)	$ 1,516,442
Construction in progress	66,123	577	0	66,700
Total non-depreciable assets	1,793,227	577	(210,662)	1,583,142
Depreciable assets				
Land improvements	1,684,478	0	0	1,684,478
Machinery and equipment	20,001	0	0	20,001
Vehicles	24,036	0	0	24,036
Total depreciable assets	1,728,515	0	0	1,728,515
Less accumulated depreciation				
Land improvements	(621,735)	(101,576)	0	(723,311)
Machinery and equipment	(15,072)	(1,333)	0	(16,405)
Vehicles	(24,035)	(1)	0	(24,036)
Total accumulated depreciation	(660,842)	(102,910)	0	(763,752)
Total depreciable assets, net	1,067,673	(102,910)	0	964,763
Habersham County Development Authority capital assets, net	$ 2,860,900	$ (102,333)	$ (210,662)	$ 2,547,905

Beginning balances in capital assets for the discretely presented component unit were restated by classification.

10. Capital Assets (continued)

Depreciation/amortization expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 600,973
Judicial	379,403
Public Safety	2,090,819
Public Works	1,389,754
Health and Welfare	135,099
Culture and Recreation	422,999
Housing and Development	20,769
Total depreciation/amortization expense for governmental activities	$ 5,039,816
Business-type activities	
Landfill	$ 795,307
Transit	25,898
Airport	2,354,062
Total depreciation/amortization expense for business-type activities	$ 3,175,267
Discretely presented component units	
Habersham County Development Authority	$ 102,910

11. Long-Term Debt

Leases Payable

Governmental Activities

The County has entered into agreements to lease certain buildings and equipment. The lease agreements qualify as other than short-term leases under GASB Statement No. 87, *Leases*, and therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Lease liabilities are comprised of the following individual leases at the end of the current fiscal year:

11. Long-Term Debt (continued)

Leases Payable, continued

- $361,934 building lease due in monthly installments ranging from $5,964 to $6,668 through November 2027, interest at 2.067%, $184,536 outstanding.
- $68,390 building lease due in monthly installments of $3,600 through April 2027, interest at 2.193%, $28,102 outstanding.
- $160,412 building lease due in monthly installments ranging from $1,200 to $1,566 through June 2033, interest at 2.601%, $135,713 outstanding.
- $396,546 equipment lease due in monthly installments of $8,766 through September 2027, interest at 2.944%, $228,754 outstanding.
- $20,850 building lease due in quarterly installments of $1,120 through April 2029, interest at 2.763%, $16,907 outstanding.
- $21,450 building lease due in quarterly installments of $1,157 through April 2029, interest at 2.918%, $17,406 outstanding.
- $20,842 building lease due in quarterly installments of $1,120 through April 2029, interest at 2.778%, $16,901 outstanding.

Annual debt service requirements to maturity for lease liabilities are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 213,598	$ 12,387	$ 225,985
2027	221,841	7,171	229,012
2028	87,936	2,904	90,840
2029	29,928	2,186	32,114
2030	17,586	1,743	19,329
2031-2033	57,430	2,298	59,728
	$ 628,319	$ 28,689	$ 657,008

11. Long-Term Debt (continued)

Notes from Direct Borrowings

Governmental Activities

On April 6, 2020, the County entered into a financed purchase agreement with BB&T Bank, for the purchase of a heating and air unit for their Aquatic Center. The amount of the agreement was $642,261, interest at 1.990%, for a term of ten years. The outstanding balance was $337,054 at year end. The agreement is collateralized by the equipment. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable or the County will be required to return the equipment.

On October 15, 2023, the County entered into a financed purchase agreement with a financial institution, for the purchase of fire trucks. The amount of the agreement was $1,131,673, interest at 5.58%, for a term of five years. The outstanding balance was $929,214 at year end. The agreement is collateralized by the equipment. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable or the County will be required to return the equipment.

On December 9, 2024, the County entered into a financed purchase agreement with a financial institution, for the purchase of a ladder truck. The amount of the agreement was $1,324,730, interest at 4.98%, for a term of ten years. The outstanding balance was $1,195,210 at year end. The agreement is collateralized by the equipment. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable or the County will be required to return the equipment.

11. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Governmental Activities, continued

Annual debt service requirements for the notes from direct borrowings are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 386,952	$ 117,679	$ 504,631
2027	405,581	99,050	504,631
2028	425,171	79,460	504,631
2029	445,773	58,858	504,631
2030	201,871	37,191	239,062
2031-2034	596,130	76,166	672,296
	$ 2,461,478	$ 468,404	$ 2,929,882

Business-Type Activities

On February 3, 2023, the County entered into a financed purchase agreement with Caterpillar, for the purchase of equipment. The amount of the agreement was $236,920, interest at 6.989%, for a term of four years. The outstanding balance was $186,004 at year end. The agreement is collateralized by the equipment. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable or the County will be required to return the equipment.

On November 18, 2024, the County entered into a financed purchase agreement with Caterpillar, for the purchase of equipment. The amount of the agreement was $633,489, interest at 6.99%, for a term of four years. The outstanding balance was $633,489 at year end. The agreement is collateralized by the equipment. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable or the County will be required to return the equipment.

11. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-Type Activities, continued

Annual debt service requirements for the notes from direct borrowings are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 134,307	$ 52,845	$ 187,152
2027	274,552	44,721	319,273
2028	120,890	29,577	150,467
2029	289,744	22,823	312,567
	$ 819,493	$ 149,966	$ 969,459

Contracts Payable

Governmental Activities

Hospital Authority of Habersham County Taxable Revenue Anticipation Bond, Series 2014

The County entered into an intergovernmental contract dated July 17, 2014 with the Hospital Authority of Habersham County (Authority) to pay to the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2014 Bonds. The proceeds were used by the County to (a) refund a portion of the Authority's Revenue Anticipation Certificate, Series 2005, 2007, and 2013, and (b) pay the costs of issuing the Series 2014A Bonds. The bond calls for semiannual interest only payments commencing February 1, 2015 through August 1, 2016. Beginning February 1, 2017, equal semiannual payments are required in an amount that would amortize the principal and interest over twenty-eight years. Through this intergovernmental contract, the County also purchased land and buildings from the Authority. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Contract payments and obligations are secured by revenues on taxes, fees and charges collected by the County. The interest rate on the bond is 2% to 5%. At June 30, 2025, the balance of this contract payable is $22,816,413.

11. Long-Term Debt (continued)

Contracts Payable, continued

Governmental Activities, continued

Hospital Authority of Habersham County Taxable Refunding Revenue Anticipation Certificate, Series 2019

The County entered into an intergovernmental contract dated October 1, 2019 with the Hospital Authority of Habersham County (Authority) to pay to the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2019 Bonds. The proceeds were used by the County to (a) refund a portion of the Authority's Revenue Anticipation Certificate, Series 2014, and (b) pay the costs of issuing the Series 2019 Bonds. The bond calls for semiannual interest only payments commencing February 1, 2020 through February 1, 2037. Beginning February 1, 2020, annual principal payments are required in an amount that would amortize the principal and interest over seventeen years. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Contract payments and obligations are secured by revenues on taxes, fees and charges collected by the County. The interest rate on the bond is 2.36%. At June 30, 2025, the balance of this contract payable is $8,650,000.

11. Long-Term Debt (continued)

Contracts Payable, continued

Governmental Activities, continued

Hospital Authority of Habersham County Taxable Refunding Revenue Anticipation Certificate, Series 2020

The County entered into an intergovernmental contract dated May 5, 2020 with the Hospital Authority of Habersham County (Authority) to pay to the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2020 Bonds. The proceeds were used by the County to (a) refund the Authority's Revenue Anticipation Certificate, Series 2018, and (b) pay the costs of issuing the Series 2020 Bonds. The bond calls for semiannual interest only payments commencing August 1, 2020 through February 1, 2023. Beginning February 1, 2023, annual principal payments are required in an amount that would amortize the principal and interest over seven years. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Contract payments and obligations are secured by revenues on taxes, fees and charges collected by the County. The interest rate on the bond is 2%. This bond is a direct placement financing bond in the amount of $5,230,000 that is available for the County to draw upon as needed up until July 31, 2022. At June 30, 2025, the balance of this contract payable is $199,569.

Based on total advances to date at June 30, 2025, annual debt service requirements for contracts payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,299,277	$ 1,095,509	$ 2,394,786
2027	1,330,858	1,065,135	2,395,993
2028	1,336,236	1,023,922	2,360,158
2029	1,325,601	992,953	2,318,554
2030	1,355,601	961,683	2,317,284
2031-2035	7,448,003	4,135,752	11,583,755
2036-2040	8,963,003	2,786,298	11,749,301
2041-2044	8,607,403	877,400	9,484,803
	$ 31,665,982	$ 12,938,652	$ 44,604,634

11. Long-Term Debt (continued)

Certificates of Participation

Governmental Activities

During the year ended June 30, 2018, the County issued $6,380,000 in Certificates of Participation, Series 2018, for the purpose of constructing an Administration Building. The certificates have a stated maturity of July 1, 2043 and are subject to mandatory sinking fund redemption, in order of maturity, in part by lot on July 1, beginning July 1, 2018, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The Certificate payments are secured by the real property associated with the project. Interest on the Certificates is to be paid semi-annually on July 1 and January 1 of each year at rates of 2.00% to 4.00%. At June 30, 2025, the balance is $5,373,347.

Year Ending June 30,	Principal	Interest	Total
2026	$ 218,457	$ 195,063	$ 413,520
2027	223,457	188,088	411,545
2028	228,457	180,813	409,270
2029	238,457	172,850	411,307
2030	248,457	164,588	413,045
2031-2035	1,392,285	676,938	2,069,223
2036-2040	1,672,285	395,938	2,068,223
2041-2043	1,151,492	90,269	1,241,761
	$ 5,373,347	$ 2,064,547	$ 7,437,894

11. Long-Term Debt (continued)

General Obligation Bonds

Governmental Activities

General Obligation Sales Tax Bonds, Series 2021: During the fiscal year ended June 30, 2021, Habersham County, Georgia issued $10,865,000 of General Obligation Sales Tax Bonds, Series 2021, with interest rates ranging from 3.00% to 4.00%. The proceeds from the bonds are to be used to fund a portion of the SPLOST #7 Habersham County projects and City of Clarkesville projects. The bonds are direct and general obligations of the County. The principal and interest on the Bonds are payable first from the County's and the City of Clarkesville's portion of a one percent special purpose local option sales and use tax (the "Sales and Use Tax") collected within the County, which was approved by a majority of the qualified voters residing within the County in the Election. To the extent that the proceeds of the Sales and Use Tax are insufficient to make such payments, the principal and interest on the Bonds are payable from an ad valorem tax, unlimited as to rate or amount, which may be levied upon all taxable property within the County subject to taxation for general obligation bond purposes. The City of Clarkesville received $1,173,583 from the bond proceeds. This represents 11% of the bond principal plus premium less a pro rata share of cost of issuance. The bond principal is reflected as a receivable from the City of Clarkesville because the bonds issued are a general obligation of the County. Therefore, the full amount of bonds payable is reflected in the County's liabilities. At June 30, 2025, the balance is $3,930,000.

Upon an event of failure to comply, any Beneficial Owner may initiate an action against the County to compel performance. The County's and the City of Clarkesville's pro-rata shares of the Sales and Use Tax collections will be deposited into the Debt Service Account of the County until such time as there is sufficient amounts needed to pay the principal of and interest on the Bonds coming due in the current Bond Year. Interest paid by the City will be recognized as interest income on the receivable, and the County will recognize the full amount of interest expense on the Bonds. The City's portion of bond principal paid will decrease the receivable from the City, while the County will use the proceeds to pay down its bonds payable balance.

11. Long-Term Debt (continued)

Revenue Bonds

Governmental Activities

Animal Control Facility Revenue Bonds, Series 2025: During the fiscal year ended June 30, 2025, Habersham County, Georgia issued $6,850,000 of Animal Control Facility Revenue Bonds, Series 2025, with an interest rate of 3.64%. The proceeds from the bonds are to be used to fund the acquisition, construction, and installation of a new animal control facility. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. At June 30, 2025, the balance of this bond payable is $6,850,000.

Annual debt service requirements for bonds payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,925,000	$ 344,205	$ 2,269,205
2027	2,585,000	318,984	2,903,984
2028	600,000	217,308	817,308
2029	620,000	195,104	815,104
2030	645,000	172,081	817,081
2031-2035	3,605,000	483,119	4,088,119
2036	800,000	14,560	814,560
	$ 10,780,000	$ 1,745,361	$ 12,525,361

12. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the County for the fiscal year ending June 30, 2025:

	Balance Beginning	Additions	Deductions	Balance Ending	Due Within One Year
Governmental activities					
Lease liabilities	$ 817,848	$ 16,095	$ 205,624	$ 628,319	$ 213,598
Notes from direct borrowing	1,532,215	1,324,730	395,467	2,461,478	386,952
Contracts payable	32,938,709	0	1,272,727	31,665,982	1,299,277
Certificates of participation	5,581,804	0	208,457	5,373,347	218,457
Bonds payable	5,785,000	6,850,000	1,855,000	10,780,000	1,925,000
Unamortized bond premium	633,009	0	236,479	396,530	236,479
Compensated absences	2,387,185	340,711	0	2,727,896	2,045,922
Total governmental activities	$ 49,675,770	$ 8,531,536	$ 4,173,754	$ 54,033,552	$ 6,325,685
Business-type activities					
Notes from direct borrowing	$ 208,800	$ 633,489	$ 22,796	$ 819,493	$ 134,307
Compensated absences	96,311	24,796	0	121,107	90,830
Total business-type activities	$ 305,111	$ 658,285	$ 22,796	$ 940,600	$ 225,137
Habersham County Health Department Component Unit					
Compensated absences	$ 98,558	$ 7,516	$ 0	$ 106,074	$ 67,800

Bond discounts/premiums are amortized over the life of the related debt using the straight-line method. In prior years, long-term liabilities, such as compensated absences of the governmental activities were liquidated in the General Fund.

The total interest incurred and charged to expense for the fiscal year ended June 30, 2025 was $1,457,589 for governmental activities and $43,916 for business-type activities.

Beginning balances of compensated absences have been restated in the governmental and business-type activities for the implementation of GASB Statement No. 101, *Compensated Absences*. See Note 26.

In accordance with GASB Statement No. 101, *Compensated Absences*, the additions noted for compensated absences reflect the net change for the period.

13. Landfill Closure and Post-Closure Care Costs

In 1994, the County opened a solid waste landfill. State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and post-closure care costs has a balance of $6,676,206 as of June 30, 2025, which is based on 61% usage (filled) of the landfill. It is estimated that an additional $4,264,578 will be recognized as closure and post-closure care expense between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2037).

The estimated total current cost of the landfill closure and post-closure care ($10,940,784) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2025. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

During the current fiscal year, there was a change in estimate of closure and post closure costs approved by the EPD. This increased the estimated liability for landfill closure and post-closure care costs substantially.

14. Pension Plans

County Defined Benefit Plan

Plan Description. The County is a participating member of the Association of County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer retirement system, administered by the Association of County Commissioners of Georgia. This is a defined benefit pension plan, which provides retirement, disability, and death benefits to plan members and beneficiaries. The Commission has established provisions, which assign the authority to the Commission council members to establish and amend the benefit provisions of the plan.

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

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

The annual report and more detailed information regarding the plan can be obtained by writing to Pension Service Company, 1100 Circle 75 Parkway, Suite 320, Atlanta, GA 30339.

14. Pension Plans (continued)

At January 1, 2025, the date of the most recent actuarial valuation, there were the following participants:

Retirees, beneficiaries and disableds currently receiving benefits	90
Terminated vested participants entitled to but not yet receiving benefits	416
Active participants	267
Total number of participants	773

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Benefits vest evenly over five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 5 years of plan participation. The amount of monthly retirement benefits to be provided for each participant at their normal retirement date is equal to one percent of the participant's average annual compensation multiplied by the participant's total number of years of service. County Commissioners receive a benefit equal to $30 per month multiplied by years of service. The Plan also provides benefits in the event of death or disability.

Contributions. Employees make no contributions to the plan. The County is required to contribute the amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law, using the basis described in the annual valuation report. The County's actual contributions for the current fiscal year was $364,227, or 1.65% of covered payroll of $22,007,780. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

14. Pension Plans (continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2025, the County reported a net pension liability of $2,792,034. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. For the fiscal year ended June 30, 2025, the County recognized pension expense of $1,016,695. For governmental activities, the net pension liability is liquidated in the General Fund, Emergency Medical Services Fund, Emergency 911 Fund, Senior Center Fund, Accountability Court Fund, and Family Dependency Treatment Court Fund.

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in participant fund allocation	$ 12,418	$ (12,418)
Differences between expected and actual experience	405,985	(3,999)
Net difference between projected and actual earnings on pension plan investments	62,327	0
Changes of assumptions	19,616	(39,259)
	$ 500,346	$ (55,676)

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2026	$ 361,646
2027	449,143
2028	(268,089)
2029	(98,030)
Totals	$ 444,670

14. Pension Plans (continued)

Actuarial Assumptions. The total pension liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Projected salary increases	4.50% per year with an age based scale
Cost of living adjustments	N/A
Net investment rate of return	7.00%
Actuarial cost method	Entry age normal
Amortization method	Closed level dollar
Remaining amortization period	Period varies for the bases, with a net effective amortization period of 15 years

Healthy mortality rates were based on the Pub-2010 Amount weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2024. Disabled mortality rates were derived from the 1985 CIDA Table Class 1.

The mortality and economic actuarial assumptions used in the December 31, 2024 valuation were based on the results of a February 2024 experience study.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

14. Pension Plans (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2024 are summarized in the following table:

	Target Allocation	Range
Fixed Income	30%	25%-35%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

14. Pension Plans (continued)

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/23	$ 16,487,172	$ 14,063,073	$ 2,424,099
Changes for the year:			
Service cost	623,543	0	623,543
Interest	1,131,866	0	1,131,866
Differences between expected and actual experience	308,749	0	308,749
Changes of assumptions	27,861	0	27,861
Contributions—employer	0	364,227	(364,227)
Net investment income	0	1,508,056	(1,508,056)
Benefit payments, including refunds of employee contributions	(635,303)	(635,303)	0
Administrative expense	0	(89,273)	89,273
Other changes	0	(58,926)	58,926
Net changes	1,456,716	1,088,781	367,935
Balances at 12/31/24	$ 17,943,888	$ 15,151,854	$ 2,792,034

Plan's fiduciary net position as a percentage of the total pension liability	84.44%
Covered payroll	$ 15,077,109
Net pension liability as a percentage of covered payroll	18.52%

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00 percent) or one percentage-point higher (8.00 percent) than the current rate:

	Discount Rate	Net Pension Liability (Asset)
1% decrease	6.00%	$ 5,418,010
Current discount rate	7.00%	2,792,034
1% increase	8.00%	645,689

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia Benefit System financial report.

14. Pension Plans (continued)

Other Plans

In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

Habersham County Department of Public Health Retirement Plan

Eligible employees of the Habersham County Department of Public Health participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the fiscal year ended June 30, 2025, the Department contributed $182,142. As of June 30, 2025, the Department reported a liability in the amount of $833,925 for its proportionate share (0.02%) of the net pension liability. The Department recognized pension expense of $(99,132) for the fiscal year ended June 30, 2025. Further information regarding the plan can be obtained from the separately issued ERS financial report which is publicly available at www.ers.ga.gov/financials.

15. Deferred Compensation Plans

The County has established a Defined Contribution Plan for the County Manager. The Plan was created under Internal Revenue Code Sections 457 and 401(a), and is administered by the Government Employees Benefits Corporation (GEBCorp) of Georgia, an independent third party. Under the terms of the Plan, the County Manager may defer a maximum of 25% of his/her salary through voluntary contributions to the Plan, up to the maximum allowed by federal law.

The County will contribute 200% of the County Manager's contributions per year with a maximum annual matching contribution of 10% of his/her salary. County contributions are paid into the Plans at the end of each payroll period. During the fiscal year ended June 30, 2025, the County contributed $60,360 to the Plans. The County Manager made voluntary contributions of $28,013.

The County provides retirement benefits for its other employees through a deferred compensation, defined contribution plan. The Plan was created under Internal Revenue Code Sections 457 and 401(a), and is administered by the Government Employees Benefits Corporation (GEBCorp) of Georgia, an independent third party. Under the terms of the Plan, employees may defer a maximum of 25% of their salary through voluntary contributions to the Plan, up to the maximum allowed by federal law.

The County will contribute 50% of the employee's contributions per year with a maximum annual matching contribution of 1% of the employee's salary. County contributions are paid into the Plan at the end of each payroll period. During the fiscal year ended June 30, 2025, the County contributed $132,505 to the Plan. Plan members made voluntary contributions of $358,316.

Funds are vested 100% at the time of contribution. Amounts held in the Plans are not available to the employees until termination, retirement, death, or unforeseeable emergency. The County has no fiduciary relationship with the Plans, and Plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrators for the exclusive benefit of the participants of the Plans. The County may change the contribution requirements by resolution.

16. Other Post-Employment Benefits

Habersham County Health Department

Eligible employees of the Habersham County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the Department contributed $32,911. At the end of the current fiscal year, the Department reported a net asset in the amount of $109,430 for its proportionate share (0.017595% for the State of Georgia OPEB Fund and 0.011595% for the SEAD-OPEB Fund) of the net OPEB asset. The Department recognized OPEB expense of $(59,570) for the current fiscal year. Further information regarding the plans can be obtained from Department's annual audit report by contacting District 2 Public Health, 1280 Athens Street, Gainesville, Georgia 30507.

17. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the fiscal year ending June 30, 2025 follows:

Lodging tax receipts	$	258,341	
Disbursements for tourism and trade	$	103,399	40%
Transfers to General Fund	$	154,996	60%

18. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current fiscal year, the County paid $30,926 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

19. Conduit Debt

Development Authority Component Unit

In 2022, the Development Authority issued revenue bonds to provide financial assistance to a private entity for the acquisition and construction of hotel and lodging facilities. The bonds are secured by the property financed and are payable solely from the payments received on the underlying loan agreement. Upon repayment of the bonds, ownership of the acquired facilities transfers to the exempt organization served by the bond issuance. Neither the Development Authority, or the County, is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The original and outstanding amounts of conduit debt revenue bond obligations, as of the end of the current fiscal year, were $9,000,000 and $9,000,000, respectively.

20. Restricted and Assigned Fund Balances

The following is a summary of restricted and assigned fund balances of the governmental funds for the fiscal year ended June 30, 2025:

	General	Emergency Medical Services	Opioid Settlement	SPLOST #7	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:						
Judicial						
Juvenile supervision	$ 0	$ 0	$ 0	$ 0	$ 52,579	$ 52,579
Indigent defense	0	0	0	0	13,576	13,576
Law library operations	0	0	0	0	171,897	171,897
Drug programs	0	0	0	0	167,531	167,531
Public safety						
Sheriff facilities and equipment	40,192	0	361,718	0	261,370	663,280
Animal control	32,464	0	0	0	0	32,464
Grant specifications	0	0	0	0	15,733	15,733
Capital projects	0	0	0	17,972,519	0	17,972,519
Debt service	0	0	0	0	983,240	983,240
	$ 72,656	$ 0	$ 361,718	$ 17,972,519	$ 1,665,926	$ 20,072,819
Assigned to:						
Public Safety						
Emergency 911 operations	0	412,681	0	0	0	412,681
Health and welfare	0	0	0	0	68,037	68,037
Governmental special projects	2,454,535	0	0	0	0	2,454,535
Capital projects	0	0	0	0	1,287,587	1,287,587
Subsequent budget	1,098,028	0	0	0	0	1,098,028
	$ 3,552,563	$ 412,681	$ 0	$ 0	$ 1,355,624	$ 5,320,868

21. Risk Financing Activities

Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated capital assets. Management has used a conservative approach on these estimates.

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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 agent 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 government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against the members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the past three years have not exceeded the coverages. Management estimates liabilities for unpaid claims based on the probability of losses exceeding the occurrence limits and the reasonableness of estimating those losses. At June 30, 2025, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

22. Self-Insurance

Group Health Insurance

During fiscal year 2018, the County began providing health care benefits to its active employees and their dependents through a self-insured plan administered by MSI Benefits Group, Inc. Under this arrangement, the County is responsible for paying all claims but purchases reinsurance policies through an insurance provider that is responsible for paying claims in excess of agreed-upon specific and aggregate levels.

Liabilities

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Changes in the balances of claims liabilities during the year are as follows:

Group Insurance Liabilities

Beginning balance	$	377,535
Current year claims and changes in estimates		(4,070,311)
Claim payments		4,038,784
Ending balance	$	346,008

23. Commitments and Contingencies

Commitments

As of June 30, 2025, contractual commitments on uncompleted projects totaled $11,374,648.

Contingencies

Habersham County participates in a number of Revenue Sharing Grants. Expenditures financed by Revenue Sharing Grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

The County is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The County's legal counsel has stated that the outcome of these lawsuits is not presently determinable.

24. New Accounting Pronouncements

The County implemented GASB Statement No. 101, *Compensated Absences*, effective for the County's current fiscal year. The requirements of this statement are effective for periods beginning after December 15, 2023.

The County implemented GASB Statement No. 102, *Certain Risk Disclosures*, effective for the County's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2024.

25. Changes in Fund Names

The Drug Abuse Treatment Special Revenue Fund has been renamed as Accountability Court Special Revenue Fund.

26. Changes in Beginning Balances

Change in Accounting Principle

Governmental Activities

To implement GASB Statement No. 101, *Compensated Absences*, an adjustment has been made to adjust the balance of compensated absences at June 30, 2024. This adjustment decreased beginning net position by $1,204,911.

Business-Type Activities

Landfill

To implement GASB Statement No. 101, *Compensated Absences*, an adjustment has been made to adjust the balance of compensated absences at June 30, 2024. This adjustment decreased beginning net position by $29,803.

Transit

To implement GASB Statement No. 101, *Compensated Absences*, an adjustment has been made to adjust the balance of compensated absences at June 30, 2024. This adjustment decreased beginning net position by $6,956.

Airport

To implement GASB Statement No. 101, *Compensated Absences*, an adjustment has been made to adjust the balance of compensated absences at June 30, 2024. This adjustment decreased beginning net position by $7,862.

The net effect of these adjustments decreased beginning net position in the business-type activities by $44,621.

26. Changes in Beginning Balances (continued)

A summary of the changes in beginning balances is presented below:

	Beginning As Previously Reported	Change in Accounting Principle	Beginning As Restated
Government-Wide			
Governmental Activities	$ 40,463,062	$ (1,204,911)	$ 39,258,151
Business-Type Activities	31,493,917	(44,621)	31,449,296
Total Primary Government	$ 71,956,979	$ (1,249,532)	$ 70,707,447
Proprietary Funds			
Landfill	$ 5,426,495	$ (29,803)	$ 5,396,692
Transit	0	(6,956)	(6,956)
Airport	26,067,422	(7,862)	26,059,560
Total Proprietary Funds	$ 31,493,917	$ (44,621)	$ 31,449,296

27. Subsequent Event

Subsequent to June 30, 2025, the County entered into a financed purchase agreement with a financial institution for the purchase of vehicles for $2,100,000.

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2025
(Unaudited)

	Fiscal Year End			
	2025	**2024**	**2023**	**2022**
Total pension liability				
Service cost	$ 623,543	$ 559,650	$ 476,614	$ 486,225
Interest	1,131,866	1,030,696	971,711	947,681
Differences between expected and actual expenses	308,749	524,888	(123,924)	(648,214)
Changes of assumptions	27,861	(104,689)	23,026	21,831
Benefit payments, including refunds of employee contributions	(635,303)	(495,200)	(514,390)	(414,066)
Net change in total pension liability	1,456,716	1,515,345	833,037	393,457
Total pension liability - beginning	16,487,172	14,971,827	14,138,790	13,745,333
Total pension liability - ending (a)	$ 17,943,888	$ 16,487,172	$ 14,971,827	$ 14,138,790
Plan fiduciary net position				
Contributions - employer	$ 364,227	$ 808,515	$ 706,518	$ 728,023
Net investment income	1,508,056	1,786,408	(1,956,701)	1,825,203
Benefit payments, including refunds of employee contributions	(635,303)	(495,200)	(514,390)	(414,066)
Administrative expense	(89,273)	(80,663)	(72,835)	(69,364)
Other	(58,926)	(69,549)	(62,826)	(100,138)
Net change in plan fiduciary net position	1,088,781	1,949,511	(1,900,234)	1,969,658
Plan fiduciary net position - beginning	14,063,073	12,113,562	14,013,796	12,044,138
Plan fiduciary net position - ending (b)	$ 15,151,854	$ 14,063,073	$ 12,113,562	$ 14,013,796
Net pension liability (asset) - ending: (a) - (b)	$ 2,792,034	$ 2,424,099	$ 2,858,265	$ 124,994
Plan's fiduciary net position as a percentage of the total pension liability	84.44%	85.30%	80.91%	99.12%
Covered payroll	$ 15,077,109	$ 13,152,768	$ 11,612,796	$ 11,287,101
Net pension liability as a percentage of covered payroll	18.52%	18.43%	24.61%	1.11%

The accompanying notes to the required supplementary information are an integral part of this schedule.

Fiscal Year End						
2021	**2020**	**2019**	**2018**	**2017**	**2016**
$ 495,046	$ 340,296	$ 323,781	$ 249,076	$ 269,607	$ 259,833
828,467	745,514	693,275	668,457	617,110	559,503
741,772	(83,213)	143,636	(479,754)	50,327	(105,680)
21,169	513,161	344,704	24,759	296,824	293,250
(352,730)	(308,710)	(263,252)	(240,436)	(243,346)	(234,279)
1,733,724	1,207,048	1,242,144	222,102	990,522	772,627
12,011,609	10,804,561	9,562,417	9,340,315	8,349,793	7,577,166
$ 13,745,333	$ 12,011,609	$ 10,804,561	$ 9,562,417	$ 9,340,315	$ 8,349,793
$ 806,644	$ 537,397	$ 486,696	$ 405,114	$ 450,711	$ 408,205
1,468,842	1,712,261	(389,864)	1,163,292	501,317	45,158
(352,730)	(308,710)	(254,043)	(240,436)	(243,346)	(234,279)
(69,624)	(56,968)	(44,151)	(33,299)	(39,054)	(37,197)
(59,498)	(43,015)	(60,641)	(50,765)	(76,795)	(51,296)
1,793,634	1,840,965	(262,003)	1,243,906	592,833	130,591
10,250,504	8,409,539	8,671,542	7,427,636	6,834,803	6,704,212
$ 12,044,138	$ 10,250,504	$ 8,409,539	$ 8,671,542	$ 7,427,636	$ 6,834,803
$ 1,701,195	$ 1,761,105	$ 2,395,022	$ 890,875	$ 1,912,679	$ 1,514,990
87.62%	85.34%	77.83%	90.68%	79.52%	81.86%
$ 11,433,527	$ 8,769,925	$ 8,375,716	$ 6,423,152	$ 6,905,412	$ 7,165,355
14.88%	20.08%	28.59%	13.87%	27.70%	21.14%

The accompanying notes to the required supplementary information are an integral part of this schedule.

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2025
(Unaudited)

	Fiscal Year End			
	2025	**2024**	**2023**	**2022**
Actuarially determined contribution	$ 364,227	$ 808,515	$ 706,518	$ 728,023
Contributions in relation to the actuarially determined contribution	(364,227)	(808,515)	(706,518)	(728,023)
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0
Covered payroll	$ 22,007,780	$ 19,968,110	$ 18,093,326	$ 14,541,449
Contributions as a percentage of covered payroll	1.65%	4.05%	3.90%	5.01%

The accompanying notes to the required supplementary information are an integral part of this schedule.

Fiscal Year End						
2021	2020	2019	2018	2017	2016
$ 806,644	$ 537,397	$ 486,696	$ 405,114	$ 450,711	$ 408,205
(806,644)	(537,397)	(486,696)	(405,114)	(450,711)	(408,205)
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
$ 10,810,516	$ 9,037,377	$ 9,488,989	$ 8,444,632	$ 6,826,030	$ 6,722,017
7.46%	5.95%	5.13%	4.80%	6.60%	6.07%

The accompanying notes to the required supplementary information are an integral part of this schedule.

1. Valuation Date

The actuarially determined contribution rate was determined as of December 31, 2024, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2026.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset valuation method = Smoothed fair value with a 5-year smoothing period

Net investment rate of return = 7.00%

Projected salary increases = 4.50% per year with an age based scale

Cost of living adjustments = N/A

Normal retirement age for inactive vested participants = Employed prior to August 2010 is age 65 with 5 years of vesting service; employed after August 2010 is age 65 with 10 years of vesting service

Mortality = Healthy mortality rates were based on the Pub-2010 Amount weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2024. Disabled mortality rates were derived from the 1985 CIDA Table Class 1.

3. Changes in Benefits

There have been no substantive changes since the last actuarial valuation.

4. Changes of Assumptions

The mortality improvements for the Pub-2010 GE (50%) & PS (50%) Amt-Weighted mortality table is projected to 2024 instead of 2023 with Scale AA.

This page intentionally left blank.

COMBINING STATEMENTS

Nonmajor Governmental Funds

HABERSHAM COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenue						
	Indigent Defense	Jail	Juvenile Services	Emergency 911	Hotel/Motel Tax	Law Library	Accountability Court
ASSETS							
Cash and cash equivalents	$ 13,576	$ 191,367	$ 52,579	$ 6,824	$ 0	$ 65,747	$ 0
Certificates of deposit	0	0	0	0	0	106,150	0
Receivables							
Accounts (net)	0	0	0	144,890	0	0	0
Taxes	0	0	0	0	25,140	0	0
Intergovernmental	0	2,507	0	17,764	0	0	506,500
Total assets	$ 13,576	$ 193,874	$ 52,579	$ 169,478	$ 25,140	$ 171,897	$ 506,500
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ 0	$ 0	$ 0	$ 20,221	$ 0	$ 0	$ 69,651
Accrued salaries and other liabilities	0	0	0	58,206	0	0	19,839
Due to other funds	0	0	0	91,051	25,140	0	249,479
Total liabilities	0	0	0	169,478	25,140	0	338,969
Fund balances							
Restricted for:							
Judicial	13,576	0	52,579	0	0	171,897	167,531
Public safety	0	193,874	0	0	0	0	0
Debt service	0	0	0	0	0	0	0
Grant specifications	0	0	0	0	0	0	0
Assigned to:							
Health and welfare	0	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0	0
Total fund balances	13,576	193,874	52,579	0	0	171,897	167,531
Total liabilities and fund balances	$ 13,576	$ 193,874	$ 52,579	$ 169,478	$ 25,140	$ 171,897	$ 506,500

Special Revenue								
Inmate Welfare	Senior Center	Southeast Aquatic Resources Partnership	Fitness Center	American Rescue Plan 2021	Hospital Debt Service	Capital Improvements	Total Nonmajor Governmental Funds
$ 67,496	$ 122,301	$ 0	$ 52,892	$ 490,259	$ 1,733,201	$ 1,485,386	$ 4,281,628
0	0	0	0	0	0	0	106,150
0	9,372	32,150	1,034	0	278	0	187,724
0	0	0	0	0	0	0	25,140
0	0	0	0	14,947	0	0	541,718
$ 67,496	$ 131,673	$ 32,150	$ 53,926	$ 505,206	$ 1,733,479	$ 1,485,386	$ 5,142,360
$ 0	$ 40,768	$ 0	$ 779	$ 1,408	$ 0	$ 197,799	$ 330,626
0	16,922	0	4,032	0	0	0	98,999
0	55,061	32,150	0	488,065	750,239	0	1,691,185
0	112,751	32,150	4,811	489,473	750,239	197,799	2,120,810
0	0	0	0	0	0	0	405,583
67,496	0	0	0	0	0	0	261,370
0	0	0	0	0	983,240	0	983,240
0	0	0	0	15,733	0	0	15,733
0	18,922	0	49,115	0	0	0	68,037
0	0	0	0	0	0	1,287,587	1,287,587
67,496	18,922	0	49,115	15,733	983,240	1,287,587	3,021,550
$ 67,496	$ 131,673	$ 32,150	$ 53,926	$ 505,206	$ 1,733,479	$ 1,485,386	$ 5,142,360

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2025

	Special Revenue						
	Indigent Defense	**Jail**	**Juvenile Services**	**Emergency 911**	**Hotel/Motel Tax**	**Law Library**	**Accountability Court**
REVENUES							
Taxes	$ 0	$ 0	$ 0	$ 0	$ 258,341	$ 0	$ 0
Fines, fees, and forfeitures	52	115,123	9,350	0	0	29,439	113,931
Charges for services	0	0	0	864,344	0	0	87,492
Intergovernmental	0	0	0	36,726	0	0	1,397,792
Investment income	0	0	0	0	0	54	0
Contributions	0	0	0	0	0	0	15,148
Other	0	0	0	1,199	0	0	0
Total revenues	52	115,123	9,350	902,269	258,341	29,493	1,614,363
EXPENDITURES							
Current							
Judicial	0	0	7,050	0	0	39,014	1,466,127
Public safety	0	0	0	2,109,397	0	0	0
Health and welfare	0	0	0	0	0	0	0
Housing and development	0	0	0	0	103,399	0	0
Culture and recreation	0	0	0	0	0	0	0
Public works	0	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0	0
Debt service							
Principal	0	0	0	26,561	0	0	0
Interest	0	0	0	4,512	0	0	0
Total expenditures	0	0	7,050	2,140,470	103,399	39,014	1,466,127
Excess (deficiency) of revenues over (under) expenditures	52	115,123	2,300	(1,238,201)	154,942	(9,521)	148,236
Other financing sources (uses)							
Transfers in	0	0	0	1,222,106	0	0	0
Transfers out	0	(70,000)	0	0	(154,996)	(14,532)	(365,643)
Proceeds from issuance of lease	0	0	0	16,095	0	0	0
Total other financing sources (uses)	0	(70,000)	0	1,238,201	(154,996)	(14,532)	(365,643)
Net change in fund balance	52	45,123	2,300	0	(54)	(24,053)	(217,407)
Fund balances, July 1	13,524	148,751	50,279	0	54	195,950	384,938
Fund balances, June 30	$ 13,576	$ 193,874	$ 52,579	$ 0	$ 0	$ 171,897	$ 167,531

Special Revenue							
Inmate Welfare	Senior Center	Southeast Aquatic Resources Partnership	Fitness Center	American Rescue Plan 2021	Hospital Debt Service	Capital Improvements	Total Nonmajor Governmental Funds
$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,744,524	$ 0	$ 2,002,865
0	0	0	0	0	0	0	267,895
57,446	0	0	91,860	0	0	0	1,101,142
0	256,396	254,316	0	553,676	0	0	2,498,906
0	0	0	0	0	2,458	0	2,512
0	26,752	0	0	0	0	0	41,900
0	32,408	0	0	0	0	51,447	85,054
57,446	315,556	254,316	91,860	553,676	1,746,982	51,447	6,000,274
0	0	0	0	137,253	0	0	1,649,444
43,465	0	0	0	0	19,642	0	2,172,504
0	694,634	0	0	0	0	0	694,634
0	0	0	0	0	0	0	103,399
0	0	254,316	44,332	0	0	0	298,648
0	0	0	0	405,793	0	0	405,793
0	0	0	0	0	0	1,637,623	1,637,623
0	0	0	0	0	1,272,126	63,489	1,362,176
0	0	0	0	0	1,130,470	7,499	1,142,481
43,465	694,634	254,316	44,332	543,046	2,422,238	1,708,611	9,466,702
13,981	(379,078)	0	47,528	10,630	(675,256)	(1,657,164)	(3,466,428)
0	398,000	0	0	0	937,503	1,712,482	4,270,091
0	0	0	0	0	(750,000)	0	(1,355,171)
0	0	0	0	0	0	0	16,095
0	398,000	0	0	0	187,503	1,712,482	2,931,015
13,981	18,922	0	47,528	10,630	(487,753)	55,318	(535,413)
53,515	0	0	1,587	5,103	1,470,993	1,232,269	3,556,963
$ 67,496	$ 18,922	$ 0	$ 49,115	$ 15,733	$ 983,240	$ 1,287,587	$ 3,021,550

This page intentionally left blank.

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Indigent Defense Fund – This fund is used to account for monies legally restricted for indigent defense in the County.

Jail Fund – This fund is used to account for monies legally restricted for the benefit of juveniles in the County.

Juvenile Services Fund – This fund is used to account for monies legally restricted for indigent defense in the County.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees for the operation of the 911 emergency system.

Hotel/Motel Tax Fund – This fund is used to account for Hotel/Motel tax collections which are used to support tourism in Habersham County.

Law Library Fund – This fund is used to account for the funds court office fines and fees legally restricted for operation of the Habersham County Law Library.

Accountability Court Fund – This fund is used to account for fines and fees received restricted for drug treatment and education programs in the County.

Inmate Welfare Fund – This fund is used to account for monies legally restricted for the benefit of detainees in the County jail.

Senior Center Fund – This fund is used to account for monies received restricted for use at the Senior Center.

Southeast Aquatic Resources Partnership Fund – This fund is used to account for revenues and expenditures of the Southeast Aquatic Resources Partnership Fund.

Fitness Center Fund – This fund is used to account for fees received for the operation of the Fitness Center.

American Rescue Plan Act 2021 Fund – This fund is used to account for revenues and expenditures of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund.

HABERSHAM COUNTY, GEORGIA
INDIGENT DEFENSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 400	$ 52	$ (348)
EXPENDITURES			
Current			
Judicial	400	0	400
Total expenditures	400	0	400
Excess (deficiency) of revenues over (under) expenditures	0	52	52
Fund balances, July 1	0	13,524	13,524
Fund balances, June 30	$ 0	$ 13,576	$ 13,576

HABERSHAM COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 100,000	$ 115,123	$ 15,123
EXPENDITURES			
Current			
Public Safety			
Capital outlay	30,000	0	30,000
Total expenditures	30,000	0	30,000
Excess (deficiency) of revenues over (under) expenditures	70,000	115,123	45,123
Other financing sources (uses)			
Transfers out	(70,000)	(70,000)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	45,123	45,123
Fund balances, July 1	0	148,751	148,751
Fund balances, June 30	$ 0	$ 193,874	$ 193,874

HABERSHAM COUNTY, GEORGIA
JUVENILE SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 7,050	$ 9,350	$ 2,300
EXPENDITURES			
Current			
Judicial			
Contract services	7,050	7,050	0
Total expenditures	7,050	7,050	0
Excess (deficiency) of revenues over (under) expenditures	0	2,300	2,300
Fund balances, July 1	0	50,279	50,279
Fund balances, June 30	$ 0	$ 52,579	$ 52,579

HABERSHAM COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Charges for services	$ 945,000	$ 864,344	$ (80,656)
Intergovernmental	46,000	36,726	(9,274)
Other	6,476	1,199	(5,277)
Total revenues	997,476	902,269	(95,207)
EXPENDITURES			
Current			
Public Safety			
Personal services	1,701,434	1,702,722	(1,288)
Contract services	363,800	297,056	66,744
Materials and supplies	31,300	82,988	(51,688)
Capital outlay	0	26,631	(26,631)
Debt service			
Principal	19,366	26,561	(7,195)
Interest	247	4,512	(4,265)
Total expenditures	2,116,147	2,140,470	(24,323)
Excess (deficiency) of revenues over (under) expenditures	(1,118,671)	(1,238,201)	(119,530)
Other financing sources (uses)			
Issuance of long-term debt	0	16,095	16,095
Transfers in	697,241	1,222,106	524,865
Total other financing sources (uses)	697,241	1,238,201	540,960
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(421,430)	0	421,430
Fund balances, July 1	421,430	0	(421,430)
Fund balances, June 30	$ 0	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Taxes	$ 268,000	$ 258,341	$ (9,659)
EXPENDITURES			
Current			
Housing and Development			
Payments to other agencies	108,000	103,399	4,601
Total expenditures	108,000	103,399	4,601
Excess (deficiency) of revenues over (under) expenditures	160,000	154,942	(5,058)
Other financing sources (uses)			
Transfers out	(160,000)	(154,996)	5,004
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(54)	(54)
Fund balances, July 1	0	54	54
Fund balances, June 30	$ 0	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 39,323	$ 29,439	$ (9,884)
Investment income	75	54	(21)
Total revenues	39,398	29,493	(9,905)
EXPENDITURES			
Current			
Judicial			
Personal services	4,800	4,800	0
Contract services	12,598	12,700	(102)
Materials and supplies	22,000	21,514	486
Total expenditures	39,398	39,014	384
Excess (deficiency) of revenues over (under) expenditures	0	(9,521)	(9,521)
Other financing sources (uses)			
Transfers out	0	(14,532)	(14,532)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and and other financing uses	0	(24,053)	(24,053)
Fund balances, July 1	0	195,950	195,950
Fund balances, June 30	$ 0	$ 171,897	$ 171,897

HABERSHAM COUNTY, GEORGIA
ACCOUNTABILITY COURT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 65,815	$ 113,931	$ 48,116
Charges for services	130,500	87,492	(43,008)
Intergovernmental	1,297,700	1,397,792	100,092
Contributions	0	15,148	15,148
Total revenues	1,494,015	1,614,363	120,348
EXPENDITURES			
Current			
Judicial			
Personal services	588,999	588,947	52
Contract services	563,324	607,227	(43,903)
Materials and supplies	268,855	267,834	1,021
Payments to others	54,994	2,119	52,875
Total expenditures	1,476,172	1,466,127	10,045
Excess (deficiency) of revenues over (under) expenditures	17,843	148,236	130,393
Other financing sources (uses)			
Transfers out	(17,843)	(365,643)	(347,800)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and and other financing uses	0	(217,407)	(217,407)
Fund balances, July 1	0	384,938	384,938
Fund balances, June 30	$ 0	$ 167,531	$ 167,531

HABERSHAM COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Charges for services	$ 45,000	$ 57,446	$ 12,446
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	45,000	12,070	32,930
Capital outlay	0	31,395	(31,395)
Total expenditures	45,000	43,465	1,535
Excess (deficiency) of revenues over (under) expenditures	0	13,981	13,981
Fund balances, July 1	0	53,515	53,515
Fund balances, June 30	$ 0	$ 67,496	$ 67,496

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 342,030	$ 256,396	$ (85,634)
Contributions	28,500	26,752	(1,748)
Other	54,800	32,408	(22,392)
Total revenues	425,330	315,556	(109,774)
EXPENDITURES			
Current			
Health and Welfare			
Personal services	539,024	450,722	88,302
Contract services	187,510	172,797	14,713
Materials and supplies	96,796	71,115	25,681
Total expenditures	823,330	694,634	128,696
Excess (deficiency) of revenues over (under) expenditures	(398,000)	(379,078)	18,922
Other financing sources (uses)			
Transfers in	398,000	398,000	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	18,922	18,922
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 18,922	$ 18,922

HABERSHAM COUNTY, GEORGIA
SOUTHEAST AQUATIC RESOURCES PARTNERSHIP
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 254,316	$ 254,316	$ 0
EXPENDITURES			
Current			
Culture and Recreation			
Contract services	254,316	254,316	0
Excess (deficiency) of revenues over (under) expenditures	0	0	0
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
FITNESS CENTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Charges for services	$ 68,180	$ 91,860	$ 23,680
EXPENDITURES			
Current			
Culture and recreation			
Personal services	53,334	38,832	14,502
Contract services	11,456	4,576	6,880
Materials and supplies	3,390	924	2,466
Total expenditures	68,180	44,332	23,848
Excess (deficiency) of revenues over (under) expenditures	0	47,528	47,528
Fund balances, July 1	0	1,587	1,587
Fund balances, June 30	$ 0	$ 49,115	$ 49,115

HABERSHAM COUNTY, GEORGIA
AMERICAN RESCUE PLAN ACT 2021
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 405,793	$ 553,676	$ 147,883
EXPENDITURES			
Current			
Judicial			
Personal services	154,909	36,851	118,058
Contract services	44,500	100,402	(55,902)
Public Works			
Payment to others	405,793	405,793	0
Total expenditures	605,202	543,046	62,156
Excess (deficiency) of revenues over (under) expenditures	(199,409)	10,630	210,039
Fund balances, July 1	199,409	5,103	(194,306)
Fund balances, June 30	$ 0	$ 15,733	$ 15,733

This page intentionally left blank.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

Hospital Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest financed from various revenue sources.

HABERSHAM COUNTY, GEORGIA
HOSPITAL DEBT SERVICE FUND
SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025

	Final Budget	Actual	Variance
REVENUES			
Taxes	$ 1,901,596	$ 1,744,524	$ (157,072)
Interest	1,000	2,458	1,458
Total revenues	1,902,596	1,746,982	(155,614)
EXPENDITURES			
Current			
Public Safety			
Contract services	0	19,642	(19,642)
Debt service	2,402,596	2,402,596	0
Total expenditures	2,402,596	2,422,238	(19,642)
Excess (deficiency) of revenues over (under) expenditures	(500,000)	(675,256)	(175,256)
Other financing sources (uses)			
Transfers in (out)			
Transfers in	1,250,000	937,503	(312,497)
Transfers out	(750,000)	(750,000)	0
Total other financing sources (uses)	500,000	187,503	(312,497)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(487,753)	(487,753)
Fund balances, July 1	0	1,470,993	1,470,993
Fund balances, June 30	$ 0	$ 983,240	$ 983,240

CUSTODIAL FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its custodial capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Probate Court, Magistrate Court, and Clerk of Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA
CUSTODIAL FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	Tax Commissioner	Probate Court	Clerk of Court	Magistrate Court	Sheriff Department	Total Custodial Funds
ASSETS						
Cash and cash equivalents	$ 420,579	$ 20,603	$ 701,260	$ 28,766	$ 862,724	$ 2,033,932
Taxes receivable	107,196	0	0	0	0	107,196
Total assets	527,775	20,603	701,260	28,766	862,724	2,141,128
LIABILITIES						
Due to others	527,775	20,603	200,692	28,766	122,030	899,866
NET POSITION						
Restricted for individuals, organizations, and other governments	$ 0	$ 0	$ 500,568	$ 0	$ 740,694	$ 1,241,262

HABERSHAM COUNTY, GEORGIA
CUSTODIAL FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2025

	Tax Commissioner	Probate Court	Clerk of Court
ADDITIONS			
Taxes collected for other agencies	$ 24,410,648	$ 0	$ 0
Court fees collected for other agencies	0	250,177	1,330,423
Court individual cases	0	0	759,108
Sheriff fees collected	0	0	0
Sheriff inmate account deposits	0	0	0
Total additions	24,410,648	250,177	2,089,531
DEDUCTIONS			
Taxes distributed to other agencies	24,410,648	0	0
Court fees distributed to other agencies	0	250,177	1,282,636
Payments to others	0	0	1,540,277
Sheriff fees distributed to other agencies	0	0	0
Payments from inmates to others	0	0	0
Total deductions	24,410,648	250,177	2,822,913
Change in net position	0	0	(733,382)
Net position, July 1	0	0	1,233,950
Net position, June 30	$ 0	$ 0	$ 500,568

Magistrate Court	Sheriff Department	Total Custodial Funds
$ 0	$ 0	$ 24,410,648
277,251	0	1,857,851
0	249,568	1,008,676
0	31,834	31,834
0	360,589	360,589
277,251	641,991	27,669,598
0	0	24,410,648
277,251	0	1,810,064
0	183,368	1,723,645
0	31,834	31,834
0	351,733	351,733
277,251	566,935	28,327,924
0	75,056	(658,326)
0	665,638	1,899,588
$ 0	$ 740,694	$ 1,241,262

This page intentionally left blank.

Part III

Statistical Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA
INTRODUCTION TO THE STATISTICAL SECTION
(UNAUDITED)

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

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

	Page(s)
Net Position by Component	118-119
Changes in Net Position	120-123
Governmental Activities Tax Revenues by Source	124
Fund Balances of Governmental Funds	125-126
Changes in Fund Balances of Governmental Funds	127-128
General Government Tax Revenues by Source	129

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax and another significant local revenue source, sales tax.

Assessed Value and Estimated Actual Value of Taxable Property	130-131
Property Tax Rates (Direct and Overlapping Governments)	132-133
Principal Taxpayers	134
Property Tax Levies and Collections	135

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future

Ratios of Outstanding Debt by Type	136
Direct and Overlapping Governmental Activities Debt	137
Legal Debt Margin Information	138-139

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place

Demographic and Economic Statistics	140
Principal Employers	141

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs

Full-time Equivalent County Government Employees	142-143
Operating Indicators by Function	144-145
Capital Asset Statistics by Function	146-147

HABERSHAM COUNTY, GEORGIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 57,830	$ 43,253	$ 40,808	$ 41,318
Restricted	5,729	3,310	3,051	3,083
Unrestricted	3,168	2,282	4,907	5,577
Total governmental activities net position	$ 66,728	$ 48,844	$ 48,766	$ 49,978
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 3,888	$ 24,037	$ 28,162	$ 32,878
Unrestricted	(1,842)	(1,911)	(1,386)	(1,110)
Total business-type activities net position	$ 2,047	$ 22,126	$ 26,776	$ 31,767
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 61,719	$ 67,290	$ 68,970	$ 74,196
Restricted	5,729	3,310	3,051	3,083
Unrestricted	1,327	370	3,521	4,467
Total primary government net position	$ 68,774	$ 70,970	$ 75,542	$ 81,745

Fiscal Year						
2020	2021	2022	2023	2024	2025
$ 42,620	$ 45,015	$ 48,638	$ 47,421	$ 19,064	$ 24,000
2,017	4,449	4,981	11,063	16,329	10,919
3,807	5,192	9,249	7,332	5,071	10,120
$ 48,444	$ 54,656	$ 62,868	$ 65,816	$ 40,463	$ 45,039
$ 36,195	$ 34,741	$ 32,699	$ 30,504	$ 30,101	$ 31,396
(954)	(918)	(1,458)	(944)	1,393	(3,758)
$ 35,241	$ 33,823	$ 31,241	$ 29,560	$ 31,494	$ 27,638
$ 78,815	$ 79,756	$ 81,337	$ 77,925	$ 49,164	$ 55,396
2,017	4,449	4,981	11,063	16,329	10,919
2,853	4,274	7,791	6,388	6,464	6,362
$ 83,685	$ 88,479	$ 94,109	$ 95,376	$ 71,957	$ 72,677

HABERSHAM COUNTY, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
Expenses	2016	2017	2018	2019
Governmental activities:				
General Government	$ 4,353	$ 4,889	$ 5,080	$ 5,783
Judicial	3,437	3,750	4,553	4,138
Public Safety	9,851	10,138	11,647	15,220
Public Works	4,334	4,336	5,164	5,029
Health and Welfare	1,332	717	742	819
Culture and Recreation	1,507	1,621	1,643	1,700
Housing and Development	1,046	1,602	1,236	716
Interest on long-term debt	1,651	1,640	1,762	1,833
Total governmental activities expenses	27,511	28,694	31,828	35,239
Business-type activities:				
Landfill	1,467	1,164	1,325	1,767
Transit	91	109	126	151
Airport	101	531	1,273	1,440
Total business-type activities expenses	1,659	1,804	2,724	3,358
Total primary government expenses	$ 29,170	$ 30,498	$ 34,552	$ 38,597
Program revenues				
Governmental activities:				
Charges for services:				
General Government	$ 584	$ 592	$ 654	$ 696
Judicial	641	593	575	532
Public Safety	1,653	1,683	2,451	4,541
Public Works	146	159	336	325
Culture and Recreation	482	560	507	552
Housing and Development	126	120	136	160
Operating grants and contributions	1,441	1,859	2,378	2,117
Capital grants and contributions	5,842	3,783	6,304	6,932
Total governmental activities program revenues	10,914	9,349	13,341	15,855
Business-type activities:				
Charges for services:				
Landfill	982	1,008	1,387	1,610
Transit	33	38	46	44
Airport	92	228	269	283
Operating grants and contributions	56	43	95	64
Capital grants and contributions	36	41	0	0
Total business-type activities program revenues	1,198	1,358	1,796	2,001
Total primary government program revenues	$ 12,112	$ 10,707	$ 15,137	$ 17,856

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 5,977	$ 5,992	$ 6,918	$ 7,827	$ 11,388	$ 9,756
4,296	4,354	4,879	6,194	6,867	6,869
16,087	15,980	18,162	20,865	23,234	26,083
5,520	6,066	6,367	7,138	9,371	8,332
959	998	1,063	7,158	29,582	986
1,627	1,726	1,921	2,090	2,672	2,600
1,357	739	816	887	1,052	1,251
1,576	1,877	1,696	1,582	1,634	1,458
37,398	37,731	41,822	53,742	85,799	57,335
1,794	2,141	2,596	2,341	2,856	3,689
225	133	181	161	191	199
1,777	2,654	3,101	3,272	3,259	3,402
3,796	4,928	5,878	5,774	6,307	7,290
$ 41,194	$ 42,659	$ 47,700	$ 59,516	$ 92,105	$ 64,625
$ 631	$ 716	$ 793	$ 895	$ 995	$ 1,024
513	642	644	668	656	671
4,333	4,356	4,594	6,117	6,325	5,684
249	249	379	363	312	306
310	404	399	461	668	576
174	274	328	255	371	325
2,261	3,758	7,109	8,074	5,889	4,844
2,911	2,683	1,785	1,195	2,910	2,998
11,383	13,084	16,031	18,027	18,127	16,428
1,767	1,818	2,080	2,529	2,192	1,587
32	6	6	27	26	19
322	400	574	911	802	911
57	319	106	69	70	72
0	0	0	20	4,195	694
2,178	2,543	2,767	3,555	7,285	3,283
$ 13,561	$ 15,627	$ 18,798	$ 21,582	$ 25,412	$ 19,711

HABERSHAM COUNTY, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2016	2017	2018	2019
Net (expense)/revenue				
Governmental activities	$ (16,597)	$ (19,345)	$ (18,487)	$ (19,384)
Business-type activities	(460)	(446)	(928)	(1,357)
Total primary government net expense	(17,057)	(19,791)	(19,414)	(20,740)
General revenues and other changes in net position				
Governmental activities:				
Property taxes	$ 13,084	$ 13,542	$ 14,749	$ 16,946
Sales taxes	5,607	5,547	5,879	6,307
Intangible	199	223	215	269
Insurance premium taxes	1,613	1,717	1,839	1,982
Other taxes	816	698	825	891
Investment earnings	151	50	97	138
Rental income	69	83	62	85
Gain on sale of capital assets	202	18	0	24
Miscellaneous	364	71	254	170
Transfers	(267)	(20,487)	(5,511)	(6,217)
Total governmental activities	21,839	1,462	18,408	20,596
Business-type activities:				
Investment earnings	37	(6)	14	42
Rental Income	9	41	45	51
Gain on sale of capital assets	0	0	0	11
Miscellaneous	0	3	7	26
Transfers	267	20,487	5,511	6,217
Total business-type activities	313	20,525	5,578	6,348
Total primary government	22,152	21,987	23,986	26,943
Prior Period Adjustments:				
Governmental Activities	(477)	0	0	0
Business Type Activities	0	0	0	0
Total Prior Period Adjustments:	(477)	0	0	0
Change in net position				
Governmental activities	5,243	(17,883)	(78)	1,212
Business-type activities	(148)	20,079	4,650	4,991
Total primary government	$ 5,095	$ 2,196	$ 4,572	$ 6,203

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ (26,016)	$ (24,648)	$ (25,791)	$ (35,715)	$ (67,672)	$ (40,907)
(1,618)	(2,385)	(3,111)	(2,219)	979	(4,007)
(27,633)	(27,033)	(28,902)	(37,934)	(66,693)	(44,914)
$ 18,577	$ 19,359	$ 21,072	$ 24,609	$ 28,364	$ 29,991
7,280	7,839	8,950	9,753	10,177	10,493
364	583	627	407	423	491
2,122	2,256	2,343	2,488	2,672	2,843
833	1,027	1,218	1,174	1,247	1,253
102	73	(11)	528	87	58
71	72	73	0	0	0
0	64	28	57	2	1,098
77	171	152	292	190	577
(4,991)	(872)	(661)	(435)	(842)	(115)
24,434	30,572	33,792	38,874	42,319	46,689
31	32	(237)	71	91	56
64	62	75	0	0	0
0	0	29	32	0	17
5	2	1	0	22	7
4,991	872	661	435	842	115
5,091	967	528	538	955	195
29,526	31,540	34,320	39,412	43,274	46,884
48	287	0	0	0	(1,205)
0	0	0	0	0	(45)
48	287	0	0	0	(1,250)
(1,581)	5,925	8,001	3,159	(25,353)	5,782
3,473	(1,417)	(2,582)	(1,681)	1,934	(3,812)
$ 1,892	$ 4,507	$ 5,419	$ 1,478	$ (23,419)	$ 1,970

This page intentionally left blank.

HAHBERSHAM COUNTY, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Tax	Intangible Tax	Ins. Prem Tax	Other Taxes	Total
2016	$ 13,084	$ 5,607	$ 199	$ 1,613	$ 816	$ 21,320
2017	13,542	5,547	223	1,717	698	21,727
2018	14,749	5,879	215	1,839	825	23,507
2019	16,946	6,307	269	1,982	891	26,395
2020	18,577	7,280	364	2,122	833	29,177
2021	19,359	7,839	583	2,256	1,027	31,064
2022	21,072	8,950	627	2,343	1,218	34,210
2023	24,609	9,753	407	2,488	1,174	38,432
2024	28,364	10,177	423	2,672	1,247	42,882
2025	29,991	10,493	491	2,843	1,253	45,071

Note: Other taxes include real estate transfer, occupational, alcoholic beverage, hotel/motel, and franchise taxes.

HABERSHAM COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2016	2017	2018	2019
General fund				
Nonspendable	$ 61	$ 406	$ 456	$ 510
Restricted	46	85	52	43
Assigned	284	819	1,193	1,123
Unassigned	4,853	3,938	3,987	4,180
Total general fund	5,244	5,249	5,688	5,856
All other governmental funds:				
Nonspendable	0	0	0	0
Restricted	5,683	3,225	8,100	3,418
Assigned	249	310	477	761
Unassigned	0	0	(39)	(143)
Total all other governmental funds	5,931	3,534	8,537	4,037
Total governmental funds	$ 11,175	$ 8,783	$ 14,225	$ 9,892

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 540	$ 603	$ 679	$ 856	$ 940	$ 1,114
55	56	17	33	183	73
592	798	6,000	6,013	3,855	3,553
4,174	6,351	4,842	2,740	1,927	1,774
5,360	7,808	11,538	9,641	6,904	6,514
0	7	0	0	0	1,325
2,550	16,400	15,854	15,870	15,823	19,999
814	739	645	1,391	1,685	1,769
(15)	(130)	(68)	0	0	0
3,348	17,016	16,431	17,261	17,509	23,093
$ 8,708	$ 24,825	$ 27,969	$ 26,902	$ 24,413	$ 29,607

HABERSHAM COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Taxes	$ 21,345	$ 21,712	$ 23,487	$ 26,413
Licenses and permits	167	162	185	218
Fines, fees and forfeitures	1,214	1,185	1,275	1,448
Charges for services	2,179	2,301	3,116	5,088
Interest	111	5,601	8,023	186
Intergovernmental	6,808	(6)	98	9,013
Contributions	10	87	73	54
Other	433	153	315	257
Total Revenues	32,267	31,195	36,572	42,677
Expenditures				
General government	4,170	3,953	6,386	9,728
Judicial	3,004	3,272	3,529	3,631
Public safety	9,034	9,193	11,172	14,293
Public works	1,539	1,554	1,993	1,968
Health and welfare	618	714	814	1,156
Culture and recreation	1,119	1,221	1,250	1,317
Housing and development	630	617	623	755
Capital outlay	8,638	8,463	2,905	3,610
Intergovernmental	1,697	1,678	1,779	1,909
Debt service:				
Principal	80	34	1,733	1,176
Interest	1,655	2,497	1,816	1,896
Total expenditures	32,184	33,197	33,999	41,437
Excess (deficiency) of revenues over (under) expenditures	83	(2,003)	2,572	1,240
Other financing sources (uses)				
Transfers in	2,161	2,347	2,816	3,296
Transfers out	(2,427)	(2,760)	(8,327)	(9,632)
Issuance of leases (1)	0	0	0	0
Issuance of bonds	0	0	0	0
Issuance of contracts payable	0	0	0	0
Issuance of notes payable (1)	1,000	0	755	207
Issuance of certificates of participation	0	0	6,724	0
Payment to refunded debt escrow agent	0	0	0	0
Issuance of refunding debt	0	0	0	0
Proceeds on sale of assets	502	23	902	555
Total other financing sources (uses)	1,236	(390)	2,870	(5,573)
Net change in fund balance	1,319	(2,392)	5,442	(4,333)
Fund balances, July 1 (original)	10,333	11,175	8,783	14,225
Prior period adjustments	(477)	0	0	0
Fund balances, June 30 (restated)	$ 11,175	$ 8,783	$ 14,225	$ 9,892
Debt service as a percentage of non-capital expenditures	7%	10%	12%	10%

Note (1): Due to the implementation of GASB 87 in FY22, debt categorized as Capital leases prior to FY22 is now categorized as Notes Payable. Only debt determined to be leases by GASB 87 standards will be categorized as Leases.

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 28,648	$ 31,525	$ 38,680	$ 38,439	$ 42,890	$ 45,048
219	305	363	315	437	390
1,322	1,412	1,672	1,774	2,148	1,765
4,656	4,866	5,043	5,961	6,155	6,392
91	59	(24)	513	695	653
5,180	6,463	4,421	9,137	8,001	7,200
39	30	61	185	225	126
155	243	225	366	279	576
40,309	44,905	50,442	56,691	60,831	62,150
4,798	5,028	5,919	7,059	9,333	8,948
3,805	3,851	4,405	5,753	6,411	6,272
14,987	15,769	17,408	19,600	21,547	23,666
2,135	2,198	2,583	2,919	5,036	3,870
1,020	1,045	1,099	7,078	1,054	929
1,219	1,341	1,449	1,646	2,253	2,448
692	707	799	847	1,007	954
3,185	5,196	5,600	5,374	9,765	10,200
2,203	2,328	2,487	2,747	2,883	3,086
1,867	1,219	2,918	3,116	3,223	4,619
1,576	1,877	2,000	1,828	1,968	1,142
37,488	40,559	46,667	57,967	64,481	66,134
2,821	4,346	3,775	(1,276)	(3,650)	(3,984)
3,316	3,750	8,715	9,054	6,191	6,058
(8,308)	(4,623)	(9,376)	(9,478)	(7,033)	(6,173)
0	0	0	575	460	16
0	12,264	0	0	0	6,850
0	0	0	0	0	0
0	0	0	0	1,132	1,325
642	0	0	0	0	0
(10,661)	0	0	0	0	0
11,005	0	0	0	0	0
0	92	30	57	412	1,102
(4,006)	11,484	(630)	209	1,161	9,178
(1,184)	15,830	3,145	(1,067)	(2,489)	5,194
9,892	8,708	24,824	27,969	26,902	24,413
0	287	0	0	0	0
$ 8,708	$ 24,824	$ 27,969	$ 26,902	$ 24,413	$ 29,607
10%	9%	12%	9%	10%	10%

This page intentionally left blank.

HAHBERSHAM COUNTY, GEORGIA
GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Tax	Intangible Tax	Ins. Prem Tax	Other Taxes	Total
2016	$ 13,059	$ 5,607	$ 199	$ 1,613	$ 816	$ 21,295
2017	13,557	5,547	223	1,717	698	21,742
2018	14,749	5,879	215	1,839	825	23,507
2019	16,946	6,307	269	1,982	891	26,395
2020	18,577	7,280	364	2,122	833	29,177
2021	19,359	7,839	583	2,256	1,027	31,064
2022	21,072	8,950	627	2,343	1,218	34,210
2023	24,689	9,753	358	2,488	1,151	38,439
2024	28,372	10,177	423	2,672	1,247	42,890
2025	29,968	10,493	491	2,843	1,253	45,048

Note: Other taxes include real estate transfer, occupational, alcoholic beverage, hotel/motel, and franchise taxes.

HABERSHAM COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30	Gross Digest Assessed Value	Residential Property	Commercial Property	Industrial Property	All Other
2016	$ 1,312,392	$ 745,121	$ 154,255	$ 63,616	$ 349,400
2017	1,318,913	750,900	159,120	67,604	341,289
2018	1,342,572	770,402	164,550	68,104	339,516
2019	1,473,432	845,408	189,059	87,392	351,573
2020	1,505,643	868,105	190,069	93,867	353,602
2021	1,540,558	888,070	201,349	95,048	356,092
2022	1,721,047	1,037,235	214,187	100,292	369,334
2023	1,943,265	1,198,837	233,649	100,479	410,300
2024	2,281,346	1,454,447	259,956	113,554	453,388
2025	2,622,026	1,714,935	295,125	115,509	496,457

Source: Tax Commissioner's Office

Notes: (1) The direct tax rate is applied against the total net taxable assessed value to levy property taxes. (2) Under Georgia law, property is assessed for taxes at 40% of fair market value.

Less Exempt Property	Total Net Assessed Value	Total Direct Tax	Total Net Fair Market Value	Percentage Assessed Value To Fair Market Value
$ (211,442)	$ 1,100,950	10.639	$ 2,752,375	40
(221,034)	1,097,879	10.626	2,744,698	40
(227,763)	1,114,809	11.176	2,787,023	40
(270,531)	1,202,901	11.543	3,007,253	40
(278,299)	1,227,344	11.689	3,068,359	40
(276,758)	1,263,800	11.682	3,159,500	40
(346,892)	1,374,155	11.682	3,435,387	40
(419,061)	1,524,205	12.682	3,810,511	40
(555,641)	1,725,705	12.682	4,314,261	40
(700,266)	1,921,761	11.771	4,804,402	40

HABERSHAM COUNTY, GEORGIA
PROPERTY TAX RATES (MILLS)
DIRECT AND OVERLAPPING GOVERNMENTS
(Per $1000 of Assessed Value)
LAST TEN FISCAL YEARS

Fiscal Year	2016	2017	2018	2019
Tax Year	2015	2016	2017	2018
Habersham County Rates:				
County Operations:	10.639	10.626	11.176	11.543
Board of Education :	14.490	14.450	14.290	13.520
Hospital Bond:	0.590	0.998	0.998	1.203
Hospital Services:	*	*	0.390	0.447
State of Georgia:	0.050	0.000	0.000	0.000
Totals	25.769	26.074	26.854	26.713

Source: Georgia Department of Revenue

* The Hospital Services millage rate was added in 2017.

2020 2019	2021 2020	2022 2021	2023 2022	2024 2023	2025 2024
11.689	11.682	11.682	12.682	12.682	11.771
13.423	13.414	12.566	11.726	10.354	10.354
1.138	1.127	1.034	0.842	0.842	0.757
0.673	0.673	0.673	0.825	1.124	1.275
0.000	0.000	0.000	0.000	0.000	0.000
26.923	26.896	25.955	26.075	25.002	24.157

HABERSHAM COUNTY, GEORGIA
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS PRIOR
(amounts expressed in thousands)

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Ethicon Inc.	$ 67,271	1	3.50 %	$ 33,654	1	3.06 %
Georgia Power	41,957	2	2.18	25,568	2	2.32
Fieldale Corp Second	21,481	3	1.12	7,425	6	0.67
Habersham EMC	21,160	4	1.10	15,836	3	1.44
Nicolon	12,711	5	0.66	12,068	4	1.10
Fieldale Corp First	12,365	6	0.64	4,084	12	0.37
D. Aubry Higgins	11,327	7	0.59	5,800	7	0.53
Morito Scovill Americas LLC	7,360	8	0.38	4,404	10	0.40
Lowe's Home Centers Inc	7,160	9	0.37	4,598	9	0.42
Demorest Z LLC	7,105	10	0.37			
	$ 1,921,761		10.92 %	$ 1,100,950		10.30 %

Source: Habersham County Tax Commissioner

HABERSHAM COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Tax Year	Total Tax Levy	Adjustments	Total Adjusted Tax Levy	Collections Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Original Levy	Amount	Amount	Percentage of Adjusted Levy
2016	2015	$ 10,982,306	$ (15,094)	$ 10,967,212	$ 10,899,929	99.25%	$ 64,223	$ 10,964,151	99.97%
2017	2016	10,943,000	72,337	11,015,337	10,919,392	99.78%	87,082	11,006,474	99.92%
2018	2017	11,051,879	9,772	11,061,651	11,021,775	99.73%	25,744	11,047,519	99.87%
2019	2018	11,935,620	74,473	12,010,093	11,935,620	100.00%	7,417	11,943,037	99.44%
2020	2019	13,422,159	(25,961)	13,396,198	13,422,159	100.00%	36,036	13,393,195	99.98%
2021	2020	13,925,837	25,290	13,951,127	13,947,948	100.16%	0	13,947,948	99.98%
2022	2021	14,385,212	10,192	14,395,404	14,363,222	99.85%	11,485	14,374,707	99.86%
2023	2022	15,707,738	46,056	15,753,794	15,719,386	100.07%	19,857	15,739,243	99.91%
2024	2023	18,943,064	(106,679)	18,836,385	18,796,622	99.23%	16,477	18,813,099	99.88%
2025	2024	19,522,852	(83,878)	19,438,975	19,409,150	99.42%	9,467	19,418,617	99.90%

Source: Habersham County Tax Commissioner

HABERSHAM COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities								
Fiscal Year	Leases (2)	Guarantee Obligation	Bonds Payable	Notes Payable (2)	Contracts Payable	Certificates of Participation	Total	Percentage of Personal Income (1)	Per Capita
2016	$ 0	$ 0	$ 0	$ 2,014,828	$ 39,938,304	$ 0	$ 41,953,132	3.22%	$ 948
2017	0	0	0	1,038,246	39,127,686	0	40,165,932	2.97%	901.25
2018	0	0	0	253,497	39,037,383	6,632,546	45,923,426	3.08%	1,011.80
2019	0	0	0	375,398	37,935,345	6,529,089	44,839,832	2.92%	989.23
2020	0	0	0	903,323	37,328,962	6,345,632	44,577,917	2.78%	968.10
2021	0	0	13,549,892	755,552	36,328,361	6,162,175	56,795,980	3.31%	1,214.26
2022	0	0	11,491,934	588,008	35,282,760	5,973,718	53,336,420	2.86%	1,123.46
2023	519,911	0	8,434,488	482,149	34,154,916	5,780,261	49,371,725	3.48%	1,012.61
2024	817,848	0	6,418,009	1,532,215	32,938,709	5,581,804	47,288,585		
2025	628,319	0	11,176,530	2,461,478	31,665,982	5,373,347	51,305,656		

	Business-Type Activities		Primary Government		
Fiscal Year	Leases (2)	Notes Payable (2)	Total	Percentage of Personal Income (1)	Per Capita
2016	$ 0	$ 353,576	$ 42,306,708	3.25%	$ 956
2017	0	303,151	40,469,083	2.99%	908.05
2018	0	914,218	46,837,644	3.14%	1,031.94
2019	0	779,600	45,619,432	2.97%	1,006.43
2020	0	893,432	45,471,349	2.84%	987.50
2021	0	713,743	57,509,723	3.35%	1,229.52
2022	0	287,181	53,623,601	2.87%	1,129.51
2023	0	444,257	49,815,982	3.51%	1,021.72
2024	0	208,800	47,497,385		
2025	0	819,493	52,125,149		

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Note (1): See the Schedule of Demographic and Economic Statistics within this section for personal income and population data. This data is not currently available for 2024 or 2025.

Note (2): Due to the implementation of GASB 87 in FY22, debt categorized as Capital leases prior to FY22 is now categorized as Notes Payable. Only debt determined to be leases by GASB 87 standards will be categorized as Leases.

HABERSHAM COUNTY, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Overlapping:			
City of Alto	$ 179,250	100%	$ 179,250
City of Baldwin	14,721,996	100%	14,721,996
City of Clarkesville	8,260,700	100%	8,260,700
City of Cornelia	34,592,000	100%	34,592,000
City of Demorest	8,707,299	100%	8,707,299
Habersham County School District	21,730,000	100%	21,730,000
Town of Mount Airy	0	100%	0
Town of Tallulah Falls	0	100%	0
Total overlapping debt	88,191,245		88,191,245
Habersham County Direct Debt			
General Obligation Bonds	11,176,530	100%	11,176,530
Intergovernmental Contracts	31,665,982	100%	31,665,982
Certificates of Participation	5,373,347	100%	5,373,347
Leases Payable Governmental activities (1)	628,319	100%	628,319
Notes Payable Governmental activities (1)	2,461,478	100%	2,461,478
	51,305,656		51,305,656
Total direct and overlapping debt	$ 139,496,901		$ 139,496,901

Source: Information provided by each municipality

Note (1): Due to the implementation of GASB 87 in FY22, debt categorized as Capital leases prior to FY22 is now categorized as Notes Payable. Only debt determined to be leases by GASB 87 standards will be categorized as Leases.

HABERSHAM COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Fiscal Year			
	2016	2017	2018	2019
Taxable assessed value of property	$ 1,100,950	$ 1,097,879	$ 1,114,809	$ 1,202,901
Add back: exemptions	211,442	221,034	227,763	270,531
Total assessed value	1,312,392	1,318,913	1,342,572	1,473,432
Debt limit (10% total assessed value)	131,239	131,891	134,257	147,343
Amount of debt applicable to limit	0	0	0	0
Legal debt margin	$ 131,239	$ 131,891	$ 134,257	$ 147,343
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Note (1): Under state finance law, Habersham County's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 1,227,344	$ 1,263,800	$ 1,374,155	$ 1,524,205	$ 1,725,705	$ 1,921,761
278,299	276,758	346,892	419,061	555,641	700,266
1,505,643	1,540,558	1,721,047	1,943,265	2,281,346	2,622,026
150,564	154,056	172,105	194,327	228,135	262,203
0	0	0	0	0	0
$ 150,564	$ 154,056	$ 172,105	$ 194,327	$ 228,135	$ 262,203
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

HABERSHAM COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population	(1) Personal Income (in thousands)	(1) Per Capita Personal Income	Unemployment Rate (2)	(3) School Enrollment (PK-12)
2014	43,752	$ 1,274,640	$ 29,133	6.9%	6,853
2015	43,996	1,302,414	29,603	5.6%	6,883
2016	44,246	1,302,414	29,436	5.3%	6,911
2017	44,567	1,351,717	30,330	4.6%	6,911
2018	45,388	1,491,767	32,867	3.7%	6,928
2019	45,328	1,537,752	33,925	3.5%	7,006
2020	46,047	1,603,863	34,831	5.4%	6,843
2021	46,774	1,716,185	36,691	3.6%	7,068
2022	47,475	1,865,957	39,304	3.3%	7,177
2023	48,757	1,417,317	29,069	3.8%	7,191

Sources: (1) US Department of Commerce, Bureau of Economic Analysis (CA1-3 Personal Income Summary)
(2) Annual Average. US Department of Labor, Bureau of Labor Statistics
(3) GA Dept of Education Enrollment by County

Note: Data for 2025 and 2024 is unavailable, therefore 10 years prior to 2024 are reported.

HABERSHAM COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS PRIOR

	2025			2016		
Employer	Number of Employees	Rank	Percentage of Labor Force	Number of Employees	Rank	Percentage of Labor Force
Fieldale Farms	1,700	1	7.64 %	1,900	1	10.08 %
Habersham County BOE	1,100	2	4.94	1,024	2	5.43
Ethicon	850	3	3.82	715	3	3.79
Habersham County BOC	359	4	1.61	290	10	1.54
Wal-Mart	328	5	1.47	280	11	1.49
Habersham Medical Center	300	6	1.35	699	5	3.71
Piedmont College	300	7	1.35	296	9	1.57
Solmax / Tencate	242	8	1.09			
Lindsay Windows	200	9	0.90			
North Georgia Technical College	180	10	0.81	444	6	2.36
	5,559		24.99 %	5,648		29.97 %
Total County Labor Force	22,247			18,844		

Source: Department of Labor and Hello Habersham Magazine

HABERSHAM COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30			
	2016	2017	2018	2019
Function				
General Government	37.93	37.35	38.10	39.76
Health and Welfare	4.61	5.64	5.03	5.93
Housing and Development	7.44	7.50	7.52	7.72
Judicial	26.90	26.36	23.40	27.58
Landfill	9.03	9.25	9.02	9.87
Public Safety				
Sheriff				
Officers	50.21	50.68	50.14	54.31
Civilians	3.11	3.06	3.05	3.07
Jail				
Officers	36.94	40.63	38.06	40.87
Civilians	2.77	0.93	1.00	0.97
Fire Protection				
Firefighters	29.36	35.85	37.01	40.57
Civilians	1.61	1.61	1.59	1.60
Other public safety				
EMA/E-911	22.08	25.29	23.39	22.90
EMS			13.23	47.52
Animal Control	5.05	7.02	6.88	7.07
Public Works	29.75	29.87	25.26	29.85
Recreation and culture	13.56	14.96	12.46	14.55
Airport				
Transit	1.45	1.88	1.96	2.03
Total employees	281.80	297.88	297.10	356.17

Source: Habersham County Finance Department

Note: Full-time equivalency (FTE) is calculated by taking total labor hours worked and dividng by 2,080. A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

* indicates information is unavailable

Full-time Equivalent Employees as of June 30					
2020	2021	2022	2023	2024	2025
40.82	41.19	43.22	49.63	53.21	53.69
6.46	7.07	7.99	8.10	8.53	8.69
7.75	8.15	7.27	6.75	7.04	7.43
28.53	27.68	31.60	34.98	38.54	39.67
9.87	10.07	10.64	11.09	13.68	16.86
52.47	55.90	60.44	68.09	67.96	76.43
3.09	3.19	3.05	3.04	3.04	2.96
43.09	39.34	37.61	46.30	56.71	54.75
1.00	0.89	1.14	1.02	1.04	1.08
41.04	39.96	48.21	43.05	47.21	59.67
1.62	1.61	1.58	1.55	1.63	1.66
22.36	21.06	26.71	24.62	25.81	25.56
48.37	60.27	73.77	69.06	66.96	59.95
7.83	7.77	7.79	8.02	9.74	9.58
30.65	30.60	30.56	30.39	31.89	34.26
12.73	13.92	14.00	14.33	20.30	18.94
		0.25	2.87	3.61	4.18
1.91	1.81	1.99	2.34	1.97	2.00
359.59	370.48	407.82	425.23	458.87	477.36

HABERSHAM COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2016	2017	2018	2019
Function				
Sheriff				
Traffic citations	2,721	3,421	4,354	5,624
Fire				
Number of calls answered	2,407	3,592	2,856	3,755
Inspections conducted	4	6	12	5
E911				
Emergency Calls	126,146	134,569	184,749	101,790
Non-Emergency Calls	156,396	159,723	189,323	112,828
Emergency Medical Service				
Calls	6,808	7,012	8,929	7,236
Highways and streets				
Paved or resurfaced (LMIG)	16.36	16.36	9.20	10.32
Building, Planning & GIS				
New Residential Buildings	92	74	93	110
New Other Buildings	0	1	1	0

Source: Various County Departments

Note: Indicators are not available for the general government function.

* indicates information is unavailable

Fiscal Year					
2020	2021	2022	2023	2024	2025
3,180	5,016	6,334	5,125	4,225	3,348
3,148	3,581	3,543	3,626	3,723	4,365
7	7	7	10	10	7
100,575	109,571	240,556	250,526	277,354	324,373
95,740	116,110	169,083	192,028	195,350	222,024
8,756	8,078	9,267	9,740	9,502	8,998
7.81	12.13	14.10	16.57	15.09	17.59
121	174	199	123	170	194
0	0	1	0	0	0

HABERSHAM COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function										
General Government										
Buildings	7	7	7	7	7	7	7	7	6	4
Vehicles	9	8	8	9	13	11	12	11	15	18
Judicial										
Vehicles	3	2	2	2	2	2	3	3	2	2
Public Safety										
Sheriff										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	58	61	67	60	77	76	83	89	92	107
Other Equipment	12	12	16	16	24	25	28	30	30	31
Fire Department										
Fire stations	8	9	9	9	9	9	9	9	9	9
Fire Engine	13	13	13	12	12	12	12	13	15	15
Ladder Truck	0	1	1	1	1	1	1	1	1	0
Tankers	6	6	6	6	7	7	7	7	7	7
Rescue Unit	7	6	7	2	3	3	3	3	3	3
Light and Air Unit	1	1	1	1	1	1	1	1	1	1
Other vehicles	5	7	7	7	8	9	10	11	11	11
Other Equipment	10	10	14	12	13	20	21	23	23	23
Animal Shelter										
Buildings	1	1	2	2	2	2	2	2	2	2
Vehicles	4	4	5	4	5	5	6	7	9	10
Other Equipment	1	1	1	1	1	1	1	1	1	2
EMA										
Vehicles	2	3	3	2	1	1	1	1	0	0
Other Equipment	1	2	5	5	5	5	5	5	13	13
E911										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	1	1	1	2	3	3
Other Equipment	8	8	9	12	9	9	9	10	10	11
EMS										
Ambulance	8	10	9	8	9	11	14	12	14	12
Other vehicles	3	1	3	3	2	3	2	3	4	4
Other Equipment	5	10	30	30	35	52	72	72	73	72
Coroner										
Vehicles	1	1	1	1	1	1	1	0	1	2

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Works										
Fleet Department										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	5	6	6	7	11	6	5	6	8	7
Other Equipment	2	2	2	2	2	2	2	2	3	3
Roads & Bridges										
Buildings	4	4	4	4	3	3	3	3	3	3
Vehicles	35	35	37	36	37	36	36	38	39	46
Other Equipment	42	44	46	43	47	46	51	58	61	62
Health and Welfare										
Hospital										
Buildings	4	4	4	4	4	4	4	4	0	0
Senior Center										
Buildings	1	1	1	1	2	2	2	2	2	2
Vehicles	4	3	3	3	4	4	4	4	4	5
Habersham County Health Department										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	2	2	2	2	2	2	2	2	2	2
Culture & Recreation										
Recreation Department										
Buildings	10	10	10	10	10	10	10	10	10	10
Vehicles	1	1	1	1	1	1	1	3	3	3
Other Equipment	11	16	16	15	16	18	18	19	22	31
Housing & Development										
Economic Development										
Vehicles	**	**	**	**	**	**	**	**	**	**
Planning & Development										
Vehicles	5	5	4	3	4	4	4	4	5	4
Code Enforcement										
Vehicles	**	**	**	**	**	**	**	**	**	**
Extension Service										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	2	2	2	2	2	2	2	2	2	2
Landfill										
Buildings	2	2	2	2	2	2	2	2	5	5
Vehicles	10	10	10	9	10	8	8	11	12	10
Other Equipment	13	15	14	13	14	15	18	21	26	34
Transit										
Vehicles	1	2	2	2	2	2	1	3	4	4
Airport										
Buildings	12	12	12	12	12	12	12	12	12	12
Vehicles	0	1	1	1	2	2	5	6	6	6
Other Equipment	0	0	0	0	0	1	1	3	3	5

Source: Various County Departments and Capital Assets Reports

* indicates information is unavailable

** indicates restructured to another department

This page intentionally left blank.

Part IV

Other Reporting Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

SINGLE AUDIT SECTION

This section contains reports required by Uniform Guidance and grantor agencies.

This page intentionally left blank.

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 Chairman and Members
of the Board of Commissioners
Habersham County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Habersham County, Georgia, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Habersham County, Georgia's basic financial statements and have issued our report thereon dated December 26, 2025. Our report includes a reference to other auditors who audited the financial statements of the Habersham County Health Department, as described in our report on Habersham County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Habersham County, Georgia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Habersham County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Habersham 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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompany schedule of findings and questioned costs as items 2025-001 through 2025-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Habersham County, Georgia's Response to Findings

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

Purpose of This Report

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

Rushton, LLC

Gainesville, Georgia
December 26, 2025

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Honorable Chairman and Members
of the Board of Commissioners
Habersham County, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, Habersham County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Rushton, LLC

Gainesville, Georgia
December 26, 2025

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2025

Federal Grant/Pass-Through Grantor/Assistance Listing Program	Federal Assistance Listing Number	Pass-Through Number	Total Federal Expenditures
U.S. Department of Agriculture			
Forest Service Schools and Roads Cluster			
Passed through the Georgia Office of the State Treasury:			
Schools and Roads - Grants to States	10.665	N/A	$ 2,678
U.S. Department of Interior			
Payments in Lieu of Taxes	15.226	N/A	102,185
Passed through the Southeast Aquatic Resources Partnership:			
Fish and Wildlife Management Assistance	15.608	SARP-HABERSHAM-01	254,316
Total U.S. Department of Interior			356,501
U.S. Department of Justice			
Passed through the Criminal Justice Coordinating Council:			
Crime Victim Assistance	16.575	C22-8-076	57,244
		C23-8-101	16,549
			73,793
Violence Against Women Formula Grants	16.588	W22-8-058	14,069
		W24-8-011	12,461
			26,530
Treatment Court Discretionary Grant Program	16.585	J24-8-034	80,385
Equitable Sharing Program	16.922	N/A	20,011
Total U.S. Department of Justice			200,719
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation:			
Airport Improvement Program	20.106	APO24-9079-29(137)	265,565
Formula Grants for Rural Areas and Tribal Transit Program	20.509	GA-2022-010-01-00	72,116
Highway Safety Cluster			
Passed through the Georgia Office of Highway Safety:			
State and Community Highway Safety	20.600	TEN-2025-HabershaSO-00018	20,603
		GA-2025-HabershaSO-00112	273,468
			294,071
Safe Streets and Roads for All	20.939	N/A	150,800
Total U.S. Department of Transportation			782,552
U.S. Department of Treasury			
Passed through the Georgia Governor's Office of Planning and Budget:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	GA-0011168	405,749
Passed through the Judicial Council of Georgia:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	2023_ARPA_3Y002	48,776
		2024-25_ARPA_3Y016	99,061
			147,837
Total U.S. Department of Treasury			553,586

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2025

Federal Grant/Pass-Through Grantor/Assistance Listing Program	Federal Assistance Listing Number	Pass-Through Number	Total Federal Expenditures
U.S. Department of Health and Human Services			
Aging Cluster			
Passed through Legacy Link, Inc.:			
Special Program for the Aging - Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	FY2025	$ 27,431
Special Program for the Aging - Title III, Part C, Nutrition Services	93.045	FY2025	69,226
		FY2025	28,484
			97,710
Total Aging Cluster of Programs			125,141
Substance Abuse and Mental Health Services			
Projects of Regional and National Significance	93.243	N/A	424,350
Passed through Legacy Link, Inc.:			
Social Services Block Grant	93.667	FY2025	12,625
Passed through Deanna Specialty Transportation:			
Social Services Block Grant	93.667	FY2025	73,719
			86,344
Total Department of Health and Human Services			635,835
U.S. Department of Homeland Security			
Disaster Grants - Public Assistance	97.036	N/A	584,066
Passed through the Georgia Emergency Management Agency:			
Hazard Mitigation Grant	97.039	HMGP-4501-0008	30,080
Emergency Management Performance Grants	97.042	OEM24-070	23,601
Assistance to Firefighters	97.044	EMW-2021-FG-02124	235,533
Passed through the Georgia Bureau of Investigations:			
Homeland Security Grant Program	97.067	aw-JaGL24-077-004	29,781
Total U.S. Department of Homeland Security			903,061
Total Federal Awards			$ 3,434,932

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

HABERSHAM COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Habersham County, Georgia, under programs for the federal government for the fiscal year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Indirect Cost Rate

Habersham County, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

4. Payments to Subrecipients

For the current fiscal year, Habersham County, Georgia passed $405,749 of federal funds through to Windstream as a subrecipient for broadband improvements under the federal program 21.027 - COVID-19 Coronavirus State and Local Fiscal Recovery Funds.

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2025

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None reported
Significant Deficiencie(s) identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	None reported

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant Deficiencie(s) identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported

Identification of major programs:

20.106	Airport Improvement Program
97.036	Disaster Grants - Public Assistance

Dollar threshold used to distinguish Between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

2. Financial Statement Findings

A. Current Year Audit Findings

2025-001

Condition: While performing audit procedures at the Clerk of Superior Court, we noted that there is no approval process for voided transactions.

Criteria: Proper internal controls require that all voided transactions are properly approved.

Effect: Failure to maintain proper supporting documentation with evidence of approval for voided transactions subjects the assets of the County to greater risk of misappropriation.

Cause: Management is not approving voided transactions.

Recommendation: Supporting documentation with evidence of approval should be retained for all voided transactions.

Management Response: Management concurs with this finding. Management has advised the Elected Official to implement the recommendation and to ensure that voided transactions are approved. This action was taken immediately upon receipt of the comment from our auditors.

2025-002

Condition: While performing audit procedures at the Clerk of Superior Court, we noted an excess of funds in the cash account. The Clerk of Superior Court have been unable to determine to whom the funds should be disbursed.

Criteria: Proper internal controls require that all cash in custodial funds be properly accounted for.

Effect: Failure to account for all cash and to whom it is due subjects the assets of the County to greater risk of misappropriation.

Cause: The Clerk of Superior Court do not have the information available to reconcile to whom excess funds should be disbursed.

Recommendation: The Clerk of Superior Court should determine proper payee and disburse funds appropriately.

Management Response: Management has provided a copy of this finding to the appropriate Elected Official, and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

2. Financial Statement Findings (continued)

B. Prior Year Audit Findings Follow-Ups

2024-001

Condition: While performing procedures at the Tax Commissioner's office, we noted appropriate segregation of duties does not exist in the disbursement and void process. The Tax Commissioner prepares and signs all checks, records all transactions, and reconciles all bank statements. There is also no approval process noted in the voiding of transactions and allows for personnel receipting to also void their own transactions.

Corrected

2024-002

Condition: While performing audit procedures at the Clerk of Superior Court, we noted that there is no approval process for voided transactions.

Not Corrected

2024-003

Condition: While performing audit procedures at the Clerk of Superior Court and Tax Commissioner, we noted an excess of funds in the cash account. The Clerk of Superior Court and Tax Commissioner have been unable to determine to whom the funds should be disbursed.

Partially Corrected

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

This page intentionally left blank.

STATE REPORTING SECTION

This section contains additional reports required by the State of Georgia.

This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2025

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #7					
County Tier 2 Project					
Hospital Project	$ 5,000,000	$ 5,000,000	$ 4,062,513	$ 937,503	$ 5,000,016
County General Projects					
Public Safety					
Emergency Services					
-Ambulances	1,200,000	1,200,000	1,250,866	341,845	1,592,711
-Fire	1,100,000	1,100,000	1,090,885	189,916	1,280,801
-Central Base Station	4,000,000	4,000,000	1,061,579	94,592	1,156,171
Sheriff Vehicles and Equipment	775,000	775,000	783,849	328,862	1,112,711
Emergency Radio System Upgrade	7,200,000	7,200,000	3,471,728	3,693,268	7,164,996
Animal Shelter	1,750,000	1,750,000	335,139	281,969	617,108
Public Works					
Road Construction and Maintenance	6,560,000	6,560,000	4,144,965	3,617,935	7,762,900
Bridge Updates, Repairs and Replacements	3,200,000	3,200,000	181,702	29,651	211,353
Road Maintenance Equipment	1,500,000	1,500,000	939,746	454,492	1,394,238
Landfill Equipment	1,215,000	1,215,000	869,386	10,084	879,470
City of Alto	641,720	641,720	403,717	143,335	547,052
City of Baldwin	2,482,753	2,482,753	1,587,956	563,785	2,151,741
City of Clarkesville	1,927,947	1,927,947	1,238,068	439,562	1,677,630
City of Cornelia	5,297,174	5,297,174	3,391,228	1,204,016	4,595,244
City of Demorest	1,784,296	1,784,296	1,130,411	401,339	1,531,750
City of Mount Airy	1,257,028	1,257,028	807,435	286,671	1,094,106
City of Tallulah Falls	220,021	220,021	134,572	47,778	182,350
	$ 47,110,939	$ 47,110,939	$ 26,885,745	$ 13,066,603	$ 39,952,348

Total expenditures and transfers out of the SPLOST #7 Capital Projects Fund	$ 15,253,580
Principal paid on bonds payable	(1,855,000)
Principal paid on notes payable	(331,977)
	$ 13,066,603

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF SUPPLEMENTAL OFFICIAL INCOME
For the fiscal year ended June 30, 2025

County Constitutional Officer	Supplemental Income Type	Amount Collected	Amount Disbursed	Amount Retained by County Officer
Tax Commissioner	Fee for collection of taxes for other governments	$ 1,851	$ 0	$ 1,851
Probate Court	Fee for processing vital records	80,080	40,080	40,000
Clerk of Courts	Fee for processing passports	14,385	14,385	0