LINCOLN COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2025

Lincoln County, Georgia
Annual Financial Report
For The Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Honorable Chairman and Members of the
Board of Commissioners of Lincoln County
Lincolnton, 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 Lincoln County, Georgia (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the 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 Lincoln County, Georgia, as of June 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 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 Lincoln County, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

We did not audit the financial statements of the Development Authority of Lincoln County, which represents 90.4% of the assets, 92.3% of the net position, and 55.5% of the revenues of the aggregate discretely presented component units for the year ended June 30, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Development Authority of Lincoln County, is based solely on the report of the other auditors.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Lincoln 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 opinion. 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 judgement 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 judgement 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 Lincoln 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 Lincoln 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 budgetary comparison information, Schedule of Changes in Net Pension Liability and Related Ratios, and Schedule of Pension Contributions on pages 49-52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Emphasis of Matter

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lincoln County, Georgia's basic financial statements. The combining fund financial statements, the accompanying Section 5311 Transportation Program Statement of Revenues and Expenditures, and the accompanying schedules of projects constructed with special purpose local option sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the accompanying Section 5311 Transportation Program Statement of Revenues and Expenditures, and the accompanying schedules of projects constructed with special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2025, on our consideration of Lincoln County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lincoln County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Louisville, Georgia
November 30, 2025

Lincoln County, Georgia
Statement of Net Position
June 30, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Current Assets				
Cash and cash equivalents	$ 5,791,266	$ 1,080,359	$ 6,871,625	$ 1,258,427
Investments	2,159,738	-	2,159,738	-
Receivables:				
Accounts	223,487	164,996	388,483	22,938
Property taxes	80,744	-	80,744	-
Intergovernmental	3,613,415	-	3,613,415	1,289
Interfund	338,326	(338,326)	-	-
Other	131,357	-	131,357	-
Leases	56,307	-	56,307	-
Notes receivable	-	-	-	74,731
Inventory	23,379	-	23,379	-
Prepaid items	312,526	673	313,199	-
Restricted Assets	-	275,580	275,580	-
Noncurrent Assets				
Leases receivable	109,501	-	109,501	-
Note receivable (net of current portion)	-	-	-	574,949
Prepaid bond issuance	-	9,420	9,420	-
Land held for investment	-	-	-	213,256
Proportionate share of collective net SEAD-OPEB asset	-	-	-	9,140
Capital Assets				
Nondepreciable capital assets	1,660,292	161,123	1,821,415	18,877
Depreciable capital assets, net	16,768,951	14,435,660	31,204,611	651,576
Total Assets	31,269,289	15,789,485	47,058,774	2,825,183
Deferred Outflows of Resources				
Deferred outflows of resources-				
State OPEB contributions	-	-	-	22,474
Retirement contributions	579,511	57,035	636,546	40,252
Total Deferred Outflows of Resources	579,511	57,035	636,546	62,726
Liabilities				
Current Liabilities				
Accounts payable	511,008	171,626	682,634	4,311
Accrued expenses	556,647	104,250	660,897	3,590
Intergovernmental payable	140,565	-	140,565	-
Due to others	2,910	-	2,910	-
Unearned revenues	323,587	510,327	833,914	-
Compensated absences payable	39,966	2,098	42,064	9,767
Leases payable	-	1,469	1,469	-
Subscription-based information technology arrangements	12,543	-	12,543	
Notes payable	66,347	92,890	159,237	-
Revenue bonds payable	-	156,876	156,876	-
Landfill post-closure care costs payable	-	9,850	9,850	-
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	119,897	6,294	126,191	4,858
Leases payable (net of current portion)	-	30,220	30,220	-
Notes payable (net of current portion)	239,229	491,273	730,502	-
Landfill post-closure care costs payable (net of current portion)	-	49,250	49,250	-
Revenue bonds payable (net of current portion)	-	3,433,474	3,433,474	-
Net pension liability	1,352,499	133,111	1,485,610	61,811
Total Liabilities	3,365,198	5,193,008	8,558,206	84,337
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	529,467
Leases	160,411	-	160,411	-
Related to state OPEB fund	-	-	-	16,105
Related to pension plan	414,306	40,775	455,081	70,754
Total Deferred Inflows of Resources	574,717	40,775	615,492	616,326
Net Position				
Net investment in capital assets	18,111,124	10,390,581	28,501,705	670,453
Restricted for:				
Capital projects	2,404,123	-	2,404,123	-
Judicial	9,300	-	9,300	-
Public safety	283,514	-	283,514	-
Public works	1,443,188	-	1,443,188	-
Economic development	90,902	-	90,902	-
Health and welfare	17,001	-	17,001	132,324
Debt service	-	275,580	275,580	-
Unrestricted	5,549,733	(53,424)	5,496,309	1,384,469
Total Net Position	$ 27,908,885	$ 10,612,737	$ 38,521,622	$ 2,187,246

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Activities
For the Year Ended June 30, 2025

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government								
Governmental Activities								
General government	$ 5,829,675	$ 499,699	$ 40,680	$ -	$ (5,289,296)	$ -	$ (5,289,296)	$ -
Judicial	491,506	95,088	133,476	-	(262,942)	-	(262,942)	-
Public safety	3,891,170	1,293,946	336,795	-	(2,260,429)	-	(2,260,429)	-
Public works	1,969,646	205,887	3,034,481	1,103,286	2,374,008	-	2,374,008	-
Health and welfare	427,757	5,203	245,204	-	(177,350)	-	(177,350)	-
Culture and recreation	447,049	48,945	76,978	-	(321,126)	-	(321,126)	-
Conservation of natural resources	73,932	-	-	-	(73,932)	-	(73,932)	-
Housing and development	302,841	-	-	-	(302,841)	-	(302,841)	-
Interest	8,532	-	-	-	(8,532)	-	(8,532)	-
Total Governmental Activities	13,442,108	2,148,768	3,867,614	1,103,286	(6,322,440)	-	(6,322,440)	-
Business-Type Activities								
Water and sewer	1,699,744	1,154,583	-	-	-	(545,161)	(545,161)	-
Solid waste	1,034,962	954,261	-	-	-	(80,701)	(80,701)	-
Total Business-Type Activities	2,734,706	2,108,844	-	-	-	(625,862)	(625,862)	-
Total - Primary Government	$ 16,176,814	$ 4,257,612	$ 3,867,614	$ 1,103,286	(6,322,440)	(625,862)	(6,948,302)	-
Component Units								
Department of Health	$ 260,578	$ 81,540	$ 230,506	$ -	-	-	-	51,468
Development Authority	290,368	31,332	-	-	-	-	-	(259,036)
Total - Component Units	$ 550,946	$ 112,872	$ 230,506	$ -	-	-	-	(207,568)
		General Revenues						
		Property taxes			3,847,204	-	3,847,204	302,541
		Sales taxes			3,225,769	-	3,225,769	-
		Other taxes and revenues			663,218	-	663,218	-
		Investment earnings			123,388	3,171	126,559	29,469
		Miscellaneous			33,462	-	33,462	26,000
		Special item - gain on disposition of assets			7,500	-	7,500	-
		Transfers in (out)			(293,682)	293,682	-	-
		Total General Revenues, Special Items and Transfers			7,606,859	296,853	7,903,712	358,010
		Change in Net Position			1,284,419	(329,009)	955,410	150,442
		Net Position, Beginning of Year			26,624,466	10,941,746	37,566,212	2,044,030
		Prior Period Adjustment			-	-	-	(7,226)
		Net Position, Beginning of Year, Restated			26,624,466	10,941,746	37,566,212	2,036,804
		Net Position, End of Year			$ 27,908,885	$ 10,612,737	$ 38,521,622	$ 2,187,246

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Balance Sheet
Governmental Funds
For the Year Ended June 30, 2025

	General	SPLOST VII Fund	TSPLOST Fund	American Rescue Plan Federal Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 1,218,018	$ 2,338,214	$ 1,579,366	$ 336,753	$ 318,915	$ 5,791,266
Investments	2,159,738	-	-	-	-	2,159,738
Receivables:						
Accounts, net	223,232	-	-	-	255	223,487
Property taxes	80,744	-	-	-	-	80,744
Intergovernmental	3,217,218	114,596	236,448	-	45,153	3,613,415
Interfund	478,770	-	-	-	344,152	822,922
Other	125,874	-	-	-	5,483	131,357
Leases	165,808	-	-	-	-	165,808
Prepaid items	312,526	-	-	-	-	312,526
Inventory	23,379	-	-	-	-	23,379
Total Assets	$ 8,005,307	$ 2,452,810	$ 1,815,814	$ 336,753	$ 713,958	$ 13,324,642
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	$ 105,947	$ 30,352	$ 372,626	$ -	$ 2,083	$ 511,008
Accrued expenses	530,377	-	-	-	26,270	556,647
Intergovernmental payable	122,230	18,335	-	-	-	140,565
Interfund payable	186,542	-	-	-	298,054	484,596
Due to others	2,910	-	-	-	-	2,910
Unearned revenues	-	-	-	323,587	-	323,587
Total Liabilities	948,006	48,687	372,626	323,587	326,407	2,019,313
Deferred Inflows of Resources						
Leases	160,411	-	-	-	-	160,411
Unavailable revenue: grant funds	289,012	-	-	-	-	289,012
Unavailable revenue: property taxes	54,970	-	-	-	-	54,970
Total Liabilities and Deferred Inflows of Resources	1,452,399	48,687	372,626	323,587	326,407	2,523,706
Fund Balances						
Nonspendable	335,905	-	-	-	-	335,905
Restricted						
Judicial	-	-	-	-	9,300	9,300
Public safety	-	-	-	13,166	270,348	283,514
Public works	-	-	1,443,188	-	-	1,443,188
Health and welfare	-	-	-	-	17,001	17,001
Capital projects	-	2,404,123	-	-	-	2,404,123
Economic development	-	-	-	-	90,902	90,902
Assigned						
Fiscal Year 2026 Budget	390,000	-	-	-	-	390,000
Capital projects	307,752	-	-	-	-	307,752
Unassigned	5,519,251	-	-	-	-	5,519,251
Total Fund Balances	6,552,908	2,404,123	1,443,188	13,166	387,551	10,800,936
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 8,005,307	$ 2,452,810	$ 1,815,814	$ 336,753	$ 713,958	$ 13,324,642

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

Total Governmental Fund Balances		$ 10,800,936
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	47,082,784	
Less accumulated depreciation	(28,653,541)	18,429,243
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Grant funds	289,012	
Property taxes	54,970	343,982
Liabilities associated with the County's pension plan are recognized for accrual reporting, but not reported in the fund financial statements.		(1,352,499)
Recognition of the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and changes in proportions are recognized as a deferred outflow of resources for accrual reporting, but not reported in the fund financial statements.		579,511
Recognition of the changes in proportion and differences between contributions and the proportionate share of contributions are recognized as a deferred inflow of resources for accrual reporting, but not reported in the fund financial statements.		(414,306)
Liabilities, including leases, compensated absences, notes payable and subscriptions payable are not due and payable in the current period and therefore are not reported in the funds:		
Notes payable	(305,576)	
Compensated absences	(159,863)	
Subscriptions payable	(12,543)	(477,982)
Net Position of Governmental Activities		$ 27,908,885

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

Revenues	General	SPLOST VII Fund	TSPLOST Fund	American Rescue Plan Federal Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Taxes	$ 5,473,300	$ 1,253,300	$ 969,823	$ -	$ 52,504	$ 7,748,927
Licenses and permits	136,530	-	-	-	-	136,530
Intergovernmental	3,503,276	-	1,076,244	455,406	147,485	5,182,411
Charges for services	994,242	-	-	-	167,479	1,161,721
Fines, forfeitures and fees	264,996	-	-	-	20,457	285,453
Investment earnings	123,388	27,042	-	5,069	-	155,499
Miscellaneous	65,892	-	-	-	-	65,892
Total Revenues	10,561,624	1,280,342	2,046,067	460,475	387,925	14,736,433
Expenditures						
Current:						
General government	6,185,360	-	-	-	-	6,185,360
Judicial	486,531	-	-	-	3,468	489,999
Public safety	2,970,002	-	-	-	518,620	3,488,622
Public works	390,243	-	-	-	-	390,243
Health and welfare	365,496	-	-	-	62,261	427,757
Culture and recreation	365,969	-	-	-	-	365,969
Conservation of natural resources	73,932	-	-	-	-	73,932
Housing and development	243,119	-	-	-	45,331	288,450
Intergovernmental	-	195,203	-	-	-	195,203
Capital Outlay	-	632,059	2,261,705	-	23,458	2,917,222
Debt Service:						
Principal retirement	64,949	-	-	-	-	64,949
Interest and fiscal charges	7,949	-	-	-	-	7,949
Total Expenditures	11,153,550	827,262	2,261,705	-	653,138	14,895,655
Excess (Deficiency) of Revenues Over (Under) Expenditures	(591,926)	453,080	(215,638)	460,475	(265,213)	(159,222)
Other Financing Sources (Uses)						
Transfers in (out), net	(95,959)	-	-	(455,406)	257,683	(293,682)
Total Other Financing Sources (Uses)	(95,959)	-	-	(455,406)	257,683	(293,682)
Special Items						
Proceeds from dispostion of assets	7,500	-	-	-	-	7,500
Net Change in Fund Balances	(680,385)	453,080	(215,638)	5,069	(7,530)	(445,404)
Fund Balances, Beginning	7,233,293	1,951,043	1,658,826	8,097	395,081	11,246,340
Fund Balances, Ending	$ 6,552,908	$ 2,404,123	$ 1,443,188	$ 13,166	$ 387,551	$ 10,800,936

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Net Changes In Fund Balances - Total Governmental Funds		$ (445,404)
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Capital outlay	$ 2,810,351	
Depreciation expense	(1,314,244)	1,496,107
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes:		
Deferred, end of year	54,970	
Deferred, beginning of year	(67,706)	(12,736)
Grants:		
Deferred, end of year	289,012	
Deferred, beginning of year	-	289,012
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		64,949
Repayment of principal on subscription-based information technology arrangements is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		12,255
Net pension expense adjustments associated with changes in pension liability and net changes in deferred inflows and outflows of resources.		(98,376)
Certain liabilities are reported in the statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences:		
Liability, end of year	(159,863)	
Liability, beginning of year	138,475	(21,388)
Change In Net Position of Governmental Activities		$ 1,284,419

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2025

Assets	Water Fund	Solid Waste Fund	Total
Current Assets:			
Cash and cash equivalents	$ 204,274	$ 876,085	$ 1,080,359
Restricted Assets:			
Cash and cash equivalents	275,580	-	275,580
Accounts receivable, net	122,320	42,676	164,996
Prepaid items	-	673	673
Total Current Assets	602,174	919,434	1,521,608
Noncurrent Assets:			
Prepaid bond issuance	9,420	-	9,420
Capital Assets:			
Nondepreciable, net	99,123	62,000	161,123
Depreciable, net	14,407,089	28,571	14,435,660
Total Noncurrent Assets	14,515,632	90,571	14,606,203
Total Assets	15,117,806	1,010,005	16,127,811
Deferred Outflows of Resources			
Related to pension	43,731	13,304	57,035
Total Deferred Outflows of Resources	43,731	13,304	57,035
Liabilities			
Current Liabilities:			
Accounts payable	171,489	137	171,626
Accrued expenses	96,054	8,196	104,250
Unearned revenue	-	510,327	510,327
Interfund payable	307,187	31,139	338,326
Compensated absences	1,749	349	2,098
Lease payable	1,469	-	1,469
Notes payable	92,890	-	92,890
Revenue bonds payable	156,876	-	156,876
Postclosure liability, current portion	-	9,850	9,850
Total Current Liabilities	827,714	559,998	1,387,712
Long-Term Liabilities:			
Lease payable (net of current portion)	30,220	-	30,220
Notes payable (net of current portion)	491,273	-	491,273
Revenue bonds payable (net of current portion)	3,433,474	-	3,433,474
Net pension liability	102,062	31,049	133,111
Landfill closure/post-closure care costs	-	49,250	49,250
Compensated absences (net of current portion)	5,246	1,048	6,294
Total Long-Term Liabilities	4,062,275	81,347	4,143,622
Total Liabilities	4,889,989	641,345	5,531,334
Deferred Inflows of Resources			
Related to pension	31,264	9,511	40,775
Total Deferred Inflows of Resources	31,264	9,511	40,775
Net Position			
Net investment in capital assets	10,300,010	90,571	10,390,581
Restricted for debt service	275,580	-	275,580
Unrestricted	(335,306)	281,882	(53,424)
Total Net Position	$ 10,240,284	$ 372,453	$ 10,612,737

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2025

	Water Fund	Solid Waste Fund	Total
Operating Revenues			
Charges for services	$ 1,146,464	$ 954,261	$ 2,100,725
Miscellaneous	8,119	-	8,119
Total Operating Revenues	1,154,583	954,261	2,108,844
Operating Expenses			
Cost of water	364,049	-	364,049
Salaries and benefits	309,731	151,696	461,427
Repairs and maintenance	123,609	1,400	125,009
Materials and supplies	104,747	923	105,670
Utilities	76,002	5,520	81,522
Professional and contract services	72,998	853,867	926,865
Other operating expenses	56,559	3,296	59,855
Depreciation	482,530	16,955	499,485
Amortization	9,090	1,305	10,395
Total Operating Expenses	1,599,315	1,034,962	2,634,277
Operating Income (Loss)	(444,732)	(80,701)	(525,433)
Non-Operating Revenues (Expenses)			
Investment earnings	3,171	-	3,171
Interest and fiscal charges	(100,429)	-	(100,429)
Total Non-Operating Revenues (Expenses)	(97,258)	-	(97,258)
Income (Loss) before Transfers and and Capital Contributions	(541,990)	(80,701)	(622,691)
Transfers in (out)	293,682	-	293,682
Change in Net Position	(248,308)	(80,701)	(329,009)
Net Position, Beginning of Year	10,488,592	453,154	10,941,746
Net Position, End of Year	$ 10,240,284	$ 372,453	$ 10,612,737

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2025

	Water Fund	Solid Waste Fund	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash received from customers	$ 1,208,873	$ 1,082,891	$ 2,291,764
Cash payments to employees for services & benefits	(267,807)	(117,490)	(385,297)
Cash payments for goods and services	(913,573)	(865,899)	(1,779,472)
Net Cash Provided by (Used in) Operating Activities	27,493	99,502	126,995
Cash Flows from Noncapital Financing Activities			
Cash payments from (to) other funds	246,924	(27,574)	219,350
Net Cash Provided by (Used in) Noncapital Financing Activities	246,924	(27,574)	219,350
Cash Flows from Capital and Related Financing Activities			
Purchase/construction of capital assets	(41,047)	-	(41,047)
Principal paid on long term debt	(243,331)	-	(243,331)
Interest and fiscal charges paid	(99,487)	-	(99,487)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(383,865)	-	(383,865)
Cash Flows from Investing Activities			
Investment earnings	3,171	-	3,171
Net Increase (Decrease) in Cash and Cash Equivalents	(106,277)	71,928	(34,349)
Cash and Cash Equivalents, Beginning of Year	586,131	804,157	1,390,288
Cash and Cash Equivalents, End of Year	$ 479,854	$ 876,085	$ 1,355,939

(Continued)

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2025

	Water Fund	Solid Waste Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ (444,732)	$ (80,701)	$ (525,433)
Adjustments:			
Depreciation	482,530	16,955	499,485
Amortization	9,090	1,305	10,395
(Increase) Decrease in Assets:			
Accounts receivable	(4,739)	(7,062)	(11,801)
Deferred outflows of resources	3,808	(13,304)	(9,496)
Other assets	-	(673)	(673)
Increase (Decrease) in Liabilities:			
Accounts payable	(115,611)	(220)	(115,831)
Other liabilities	58,160	141,245	199,405
Deferred inflows of resources	9,918	9,511	19,429
Net pension liability	30,498	31,049	61,547
Compensated absences payable	(1,429)	1,397	(32)
Net Cash Provided by (Used in) Operating Activities	$ 27,493	$ 99,502	$ 126,995

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Comparative Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 661,375	$ 552,623
Taxes receivable	171,346	247,781
Total Assets	$ 832,721	$ 800,404
Liabilities		
Funds due to others	$ 487,957	$ 347,553
Uncollected taxes	171,346	247,781
Total Liabilities	659,303	595,334
Net Position		
Restricted for individuals, organizations and other governments	173,418	205,070
Total Net Position	$ 173,418	$ 205,070

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Comparative Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2025 and 2024

	2025	2024
Additions		
Taxes collected	$ 14,125,692	$ 13,372,777
Fines and fees collected	601,708	618,459
Funds collected for others	178,043	199,389
Total Additions	14,905,443	14,190,625
Deductions		
Taxes disbursed	14,150,503	13,374,305
Fines and fees disbursed	591,870	607,133
Funds distributed to others	194,722	212,444
Total Deductions	14,937,095	14,193,882
Change in net position	(31,652)	(3,257)
Net Position, beginning of year, as restated	205,070	208,327
Net Position, end of year	$ 173,418	$ 205,070

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2025

	Lincoln County Department of Health	Development Authority of Lincoln County	Total
Assets			
Current:			
Cash and cash equivalents	$ 239,809	$ 1,018,618	$ 1,258,427
Receivables:			
Accounts	22,938	-	22,938
Intergovernmental	-	1,289	1,289
Notes receivable	-	74,731	74,731
Noncurrent:			
Note receivable (net of current portion)	-	574,949	574,949
Land held for investment	-	213,256	213,256
Proportionate share of collective net SEAD-OPEB asset	9,140	-	9,140
Capital Assets:			
Nondepreciable capital assets	-	18,877	18,877
Depreciable capital assets, net	-	651,576	651,576
Total Assets	271,887	2,553,296	2,825,183
Deferred Outflows of Resources			
Deferred outflows of resources-			
State OPEB contributions	22,474	-	22,474
Retirement contributions	40,252	-	40,252
Total Deferred Outflows of Resources	62,726	-	62,726
Liabilities			
Current Liabilities:			
Accounts payable	3,427	884	4,311
Accrued liabilities	-	3,590	3,590
Compensated absences payable	9,767	-	9,767
Long-Term Liabilities: (net of current portion)			
Compensated absences payable	4,858	-	4,858
Net pension liability	61,811	-	61,811
Total Liabilities	79,863	4,474	84,337
Deferred Inflows of Resources			
Deferred inflows of resources -			
Unavailable revenues	-	529,467	529,467
Related to state OPEB fund	16,105	-	16,105
Related to pension plan	70,754	-	70,754
Total Deferred Inflows of Resources	86,859	529,467	616,326
Net Position			
Net investment in capital assets	-	670,453	670,453
Restricted:			
Health and welfare	132,324	-	132,324
Unrestricted	35,567	1,348,902	1,384,469
Total Net Position	$ 167,891	$ 2,019,355	$ 2,187,246

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2025

	Lincoln County Department of Health	Development Authority of Lincoln County	Total
Expenses			
Health and welfare	$ 260,578	$ -	$ 260,578
Economic development	-	290,368	290,368
Total Expenses	260,578	290,368	550,946
Revenues			
Program revenues:			
Charges for services	81,540	31,332	112,872
Operating grants and contributions	230,506	-	230,506
Total Program Revenues	312,046	31,332	343,378
Net Program (Expense)	51,468	(259,036)	(207,568)
General Revenues			
Property taxes	-	302,541	302,541
Investment earnings	-	29,469	29,469
Miscellaneous	-	26,000	26,000
Total General Revenues	-	358,010	358,010
Change in Net Position	51,468	98,974	150,442
Net Position, Beginning of Year	123,649	1,920,381	2,044,030
Prior Period Adjustment	(7,226)	-	(7,226)
Net Position, Beginning of Year, Restated	116,423	1,920,381	2,036,804
Net Position, End of Year	$ 167,891	$ 2,019,355	$ 2,187,246

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2025

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Lincoln County, Georgia (the County) is a political subdivision of the State of Georgia. The County is governed by a five member elected board of county commissioners which is governed by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge and Clerk of Superior Court. The cost of operations of the Superior Court Judges and the District Attorney, which are elected court functions, is shared with the State of Georgia. Only that portion of the cost for which the County is responsible is reported in the County's financial statements.

Note 1 - Summary of Significant Accounting Policies

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the various constitutional officers including the Clerk of Court, the Probate Court, the Tax Commissioner and the Magistrate Court.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit column included on the government-wide financial statements identifies the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

Brief descriptions of the discretely presented component units follow:

Lincoln County Department of Health (the Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. Members of its governing board are appointed by the Lincoln County Board of Commissioners. Although the County does not have the authority to approve or modify the Department of Health's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Department of Health. Complete financial statements for the Health Department may be obtained from its administrative office.

Development Authority of Lincoln County (the Development Authority) – The Development Authority was created for the purpose of promoting and developing trade, commerce, industry, and employment opportunities within Lincoln County, Georgia. The members of its board of directors are appointed by the County, and its primary source of revenue is from a one mill property tax levy that must be approved by the Board of Commissioners. The Development Authority maintains its financial records on a fiscal year ending June 30. The Development Authority's financial statements may be obtained from its administrative office.

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for government and proprietary funds.

Major individual governmental and business-type activities are reported in separate columns.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

> ***Governmental Funds*** - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Georgia.

The Special Purpose Local Option Sales Tax (SPLOST) VII Capital Projects Fund – This fund accounts for expenditures for capital project improvements made by the County. Financing is provided by the special purpose local option sales tax revenues approved by referendum.

The TSPLOST Fund – This capital projects fund is used to account for acquisition of property and the construction of projects designated to be funded by the special sales tax created with the Transportation Investment Act of 2010.

The American Rescue Plan Federal Grant Fund – This fund is a special revenue fund used to account for the local fiscal recovery funds received through the American Rescue Plan Act of 2021.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds classified as major enterprise funds are as follows:

The Water Fund – This fund is used to account for the County's water system, including all revenues and costs of providing water services to the residents of Lincoln County.

The Solid Waste Fund – This fund accounts for the administration and operations of the removal and disposal of solid waste in the County.

Fiduciary Funds – Fiduciary fund reporting focuses on net position. The County's fiduciary funds include the custodial funds. The County's custodial funds are for use by the County's constitutional officers comprised of the Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Clerk of State Court, and the Sheriff.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of revenues, expenses and changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes and federal and state grants.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows of resources revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) are recorded as unearned revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Equity

1-E-1 Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-1 Cash, Cash Equivalents and Investments (Continued)

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Uncollected and unbilled water/sewer charges and landfill user charges are accrued as receivables and revenue at June 30, 2025.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories

On the government-wide financial statements, inventories (if material) are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first in, first out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items in both government-wide and fund financial statements using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

1-E-6 Restricted Assets

Certain resources in the Water Enterprise Fund are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond and note covenants. The County has restricted assets in order to be in compliance with the U. S. Department of Agriculture bond agreements. These accounts are used to report resources set aside to subsidize potential deficiencies from the enterprise fund's operation that could adversely affect debt service payments.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the Government fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County chose to include all items, regardless of their acquisition date. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. The County follows GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period.* No capitalized interest was recorded during the fiscal year ended June 30, 2025.

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

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

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Lives
Land improvements	40 Years
Water system and lines	50 Years
Buildings	20 - 40 Years
Vehicles	5 Years
Furniture, fixtures, and equipment	5 - 10 Years
Infrastructure	40 years
Right to use lease assets	3 - 20 Years
Subscription-based information technology arrangements	Contract term

At the inception of leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-8 Compensated Absences

The County provides a Paid Time Off (PTO) policy that applies to all regular full-time employees and allows them to accrue and use PTO for any reason, subject to prior approval and other specified conditions. PTO is available from the first day of employment and accrues until the last day of full-time employment. New and rehired employees must complete a 180-day probationary period before they can use their accrued PTO. Rehired employees accrue PTO based on aggregate service length. Employees may carry over unused PTO up to their maximum accrual rate based on their longevity category.

PTO benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The liability is based on the County's past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

1-E-9 Accrued Liabilities and Long-term Obligations

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

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

The County implemented the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB Statement No. 83 establishes standards for governments and requires disclosure of information related to the legal obligation by a government to perform future asset retirement activities related to its tangible capital assets. GASB Statement No. 88 establishes standards for government disclosure of debt information, including direct borrowings and direct placements. For the fiscal year ended June 30, 2025, the County did not have any items that were required to be disclosed to be in compliance with GASB Statement No. 83 or GASB Statement No. 88.

1-E-10 Subscription-Based Information Technology Arrangements

The County implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The statement establishes new requirements for calculating and reporting the County's subscription-based information technology arrangement (SBITA) activities.

The County has executed contracts that qualify as noncancellable subscription-based information technology arrangements (SBITAs). The County recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The County recognizes subscription assets resulting from SBITAs with an initial, individual value of $25,000 or more. At the commencement of a SBITA, the County initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain implementation and other costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life – which is the shorter of the SBITA term or the useful life of the underlying asset.

Key estimates and judgments related to SBITA include how the County determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments:

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-10 Subscription-Based Information Technology Arrangements (Continued)

- The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with depreciable capital assets and SBITA liabilities are reported with subscription payable on the Statement of Net Position.

1-E-11 Deferred Outflows/Inflows of Resources

The County has implemented GASB Statements No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities. These standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. On the County's government-wide financial statements, a deferred outflow related to pensions will be reported and will be recognized as pension expense over a five-year closed period.

In addition to liabilities, the statement of net 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 fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category; unavailable revenue, which arises only under a modified accrual basis of accounting, and deferred inflows related to pensions and right to use asset leases. The governmental funds report unavailable revenues from property taxes and other receivables, which are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The government-wide financial statements report deferred inflows related pensions and will be recognized as a reduction of pension expense over a five-year closed period. The government-wide financial statements report deferred inflows related to right to use asset leases at the inception of leases in which the County is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

1-E-12 Pensions and Retirement Plans

The County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. GASB Statement No. 68 establishes standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pension benefits provided through defined benefit pension plans. In addition, Statement No. 68 requires disclosure of information related to pension benefits.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 Pensions and Retirement Plans (Continued)

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

The County also adopted GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (GASB 97). The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

1-E-13 Postemployment Benefits Other Than Pensions (OPEB)

The County implemented the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 establishes standards for measuring and recognizing net OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to OPEB provided through defined benefit OPEB plans. In addition, Statement No. 75 requires disclosure of information related to OPEB. For the fiscal year ended June 30, 2025, the County did not have any OPEB items that were required to be disclosed to be in compliance with GASB Statement No. 75.

1-E-14 Fund Balance

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-14 Fund Balance (Continued)

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

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

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

1-E-15 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water and sewer and solid waste. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1-E-16 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-17 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

1-E-18 Estimates

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-19 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data may have been restated and reclassified to be consistent with the current year's presentation.

1-E-20 Tax Abatements

GASB Statement No. 77 establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosure will include descriptive information about the tax being abated, the gross dollar amount of taxes abated during the period and any additional comments made by the County. See Note 4-E for additional information.

1-E-21 Recently Adopted 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 implementation of this new standard had no impact on the County's net position.

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. The implementation of this new standard had no impact on the County's beginning net position.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information

Budgetary Data – Formal budgetary accounting is employed as a management control device for the funds of the County. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds. Budgets for capital project funds are adopted on a project basis, spanning more than one fiscal year. Proprietary budgets are prepared and utilized as a management tool to assess the operations of the enterprise funds. All budgets are adopted on a basis consistent with generally accepted accounting principles. Prior to June 1, the Chairman submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The Board of Commissioners holds public hearings, and prior to June 30, the Board adopts the budget.

Budgetary Control – Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source, and expenditures are budgeted by department and character. The legal level of budgetary control is the department level. All budget revisions at this level are subject to final review by the Board of Commissioners. All annual budget appropriations lapse at the end of the year.

Note 3 – Detailed Notes on All Funds

3-A. Deposits and Investments

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be recovered. State statutes require all deposits and investments to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities, or by participation in the State of Georgia Secure Deposit Program. The County's custodial credit risk policy requires all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits or to be collateralized by participation in the State of Georgia Secure Deposit Program.

The County participates in the pooled method with its depositors to collateralize funds as allowed by law. At June 30, 2025, the County's deposits and investments were exposed to custodial credit risk as follows:

Carrying amount of the County's deposits	$ 7,808,580
Bank balances of the County's deposits	7,917,545
Deposits covered by depository insurance	500,000
Deposits collateralized by securities	7,417,545

Note 3 – Detailed Notes on All Funds (Continued)

3-A. Deposits and Investments (Continued)

The County's investment assets measured at fair value on a recurring basis as of June 30, 2025 were as follows:

Certificates of deposit	$ 2,159,738

As of June 30, 2025, all of the deposits and investments of the County were properly insured and collateralized as required by OCGA Section 45-8-12(c) and as defined by GASB pronouncements. The County uses the pooled method to collateralize funds.

State statutes authorize the County to invest in obligations of, or obligations guaranteed by the U.S. government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; and the Office of State Treasurer.

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The County had no other investments that require disclosure as to the basis of valuation other than capital assets, the basis of which are properly disclosed.

At June 30, 2025, the County's component units' bank balances were properly insured and collateralized as required by OCGA Section 45-8-12(c) and as defined by GASB pronouncements.

3-B. Receivables

Receivables at June 30, 2025, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), right to use capital assets, and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Property Taxes

County property taxes are based on assessments of property values on January 1, assessed by the County Tax Assessors' office. The digest is prepared by the assessor's office and verified by the Georgia Department of Revenue. The Board of Commissioners set the property tax millage rate on September 12, 2024. Property tax bills were mailed in September 2024 and were due by December 20, 2024. Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia.

Any taxes not paid by due date are considered delinquent and are subject to a 10% penalty and an interest charge. If taxes remain delinquent by July of the following year, a fifa is issued against the property, and the county can advertise and sell the property at a tax sale.

3-D. Leases Receivable

The County, as a lessor, has entered into lease arrangements for the use of communications infrastructure to multiple entities with agreements ranging from three to five years with interest rates of 3.00%. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year ended was $ 69,497.

Note 3 – Detailed Notes on All Funds (Continued)

3-D. Leases Receivable (Continued)

As of June 30, 2025, in accordance with GASB Statement No. 87 – Leases, the County had the following right-to-use leases outstanding:

$ 101,262 lease receivable, beginning February 1, 2021, interest at 3.00%, due in monthly principal and interest payments to January 1, 2026	$ 12,579
$ 37,573 lease receivable, beginning February 1, 2023, interest at 3.00%, due in monthly principal and interest payments to February 1, 2028	75,931
$ 88,500 lease receivable, beginning October 1, 2024, interest at 2.25%, due in monthly principal and interest payments to September 1, 2029	77,298
Total expected future minimum lease payments receivable	165,808
Less amount due within one year	(56,307)
Total expected future minimum lease payments receivable, net	$ 109,501

(Continued on the following page)

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets

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

	Beginning Balance	Additions	Deductions	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Nondepreciable capital assets:				
Land	$ 441,028	$ -	$ -	$ 441,028
Construction in progress	756,960	462,304	-	1,219,264
Total nondepreciable capital assets:	1,197,988	462,304	-	1,660,292
Capital assets being depreciated and amortized:				
Land improvements	511,971	151,572	-	663,543
Infrastructure	29,470,463	1,414,600	-	30,885,063
Buildings	7,063,960	78,090	-	7,142,050
Vehicles	3,373,478	404,716	-	3,778,194
Furniture, fixtures and equipment	2,490,798	299,069	-	2,789,867
Right to use subscription assets	163,775	-	-	163,775
Total capital assets depreciated and amortized:	43,074,445	2,348,047	-	45,422,492
Total capital assets	44,272,433	2,810,351	-	47,082,784
Accumulated depreciation and amortization:				
Land improvements	90,000	13,840	-	103,840
Infrastructure	18,458,663	544,703	-	19,003,366
Buildings	4,339,834	248,502	-	4,588,336
Vehicles	2,668,979	292,593	-	2,961,572
Furniture, fixtures and equipment	1,669,536	180,997	-	1,850,533
Right to use subscription assets	112,285	33,609	-	145,894
Total accumulated depreciation and amortization	27,339,297	1,314,244	-	28,653,541
Governmental activitivties capital assets, net	$ 16,933,136	$ 1,496,107	$ -	$ 18,429,243

Governmental activities depreciation and amortization expense:

General government	$ 164,385
Public safety	401,177
Public works	634,991
Culture and recreation	101,143
Housing and development	12,548
Total governmental activities depreciation and amortization expense	$ 1,314,244

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets (Continued)

	Beginning Balance	Additions	Deductions	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Non-depreciable capital assets:				
Land	$ 163,623	$ -	$ (2,500)	$ 161,123
Total non-depreciable capital assets	163,623	-	(2,500)	161,123
Capital assets depreciated and amortized:				
Water system and lines	23,234,541	43,547	-	23,278,088
Land improvements	87,753	-	-	87,753
Vehicles	134,666	-	-	134,666
Furniture and equipment	237,257	-	-	237,257
Right to use subscription assets	41,245	-	-	41,245
Right to use leased assets	36,062	-	-	36,062
Total capital assets depreciated and amortized	23,771,524	43,547	-	23,815,071
Total capital assets	23,935,147	43,547	(2,500)	23,976,194
Accumulated depreciation and amortization:				
Water system and lines	8,471,311	465,781	-	8,937,092
Land improvements	81,168	4,387	-	85,555
Vehicles	82,453	16,700	-	99,153
Furniture and equipment	198,041	12,617	-	210,658
Right to use subscription assets	32,652	8,592	-	41,244
Right to use leased assets	3,906	1,803	-	5,709
Total accumulated depreciation and amortizaton	8,869,531	509,880	-	9,379,411
Business-type activities capital assets, net	$ 15,065,616	$ (466,333)	$ (2,500)	$ 14,596,783

Business-type activities depreciation and amortization expense:

Water	$ 491,620
Solid Waste	18,260
Total business-type activities depreciation and amortization expense	$ 509,880

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets (Continued)

	Beginning Balance	Additions	Deductions	Ending Balance
COMPONENT UNITS:				
Non-depreciable capital assets:				
Land	$ 18,877	$ -	$ -	$ 18,877
Total non-depreciable capital assets	18,877	-	-	18,877
Buildings	1,053,022	-	-	1,053,022
Land improvements	720,067	-	-	720,067
Furniture, fixtures and equipment	34,201	-	-	34,201
Total depreciable capital assets	1,807,290	-	-	1,807,290
Total capital assets	1,826,167	-	-	1,826,167
Accumulated depreciation:				
Buildings	718,263	25,373	-	743,636
Land improvements	365,965	11,912	-	377,877
Furniture, fixtures and equipment	34,201	-	-	34,201
Total accumulated depreciation	1,118,429	37,285	-	1,155,714
Component unit capital assets, net	$ 707,738	$ (37,285)	$ -	$ 670,453

3-F. Interfund Balances and Transfers

Interfund Balances

Interfund balances for the year ended June 30, 2025, consisted of the following:

	Due From:	Due To:
General Fund	$ 186,542	$ 478,770
Water Fund	307,187	-
Solid Waste Fund	31,139	-
Non-Major Governmental Fund	298,054	344,152
	$ 822,922	$ 822,922

The interfund balances between the General Fund to the Non-Major Governmental Funds are to supplement operations because the costs associated with these funds are more than the operating revenues of these funds. The interfund balances between the General Fund and the other Non-Major Governmental Funds are for funds held by the General Fund on behalf of the Non-Major Governmental Fund by resolution and will be transferred for utilization subsequent to year end. The interfund balances between the General Fund and the Water Fund, the Solid Waste Fund and the other Non-Major Governmental Funds are for the reimbursement of expenses paid by the General fund on behalf of each fund.

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Interfund Balances and Transfers (Continued)

Interfund Transfers

Interfund transfers for the year ended June 30, 2025, consisted of the following:

	Transfers From:		
Transfers to:	General Fund	ARPA Rescue Plan Federal Grant Fund	Total
General Fund	$ -	$ 157,724	$ 157,724
Water Fund	-	293,682	293,682
Non-Major Governmental Fund	253,683	4,000	257,683
	$ 253,683	$ 455,406	$ 709,089

The transfers from the General Fund to the Non-Major Governmental Funds are necessary because the costs associated with these funds are more than the operating revenues of these funds. Per resolution of the County Board of Commissioners, the ARPA Rescue Plan Federal Grant Fund had transfers to the General Fund for revenue replacement under the standard allowance method, to the Water Fund and other various funds to account for the cost of approved capital projects with multiple funding sources.

3-G. Compensated Absences

The following is a breakdown of compensated absences by department for the year ended June 30, 2025:

General administration	$ 35,475
Judicial	11,231
Public safety	81,787
Public works	19,659
Housing and development	6,118
Culture and recreation	5,593
Total Governmental Activities	$ 159,863
Water Fund	$ 6,995
Solid Waste Fund	1,397
Total Business-type Activities	$ 8,392

(Continued on the following page)

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt

Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2025:

Governmental Activities	Outstanding 6/30/24 Restated	Additions	Reductions	Outstanding 6/30/25	Amounts Due in One Year
Notes payable	$ 370,525	$ -	$ 64,949	$ 305,576	$ 66,347
Subscriptions payable	24,798	-	12,255	12,543	12,543
Compensated Absences	138,475	190,490	169,102	159,863	39,966
Net pension liability	1,717,537	-	365,038	1,352,499	-
Total Governmental Activities	$ 2,251,335	$ 190,490	$ 611,344	$ 1,830,481	$ 118,856
Business-type Activities					
Revenue bonds	$ 3,745,423	$ -	$ 151,480	$ 3,593,943	$ 156,876
Unamortized discount	(4,609)	-	(1,016)	(3,593)	-
Total revenue bonds	3,740,814	-	150,464	3,590,350	156,876
Leases payable	33,115	-	1,426	31,689	1,469
Notes payable	675,604	-	91,441	584,163	92,890
Landfill postclosure	59,100	9,850	9,850	59,100	9,850
Compensated absences	8,424	8,481	8,513	8,392	2,098
Net pension liability	71,564	61,547	-	133,111	-
Total Business-type Activities	$ 4,588,621	$ 79,878	$ 261,694	$ 4,406,805	$ 263,183
Component Units					
Net pension liability	$ 206,708	$ -	$ 144,897	$ 61,811	$ -
Net state OPEB liability (asset)	14,549	-	23,689	(9,140)	-
Compensated Absences	9,875	5,342	592	14,625	9,767
Total Component Units	$ 231,132	$ 5,342	$ 169,178	$ 67,296	$ 9,767

All long-term obligations of the County's governmental funds will be financed through future general fund expendable and available financial sources as they become due. Principal and interest payments related to the County's water enterprise fund are financed from income derived from the operation of the water system and transfers from other funds.

The compensated absences liabilities and net pension liabilities will be paid from the funds from which the employees' salaries are paid. For governmental activities, compensated absences and pension liabilities are liquidated by the General Fund. For business-type activities, compensated absences and pension liabilities are liquidated by the Water Fund and Solid Waste Fund.

Governmental Activities Long-Term Debt

Notes Payable

The County entered into a note payable agreement in June 2020 with the United States Department of Agriculture Rural Development in the amount of $65,000 to finance public safety equipment. The note is due in annual installments with an interest rate of 2.375%. Final payment is due on June 19, 2027. The outstanding balance of the note at June 30, 2025 was $ 19,681.

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

The County entered into a note payable agreement in June 2021 with the United States Department of Agriculture Rural Development in the amount of $213,200 to finance public safety equipment. The note is due in annual installments with an interest rate of 2.125%. Final payment is due on June 19, 2028. The outstanding balance of the note at June 30, 2025 was $ 95,221.

The County entered into a note payable agreement in October 2021 with the United States Department of Agriculture Rural Development in the amount of $264,200 to finance public safety equipment. The note is due in annual installments with an interest rate of 2.125%. Final payment is due on October 8, 2031. The outstanding balance of the note at June 30, 2025 was $ 190,674.

Annual debt service requirements to maturity on the notes payable described above are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2026	$ 66,347	$ 6,551	$ 72,898
2027	67,857	5,041	72,898
2028	59,065	3,644	62,709
2029	27,219	2,388	29,607
2030	27,797	1,810	29,607
2031 - 2032	57,291	1,903	59,194
Total	$ 305,576	$ 21,337	$ 326,913

Subscription-based Information Technology Arrangements

In December 2021, the County executed a contract for emergency management software. This contract qualifies for reporting under the provisions of GASB Statement No. 96, Subscription-based Information Technology Arrangements. The contract calls for the County to make annual payments of $ 12,838 for five years ending in December 2025. As the contract with the vendor did not include a stated interest rate, the County estimated its incremental borrowing rate related to this arrangement to be 2.35% at the time of the execution of the contract.

In accordance with GASB Statement No. 96, the County measured its subscription payables under these contracts as the present value of the fixed payments required. These contracts with the vendors did not include any other items that would factor into the measurement of the liabilities, such as contract incentives, variable payments fixed in substance, or other payments that are reasonably certain of being required.

The County's subscription assets under these arrangements were equal to the subscription liabilities as no payments were made to the vendors at the commencement of the terms and there were no capitalizable implementation costs.

The debt service to maturity on the County's outstanding subscription payables is as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2026	$ 12,543	$ 295	$ 12,838
Total	$ 12,543	$ 295	$ 12,838

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

Business-type Activities Long-Term Debt

Lease Arrangements – The County entered into a lease arrangement for the right to use of water system infrastructure. The total of the County's right to use lease assets are included in the business-type activities capital assets in the amount of $ 30,353 (cost of $ 36,062 less accumulated amortization of $ 5,709). As of June 30, 2025 in accordance with GASB Statement No. 87 – Leases, the Right-To-Use Lease asset estimated future liabilities are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2026	$ 1,469	$ 931	$ 2,400
2027	1,514	886	2,400
2028	1,560	840	2,400
2029	1,608	792	2,400
2030	1,657	743	2,400
2031-2035	9,070	2,930	12,000
2036-2040	10,536	1,464	12,000
2041-2042	4,275	125	4,400
Total	$ 31,689	$ 8,711	$ 40,400

Revenue Bonds – The County's Water Revenue Bonds constitute special obligations of the County secured by the revenue from the operation of the water system. The proceeds of the Water and Sewerage System Revenue Refunding Bonds, Series 2015, were used for the purpose of expansion of the water and sewer system and infrastructure. The County issued the $1,570,000 Water and Sewerage Revenue Bonds, Series 2021, with an interest rate of 1.25%. These bonds were issued to finance the costs of expansion of the County's water and sewer infrastructure. Interest and principal is to be paid monthly. Revenue bonds outstanding as of June 30, 2025 are as follows:

Series 2015 $ 3,235,000 Water and Sewerage System Revenue Refunding Bonds, interest due in semiannual installments on April 1st and October 1st at 2.00% - 3.25% and principal due annually on April 1st. Final payment is due April 1, 2035.	$ 2,135,000
Less: Unamortized discount	(3,593)
Series 2021 $ 1,570,000 Water and Sewerage System Revenue Bonds, principal and interest due in monthly installments Beginning on December 24th at 1.25%. Final payment is due November 24, 2061.	1,458,943
Total Revenue Bonds	$ 3,590,350

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

Debt service requirements to maturity on the revenue bonds outstanding, as of June 30, 2025, are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2026	$ 156,876	$ 83,568	$ 240,444
2027	162,277	79,730	242,007
2028	207,636	75,796	283,432
2029	253,093	70,526	323,619
2030	263,509	63,511	327,020
2031-2035	1,428,928	199,626	1,628,554
2036-2040	185,111	64,549	249,660
2041-2045	197,088	52,572	249,660
2046-2050	209,798	39,862	249,660
2051-2055	223,327	26,333	249,660
2056-2060	237,726	11,934	249,660
2061-2062	64,981	684	65,665
Total	$ 3,590,350	$ 768,691	$ 4,359,041

Notes Payable – The County entered into notes payable agreements with the United States Department of Agriculture Rural Development in the amount of $470,000 to finance various water and sewer system projects. The notes are due in annual installments with varying interest rates between 2.000% and 2.125%. Final payment is due on March 24, 2054. The outstanding balance of the notes at June 30, 2025 was $ 373,776.

Annual debt service requirements to maturity on the notes payable described above are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2026	$ 9,625	$ 7,607	$ 17,232
2027	9,856	7,376	17,232
2028	10,040	7,192	17,232
2029	10,267	6,965	17,232
2030	10,479	6,753	17,232
2031-2035	55,722	30,438	86,160
2036-2040	61,719	24,441	86,160
2041-2045	68,392	17,768	86,160
2046-2050	75,769	10,391	86,160
2051-2054	61,907	2,713	64,620
Total	$ 373,776	$ 121,644	$ 495,420

The County also incurred debt to the Georgia Environmental Facilities Authority (GEFA) for various water and sewer system projects. These notes are as follows at June 30, 2025:

Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
1.50%	20 years	2028	$ 1,449,967	$ 210,387

Annual debt service requirements to maturity on the notes payable described above are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2026	$ 83,265	$ 2,543	$ 85,808
2027	84,667	1,141	85,808
2028	42,455	220	42,675
Total	$ 210,387	$ 3,904	$ 214,291

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

Additionally, the County has a construction line of credit agreement with a financial institution to be used as needed for the construction or expansion of the County's water and sewer infrastructure. As of June 30, 2025, $0 had been drawn on the line of credit.

3-I. Landfill Post-closure Care Cost

The County landfill closed in April 1994. Currently, the County has a contract with a private waste disposal facility, whereby all county waste will be transferred and disposed of by the private company. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the landfill site for a period of 30 years. As of June 30, 2025, the County has 3 years of monitoring remaining. The liability for the landfill post-closure care costs is estimated to be $59,100 as of June 30, 2025. These estimated costs are based on what it would cost to perform all post-closure care in fiscal year 2025. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

3-J. Pensions and Retirement Plans

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Lincoln County Defined Benefit Plan (the Plan), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG Plan, as provided in Section 19.03 of The ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document.

Eligibility - All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with five years of participation in the Plan. Covered earnings of active participants for the year ended December 31, 2024 totaled $ 2,084,571. Total payroll for all employees totaled $ 4,463,773 for the same period.

Benefits Provided – Participants become eligible to retire at age 65 with at least five years of participation in the Plan. Upon eligibility to retire, participants who participated in the Plan before January 1, 2004 are entitled to an annual compensation of 1.00% - 1.75% of average annual compensation multiplied by the average of the highest five consecutive years of earnings multiplied by the credited service. Participants who participated in the Plan on or after January 1, 2004 are entitled to an annual compensation of 1.00% of average annual compensation multiplied by the average of the highest five consecutive years of earnings multiplied by the credited service.

These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Funding Policy - The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statues. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan using the actuarial basis described in the annual valuation report.

Contributions – The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time to time the contribution rates for the County and its plan participants. For the year ended June 30, 2025, the County was required to contribute $ 394,810, or 18.94% of the covered employee payroll.

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions and Retirement Plans (Continued)

Employees covered by benefit terms – At January 1, 2024, the following employees were covered by the benefit terms:

Retirees, Beneficiaries and Disables receiving benefits	47
Terminated plan participants entitled to, but not yet receiving benefits	72
Active employees participating in the Plan	52
Total number of Plan Participants	171
Covered compensation for active participants	$ 2,084,571

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the County reported a liability for its net pension liability. The net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2024. An expected total pension liability as of December 31, 2024 was determined using standard roll-forward techniques. The County's net pension liability was based on contributions to the Plan during the fiscal year ended December 31, 2024.

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

Asset class	Target allocation	Long-term expected real rate of return
U. S. Fixed Income	30.00%	1.08%
U. S. Equity Large Core	30.00%	2.46%
International Core	15.00%	1.34%
SMid Cap Core	10.00%	0.91%
Private Real Estate	5.00%	0.43%
Global Care	5.00%	0.43%
U. S. Equity Core	5.00%	0.42%
Total	100.00%	

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

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions and Retirement Plans (Continued)

For the year ended June 30, 2025, the County recognized pension expense of $ 564,666. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 125,930	$ 19,745
Changes of assumptions	39,198	-0-
Net difference between projected and actual earnings on pension plan investments	471,418	435,336
Changes in proportion and differences between County contributions and proportionate share of contributions	-0-	-0-
County contributions subsequent to the measurement date	-0-	-0-
Total	$ 636,546	$ 455,081

Actuarial assumptions - The total pension liability as of December 31, 2024 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Annul return on invested plan assets	7.00%
Projected annual salary increases	4.00%-6.50% based on age
Expected annual inflation	2.00%

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements.

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

County contributions subsequent to the measurement date of December 31, 2024 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	$ 200,913
2027	124,990
2028	(108,296)
2029	(36,142)
2030	-0-
Thereafter	-0-

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions and Retirement Plans (Continued)

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

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
County's net pension liability	$ 2,439,579	$ 1,485,610	$ 694,153

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2023	$ 7,284,560	$ 5,495,459	$ 1,789,101
Changes for the year:			
Service Cost	140,226	-	140,226
Interest on Total Pension Liability	500,538	-	500,538
Differences between expected and actual experience	(36,200)	-	(36,200)
Assumption Change	9,528	-	9,528
Contributions - employer	-	394,810	(394,810)
Contributions - employee	-	-	-
Net investment income	-	580,842	(580,842)
Benefit payments (Adjusted for interest)	(268,020)	(268,020)	-
Administrative expenses	-	(32,799)	32,799
Other charges	-	(25,270)	25,270
Net Changes	346,072	649,563	(303,491)
Balances at December 31, 2024	$ 7,630,632	$ 6,145,022	$ 1,485,610

Pension plan fiduciary net position:

The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. Detailed information about the pension plan's fiduciary net position may be obtained at www.gebcorp.com or by writing to:

Association Count Commissioners of Georgia Retirement Services
191 Peachtree Street Northeast, Suite 700
Atlanta, Georgia 30303

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions and Retirement Plans (Continued)

Deferred Compensation Plan

The County has adopted a deferred compensation plan, the Lincoln County Deferred Compensation Plan, in accordance with Section 457 of the Internal Revenue Code. All full-time county employees meeting eligibility requirements are eligible to participate in the plan. The plan, administered by GEB Corp., is open to all full-time employees with more than 90 days of service not including elected officials who may be eligible for state provided retirement benefits. The County provides a 1% match of employee contributions to the Plan. The plan allows any employee participant to defer gross compensation in an amount not to exceed $23,500 per year. Any employee participant who reaches age 50 before the end of the calendar year is eligible to contribute an additional amount not to exceed $7,500 per year. All administration costs of the plan are deducted from the participants' accounts. Benefit payments are payable upon termination of employment, unforeseeable emergency, retirement or death. The Custodial Account Agreement requires the County set aside assets and income from the plan in trust for the exclusive benefit of the participants and their beneficiaries. The County is in compliance with the agreement.

The County believes that it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. At June 30, 2025, 2.10% or 5 of the County's 229 employees were participants in the deferred compensation plan. The employees of the County contributed $ 3,483 to the deferred compensation plan and the County contributed $ 1,330 for the required match during the year ended June 30, 2025. No other contributions are made into this plan.

The County has amended its plan to comply with the requirements of subsection (g) of Internal Revenue Code Section 457 and it has adopted GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (GASB 97). All assets and income of the plan described in subsection (b)(6) are held in trust for the exclusive benefit of the participants and their beneficiaries. Pursuant to GASB Statement No. 97, the County does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the County's plan are not reported in the County's financial statements.

Other State of Georgia Pension Plans:

The Sheriff, Clerk of Court, Probate Judge, Magistrate Judge, Tax Commissioner, and various other employees of the County are covered by the State of Georgia retirement plans and are not included as part of the County's plan described above. These State Plans are funded, in part, through County fines and forfeitures collections. Information on each of these plans may be found at the following:

Georgia Sheriffs Association Retirement Fund
Post Office Box 1000
Stockbridge, Georgia 30281

Superior Court of Clerk's Retirement Fund of Georgia
124 N. McDonough Street #3
Jonesboro, Georgia 30236

Judges of the Probate Courts Retirement Fund of Georgia
Post Office Box 56
Griffin, Georgia 30224

Magistrates Retirement Fund
Post Office Box 56
Griffin, Georgia 30224

Employee Retirement System
Two Northside 75, Suite 300
Atlanta, Georgia 30318

Peace Officers' Annuity and Benefit Fund
Post Office Box 56
Griffin, Georgia 30224

Note 3 - Detailed Notes on All Funds (Continued)

3-K. Net Investment in Capital Assets

Net investment of capital assets on the government-wide statement of net position as of June 30, 2025, is as follows:

	Governmental Activities	Business Type Activities	Component Units
Cost of capital assets	$ 47,082,784	$ 23,976,194	$ 1,826,167
Less accumulated depreciation and amortization	(28,653,541)	(9,379,411)	(1,155,714)
Book value	18,429,243	14,596,783	670,453
Less capital related debt	(318,119)	(4,206,202)	-
Net Investment in Capital Assets	$ 18,111,124	$ 10,390,581	$ 670,453

3-L. Fund Balances

The County's fund balance designations are summarized as follows:

Non-spendable – The following fund balances are non-spendable because they are allocated to:

General Fund:	
Prepaid items	$ 312,526
Inventory	23,379

Restricted –The following fund balances are restricted for:

Special Revenue Funds:	
Hotel/Motel Tax Fund	90,902
Jail Fund	15,142
Drug Education Fund	46,272
Family Connection Fund	17,001
Law Library Fund	9,300
E-911 Fund	145,567
Condemned Funds Fund	23,404
Local Government's Share of Opioid Settlement Payment Fund	39,963
American Rescue Plan Grant Fund	13,166
Capital Projects Funds:	
SPLOST VII Fund	2,404,123
TSPLOST Fund	1,443,188

Assigned - The following fund balances are assigned for:

General Fund:	
Capital projects	307,752
Fiscal Year 2026 Budget	390,000

Unassigned

General Fund:	5,519,251
Total Fund Balances	$ 10,800,936

Note 4 - Other Notes

4-A. Risk Management

The County is exposed to potential risk of loss in the areas of: theft, damage or destruction of County assets; errors and omission; natural disasters; and injuries to employees. Significant losses in these areas are covered by commercial insurance with the exception of workers' compensation. There have been no significant reductions in the amount of insurance coverage in the past year in any major category of risk. There have been no insurance settlements that exceeded coverage over the past year.

Note 4 - Other Notes (Continued)

4-A. Risk Management (Continued)

Insurance Risk - The County has its property and liability insurance with the ACCG-Inter-local Risk Management Agency, a self-insurance pool and a risk financing mechanism, whereby the members join together to provide a source of coverage for their property, automobiles, general liability, law enforcement liability, public officials liability, crime, and boiler and machinery exposures. The Fund is owned by its members and is managed by a seven-member board of trustees who are representatives from participating counties. The Fund is operated under the authority of OCGA 36-85-20 et seq. The ACCG-IRMA estimates the anticipated losses for its members and self-funds a portion of that exposure. The funds which are allocated for the anticipated losses are deposited and invested until such time that they are needed to pay claims. The ACCG-IRMA purchases appropriate reinsurance coverage to provide for catastrophic losses or for an unanticipated increase in frequency of smaller claims.

The County is a member of the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a risk sharing public entity risk pool currently operating as a common risk management and insurance program for member local governments. This fund was created to provide its members with an alternative method in which to finance their workers' compensation coverage. The County pays an annual premium to the fund for its workers' compensation coverage. The fund purchases excess insurance to protect the fund from catastrophic losses and for any unexpected increase in frequency of smaller claims.

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

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

4-B. Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was a defendant in several lawsuits as of June 30, 2025. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the fourteen county east central Georgia area, is a member of the Central Savannah River Area Regional Commission (RC) and is required to pay annual dues thereto. 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 of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements of the CSRA RC may be obtained from:

Central Savannah River Area Regional Commission
3023 Riverwatch Parkway, Suite A
Augusta, Georgia 30907

Note 4 - Other Notes (Continued)

4-D Lodging Tax

The County has levied a 5.00% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied of 5.00% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. For the fiscal year ended June 30, 2025, the County collected $ 52,504 of hotel/motel taxes. Management represents that 100% of the lodging tax received during the year ended June 30, 2025 will be used for the promotion of tourism.

4-E Tax Abatements

Lincoln County grants various tax incentives that are negotiated on an individual basis. Additionally, the County is subject to tax abatements granted by other authorities in addition to state and federal tax abatement programs.

Tax incentives provided by the County include a reduction of property taxes based on the percentage negotiated and have the stated purpose of increasing employment and business investment in the County. Each of the incentive agreements contain a recapture provision that requires repayment of a portion of the abatement if the business fails to meet its job and/or investment thresholds. For the fiscal year ended June 30, 2025, the County did not have any tax incentive agreements to disclose to be in compliance with GASB 77.

4-F Subsequent Events

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through November 30, 2025. Management has not identified any items requiring recognition or disclosure.

4-G. Deficit Equity Balances

As of June 30, 2025, the Water Fund Enterprise Fund had a deficit unrestricted net position of $ 335,306. This is due to increases in other operating and non-operating expenditures. The County plans to liquidate this deficit net position through future revenue recognition.

4-H Prior Period Adjustments

Component Units:

The Lincoln County Health Department determined that a restatement of beginning net position of the Governmental Activities was necessary as a result of an adjustment to the Health Department's financial position. An adjustment was made to restate the Health Department's beginning net position as indicated on the Statement of Activities of the Governmental Activities. The beginning net position of the governmental activities has been restated from the prior year as follows:

Net position, June 30, 2024, as previously reported	$	123,649
Prior period adjustment, implementation of GASB Statement No. 101		(7,226)
Net position, June 30, 2024, restated	$	116,423

Lincoln County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	$ 5,208,954	$ 5,208,954	$ 5,473,300	$ 264,346
Licenses and permits	139,000	139,000	136,530	(2,470)
Intergovernmental	640,377	3,442,412	3,503,276	60,864
Charges for services	1,127,352	1,127,352	994,242	(133,110)
Fines, forfeitures and fees	244,050	244,050	264,996	20,946
Investment earnings	100,000	100,000	123,388	23,388
Miscellaneous	55,500	55,500	65,892	10,392
Total Revenues	7,515,233	10,317,268	10,561,624	244,356
Expenditures				
Current:				
General government	3,134,020	6,185,900	6,185,360	540
Judicial	490,424	486,614	486,531	83
Public safety	3,096,785	2,970,775	2,970,002	773
Public works	553,656	390,506	390,243	263
Health and welfare	374,083	365,958	365,496	462
Culture and recreation	357,359	366,309	365,969	340
Conservation of natural resources	82,170	74,170	73,932	238
Housing and development	266,279	243,679	243,119	560
Debt Service:				
Principal retirement	-	64,950	64,949	1
Interest and fiscal charges	-	7,950	7,949	1
Total Expenditures	8,354,776	11,156,811	11,153,550	3,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	(839,543)	(839,543)	(591,926)	247,617
Other Financing Sources (Uses)				
Transfers in (out)	449,543	449,543	(95,959)	(545,502)
Total Other Financing Sources (Uses)	449,543	449,543	(95,959)	(545,502)
Special Items				
Gain on disposition of assets	-	-	7,500	7,500
Net Change in Fund Balances	$ (390,000)	$ (390,000)	(680,385)	$ (290,385)
Fund Balance, Beginning of Year			7,233,293	
Fund Balances, End of Year			$ 6,552,908	

Lincoln County, Georgia
American Rescue Plan Federal Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental	$ -	$ -	$ 455,406	$ 455,406
Investment earnings	-	-	5,069	5,069
Total Revenues	-	-	460,475	455,406
Capital Outlay:				
Public safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	460,475	455,406
Other Financing Sources (Uses)				
Transfers in (out)	(1,110,000)	(1,110,000)	(455,406)	(654,594)
Net Change in Fund Balance	$ (1,110,000)	$ (1,110,000)	5,069	$ 1,115,069
Fund Balance, Beginning of Year			8,097	
Fund Balance, End of Year			$ 13,166	

Lincoln County, Georgia

Schedule of Changes in Net Pension Liability and Related Ratios

For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	$ 140,226	$ 116,280	$ 105,487	$ 119,023	$ 114,141	$ 97,053	$ 105,452	$ 102,656	$ 103,765	$ 116,094
Interest on total pension liability	500,538	424,934	421,433	393,902	369,474	338,805	318,317	297,151	286,554	258,060
Differences between expected and actual experience	(36,200)	629,650	(237,655)	106,550	75,457	20,704	39,822	61,560	11,381	13,770
Assumption change	9,528	170,007	7,726	6,873	6,970	181,912	171,997	7,210	121,650	105,312
Benefit payments (Adjusted for interest)	(268,020)	(253,581)	(240,380)	(225,711)	(208,432)	(192,264)	(179,936)	(173,322)	(158,771)	(113,326)
Net change in total pension liability	346,072	1,087,290	56,611	400,637	357,610	446,210	455,652	295,255	364,579	379,910
Total pension liability, Beginning	7,284,560	6,197,270	6,140,659	5,740,022	5,382,412	4,936,202	4,480,550	4,185,295	3,820,716	3,440,806
Total pension liability, Ending	$ 7,630,632	$ 7,284,560	$ 6,197,270	$ 6,140,659	$ 5,740,022	$ 5,382,412	$ 4,936,202	$ 4,480,550	$ 4,185,295	$ 3,820,716
Plan fiduciary net position										
Contributions - employer	$ 394,810	$ 410,927	$ 286,819	$ 332,400	$ 299,407	$ 254,216	$ 226,748	$ 242,457	$ 237,611	$ 240,241
Net investment income	580,842	700,128	(783,064)	715,571	545,283	697,463	(158,091)	487,713	211,062	23,152
Benefit payments (Adjusted for interest)	(268,020)	(253,581)	(240,380)	(225,711)	(208,432)	(192,264)	(179,936)	(173,322)	(153,032)	(109,230)
Administrative expenses	(32,799)	(30,801)	(31,351)	(27,372)	(26,756)	(24,820)	(14,029)	(11,211)	(14,499)	(11,882)
Other charges	(25,270)	(22,826)	(51,236)	(22,848)	(44,309)	(33,954)	(17,024)	(49,249)	(24,908)	(37,989)
Net change in plan fiduciary net position	649,563	803,847	(819,212)	772,040	565,193	700,641	(142,332)	496,388	256,234	104,292
Plan fiduciary net position, Beginning	5,495,459	4,691,612	5,510,824	4,738,784	4,173,591	3,472,950	3,615,282	3,118,894	2,862,660	2,758,368
Plan fiduciary net position, Ending	$ 6,145,022	$ 5,495,459	$ 4,691,612	$ 5,510,824	$ 4,738,784	$ 4,173,591	$ 3,472,950	$ 3,615,282	$ 3,118,894	$ 2,862,660
County's net pension liability	$ 1,485,610	$ 1,789,101	$ 1,505,658	$ 629,835	$ 1,001,238	$ 1,208,821	$ 1,463,252	$ 865,268	$ 1,066,401	$ 958,056
Plan fiduciary net position as a percentage of the total pension liability	80.53%	75.44%	75.70%	89.74%	82.56%	77.54%	70.36%	80.69%	74.52%	74.92%
Covered-employee payroll	$ 2,084,571	$ 2,125,310	$ 1,830,434	$ 2,041,456	$ 1,993,977	$ 1,791,168	$ 1,813,592	$ 1,644,501	$ 1,599,926	$ 1,725,201
County's net pension liability as a percentage of covered-employee payroll	71.27%	84.18%	82.26%	30.85%	50.21%	67.49%	80.68%	52.62%	66.65%	55.53%

Lincoln County, Georgia
Schedule of Pension Contributions
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 394,810	$ 410,927	$ 286,819	$ 332,400	$ 299,407	$ 236,419	$ 214,718	$ 238,914	$ 233,124	$ 235,060
Contributions in relation to the contractually required contribution	394,810	410,927	286,819	332,400	299,407	254,216	226,748	242,457	237,611	240,241
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ (17,797)	$ (12,030)	$ (3,543)	$ (4,487)	$ (5,181)
County's covered-employee payroll	$ 2,084,571	$ 2,125,310	$ 1,830,434	$ 2,041,456	$ 1,993,977	$ 1,791,168	$ 1,813,592	$ 1,644,501	$ 1,599,926	$ 1,725,201
Contributions as a percentage of covered-employee payroll	18.94%	19.33%	15.67%	16.28%	15.02%	14.19%	12.50%	14.74%	14.85%	13.93%

Note 1 - Budgetary Information

Budgets for the general fund and special revenue funds are adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

The County's financial statements did not reflect any expenditures in excess of budgeted amounts.

Note 2 - Schedule of Pension Contributions

Method and assumptions used in calculations of actuarially determined contributions: The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2025 reported in that schedule:

Valuation date	January 1, 2024
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, open
Remaining amortization method	9.60 years
Asset valuation period	Five-year smoothed market
Inflation rate	2.00%
Salary increases	4.00 - 6.50% per year, adjusted for age
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Lincoln County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 1,218,018	$ 3,789,893
Investments	2,159,738	2,139,307
Receivables:		
Accounts, net	223,232	253,265
Property taxes, net	80,744	73,263
Intergovernmental	3,217,218	577,594
Interfund	478,770	627,500
Other	125,874	125,986
Leases	165,808	140,527
Prepaid items	312,526	317,411
Inventory	23,379	26,420
Total Assets	$ 8,005,307	$ 8,071,166
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 105,947	$ 104,343
Accrued expenses	530,377	249,744
Intergovernmental payable	122,230	-
Interfund payables	186,542	276,929
Due to others	2,910	2,450
Total Liabilities	948,006	633,466
Deferred Inflows of Resources		
Leases	160,411	136,701
Unavailable revenue: grant funds	289,012	-
Unavailable revenue: property taxes	54,970	67,706
Total Liabilities and Deferred Inflows of Resources	1,452,399	837,873
Fund Balances		
Nonspendable		
Inventory	23,379	26,420
Prepaid items	312,526	317,411
Assigned		
Subsequent Fiscal Year Budget	390,000	390,000
Capital projects	307,752	307,752
Unassigned	5,519,251	6,191,710
Total Fund Balances	6,552,908	7,233,293
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 8,005,307	$ 8,071,166

Lincoln County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2024 Actual
REVENUES					
Taxes					
General property tax	$ 3,142,954	$ 3,142,954	$ 3,086,533	$ (56,421)	$ 2,707,273
Vehicle property tax	-	-	36,212	36,212	40,798
Title ad valorem tax	575,000	575,000	646,237	71,237	610,399
Mobile home property tax	-	-	17,767	17,767	19,895
Recording intangible tax	50,000	50,000	41,273	(8,727)	45,143
Real estate transfer tax	15,000	15,000	18,370	3,370	19,457
Timber tax	-	-	13,548	13,548	14,965
Other taxes	-	-	-	-	49
Insurance premium tax	510,000	510,000	542,283	32,283	509,559
Local option sales tax	850,000	850,000	1,002,646	152,646	882,384
Bank licenses and taxes	16,000	16,000	14,237	(1,763)	13,309
Franchise taxes	20,000	20,000	19,804	(196)	20,363
Alcoholic beverage licenses/taxes	30,000	30,000	34,390	4,390	32,320
Total Taxes	5,208,954	5,208,954	5,473,300	264,346	4,915,914
Licenses and Permits	139,000	139,000	136,530	(2,470)	131,879
Intergovernmental					
Federal grant funds	-	2,802,035	2,946,792	144,757	154,116
Federal P.I.L.O.T.	165,000	165,000	182,318	17,318	176,517
Forest Land Protection Grant	11,000	11,000	5,289	(5,711)	11,683
Columbia County library supplement	61,100	61,100	62,213	1,113	50,837
Nutrition Program	65,000	65,000	62,389	(2,611)	59,085
DOT transit program revenues	79,473	79,473	58,428	(21,045)	43,644
State grant funds	74,271	74,271	30,795	(43,476)	695,471
Juvenile Offenders Program	-	-	5,644	5,644	3,151
Other local funds	184,533	184,533	149,408	(35,125)	160,746
Total Intergovernmental	640,377	3,442,412	3,503,276	60,864	1,355,250
Charges for Services					
Commissions on tax collections	190,000	190,000	201,478	11,478	199,455
Ambulance fees	450,000	450,000	403,468	(46,532)	392,157
Correction Institute-inmate cost rebate	325,000	325,000	205,887	(119,113)	255,199
Rental income	112,102	112,102	113,091	989	109,478
Administrative fees	-	-	-	-	15,000
Library fees	3,600	3,600	7,300	3,700	5,604
Transportation program fares	5,100	5,100	5,203	103	6,180
Recreation fees and sponsorships	35,800	35,800	41,645	5,845	31,981
Other government charges	5,750	5,750	16,170	10,420	8,805
Total Charges for Services	1,127,352	1,127,352	994,242	(133,110)	1,023,859

(Continued)

Lincoln County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2024 Actual
REVENUES					
Fines, Forfeitures and Fees					
State and superior courts	$ 60,550	$ 60,550	$ 97,599	$ 37,049	$ 87,871
Sheriff's fees	69,000	69,000	72,309	3,309	108,686
Magistrate court	5,500	5,500	6,197	697	7,136
Probate court	109,000	109,000	88,891	(20,109)	110,415
Total Fines, Forfeitures and Fees	244,050	244,050	264,996	20,946	314,108
Investment Earnings	100,000	100,000	123,388	23,388	108,644
Miscellaneous					
Penalties & interest/costs	26,500	26,500	32,430	5,930	36,397
Sale of surplus property	5,000	5,000	4,666	(334)	2,000
Other	24,000	24,000	28,796	4,796	8,748
Total Miscellaneous	55,500	55,500	65,892	10,392	47,145
TOTAL REVENUES	$ 7,515,233	$ 10,317,268	$ 10,561,624	$ 244,356	$ 7,896,799

Lincoln County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				
	Original Budget	Final Budget	Actual	Variance (Over) Under	2024 Actual
EXPENDITURES					
General Government					
Board of commissioners	$ 241,610	$ 237,710	$ 237,697	$ 13	$ 222,432
Tax commissioner	209,334	198,984	198,934	50	229,407
Tax assessor	225,747	226,407	226,401	6	201,226
Capital improvements	130,000	-	-	-	53,211
County buildings	310,357	825,357	825,334	23	364,277
Human resources	875,000	930,300	930,217	83	718,485
General administration	638,960	3,268,710	3,268,443	267	325,818
Finance office	166,820	165,570	165,543	27	161,892
County attorney	34,350	28,750	28,724	26	24,049
Information technology	144,358	147,673	147,666	7	119,698
Board of equalization	8,658	5,683	5,654	29	2,505
Elections and registrar	148,826	150,756	150,747	9	151,617
Total General Government	3,134,020	6,185,900	6,185,360	540	2,574,617
Judicial					
State and superior courts	213,566	209,866	209,846	20	217,770
Toombs circuit	62,100	67,790	67,760	30	52,690
Probate court	214,758	208,958	208,925	33	219,569
Total Judicial	490,424	486,614	486,531	83	490,029
Public Safety					
Sheriff	967,223	981,173	981,152	21	842,259
County jail	844,090	795,090	794,820	270	739,394
Office of emergency services	1,225,597	1,146,497	1,146,211	286	1,221,726
County fire departments	31,800	23,825	23,778	47	18,746
Animal control	-	1,115	1,104	11	-
Coroner	28,075	23,075	22,937	138	27,294
Total Public Safety	3,096,785	2,970,775	2,970,002	773	2,849,419
Public Works					
Roads department	477,880	321,230	320,983	247	482,880
Shop	75,776	69,276	69,260	16	84,582
Total Public Works	553,656	390,506	390,243	263	567,462

(Continued)

Lincoln County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				
	Original Budget	Final Budget	Actual	Variance (Over) Under	2024 Actual
EXPENDITURES					
Health and Welfare					
Community services	$ 77,925	$ 75,025	$ 74,940	$ 85	$ 104,705
Transportation program	155,965	127,165	126,964	201	92,853
Senior citizens program	92,851	118,401	118,314	87	112,377
Lincoln center	19,500	16,200	16,129	71	12,626
Leisure services	27,842	29,167	29,149	18	20,037
Total Health and Welfare	374,083	365,958	365,496	462	342,598
Culture and Recreation					
Art and recreation	181,900	213,050	213,002	48	254,658
Library	175,459	153,259	152,967	292	157,565
Total Culture and Recreation	357,359	366,309	365,969	340	412,223
Conservation of Natural Resources					
Agriculture resources	82,170	74,170	73,932	238	70,576
Total Conservation of Natural Resources	82,170	74,170	73,932	238	70,576
Housing and Development					
Economic development	90,726	90,726	90,516	210	80,812
Community development	175,553	152,953	152,603	350	102,763
Total Housing and Development	266,279	243,679	243,119	560	183,575
Debt Service					
Principal	-	64,950	64,949	1	63,575
Interest	-	7,950	7,949	1	9,322
Total Debt Service	-	72,900	72,898	2	72,897
TOTAL EXPENDITURES	$ 8,354,776	$ 11,156,811	$ 11,153,550	$ 3,261	$ 7,563,396

Lincoln County, Georgia
SPLOST VII Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 2,338,214	$ 1,874,561
Intergovernmental receivable	114,596	97,231
Total Assets	$ 2,452,810	$ 1,971,792
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 30,352	$ 20,749
Intergovernmental payable	18,335	-
Total Liabilities	48,687	20,749
Fund Balances		
Restricted for capital projects	2,404,123	1,951,043
Total Fund Balances	2,404,123	1,951,043
Total Liabilities and Fund Balances	$ 2,452,810	$ 1,971,792

Lincoln County, Georgia
SPLOST VII Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025	2024
Revenues		
Sales taxes	$ 1,253,300	$ 1,103,060
Investment earnings	27,042	19,536
Total Revenues	1,280,342	1,122,596
Expenditures		
Intergovernmental	195,203	177,066
Capital outlay		
General government	16,418	78,399
Public works	17,300	4,526
Public safety	418,052	244,111
Culture and recreation	180,289	9,907
Total Expenditures	827,262	514,009
Net Change in Fund Balance	453,080	608,587
Fund Balance, Beginning of Year	1,951,043	1,342,456
Fund Balance, End of Year	$ 2,404,123	$ 1,951,043

Lincoln County, Georgia
TSPLOST Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 1,579,366	$ 1,599,995
Intergovernmental receivable	236,448	74,627
Total Assets	$ 1,815,814	$ 1,674,622
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 372,626	$ 15,796
Total Liabilities	372,626	15,796
Fund Balances		
Restricted for public works	1,443,188	1,658,826
Total Liabilities and Fund Balances	$ 1,815,814	$ 1,674,622

Lincoln County, Georgia
TSPLOST Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025	2024
Revenues		
Taxes - TSPLOST	$ 969,823	$ 915,145
Intergovernmental	1,076,244	981,951
Total Revenues	2,046,067	1,897,096
Expenditures		
Capital outlay		
Public works	2,261,705	704,020
Total Expenditures	2,261,705	704,020
Excess (Deficiency) of Revenues Over (Under) Expenditures	(215,638)	1,193,076
Other Financing Sources (Uses)		
Transfers in (out)	-	76,373
Net Change in Fund Balances	(215,638)	1,269,449
Fund Balances, Beginning of Year	1,658,826	389,377
Fund Balances, End of Year	$ 1,443,188	$ 1,658,826

Lincoln County, Georgia
American Rescue Plan Federal Grant Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 336,753	$ 806,090
Total Assets	$ 336,753	$ 806,090
Liabilities and Fund Balances		
Liabilities		
Interfund payables	$ -	$ 19,000
Unearned revenues	323,587	778,993
Total Liabilities	323,587	797,993
Fund Balances		
Restricted for program purposes	13,166	8,097
Total Liabilities and Fund Balances	$ 336,753	$ 806,090

Lincoln County, Georgia
American Rescue Plan Federal Grant Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025	2024
Revenues		
Intergovernmental	$ 455,406	$ 420,355
Investment earnings	5,069	13,353
Total Revenues	460,475	433,708
Capital Outlay:		
Public safety	-	-
Total Expenditures	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	460,475	433,708
Other Financing Sources (Uses)		
Transfers in (out)	(455,406)	(433,708)
Net Change in Fund Balance	5,069	-
Fund Balance, Beginning of Year	8,097	8,097
Fund Balance, End of Year	$ 13,166	$ 8,097

Lincoln County, Georgia
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2025

	Special Revenue Funds								
	Hotel/Motel Tax Fund	**E-911 Fund**	**Law Library**	**Family Connection Fund**	**Drug Education Fund**	**Jail Fund**	**Local Government's Share of Opioid Settlement Payment Fund**	**Condemned Funds Fund**	**Total**
Assets									
Cash and cash equivalents	$ 84,344	$ 68,103	$ 9,045	$ 66,376	$ 46,272	$ 14,266	$ 7,105	$ 23,404	$ 318,915
Receivables:									
Accounts, net	-	-	255	-	-	-	-	-	255
Intergovernmental	3,478	28,425	-	13,250	-	-	-	-	45,153
Interfund receivables	-	311,294	-	-	-	-	32,858	-	344,152
Other	4,607	-	-	-	-	876	-	-	5,483
Total Assets	$ 92,429	$ 407,822	$ 9,300	$ 79,626	$ 46,272	$ 15,142	$ 39,963	$ 23,404	$ 713,958
Liabilities									
Accounts payable	$ 1,258	$ 825	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,083
Accrued expenses	-	26,270	-	-	-	-	-	-	26,270
Interfund payables	269	235,160	-	62,625	-	-	-	-	298,054
Total Liabilities	1,527	262,255	-	62,625	-	-	-	-	326,407
Fund Balances									
Restricted for program purposes	90,902	145,567	9,300	17,001	46,272	15,142	39,963	23,404	387,551
Total Fund Balances	90,902	145,567	9,300	17,001	46,272	15,142	39,963	23,404	387,551
Total Liabilities and Fund Balances	$ 92,429	$ 407,822	$ 9,300	$ 79,626	$ 46,272	$ 15,142	$ 39,963	$ 23,404	$ 713,958

Lincoln County, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

For the Year Ended June 30, 2025

	Special Revenue Funds								
	Hotel/Motel Tax Fund	**E-911 Fund**	**Law Library**	**Family Connection Fund**	**Drug Education Fund**	**Jail Fund**	**Local Government's Share of Opioid Settlement Payments Fund**	**Condemned Funds Fund**	**Total**
Revenues									
Taxes	$ 52,504	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 52,504
Intergovernmental	-	58,334	-	70,257	-	-	18,894	-	147,485
Charges for services	-	167,479	-	-	-	-	-	-	167,479
Fines, forfeitures and fees	-	-	3,783	-	3,168	11,577	-	1,929	20,457
Total Revenues	52,504	225,813	3,783	70,257	3,168	11,577	18,894	1,929	387,925
Expenditures									
Current:									
Judicial	-	-	3,468	-	-	-	-	-	3,468
Public safety	-	475,996	-	-	-	-	42,041	583	518,620
Health and welfare	-	-	-	62,261	-	-	-	-	62,261
Housing and development	45,331	-	-	-	-	-	-	-	45,331
Capital Outlay	-	7,500	-	-	-	15,958	-	-	23,458
Total Expenditures	45,331	483,496	3,468	62,261	-	15,958	42,041	583	653,138
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,173	(257,683)	315	7,996	3,168	(4,381)	(23,147)	1,346	(265,213)
Other Financing (Uses)									
Transfers in (out), net	-	257,683	-	-	-	-	-	-	257,683
Net Change in Fund Balances	7,173	-	315	7,996	3,168	(4,381)	(23,147)	1,346	(7,530)
Fund Balances, Beginning	83,729	145,567	8,985	9,005	43,104	19,523	63,110	22,058	395,081
Fund Balances, Ending	$ 90,902	$ 145,567	$ 9,300	$ 17,001	$ 46,272	$ 15,142	$ 39,963	$ 23,404	$ 387,551

Lincoln County, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 84,344	$ 80,680
Intergovernmental receivable	3,478	1,458
Other receivable	4,607	4,477
Total Assets	$ 92,429	$ 86,615
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 1,258	$ 2,886
Interfund payables	269	-
Total Liabilities	1,527	2,886
Fund Balances		
Restricted for program purposes	90,902	83,729
Total Liabilities and Fund Balances	$ 92,429	$ 86,615

Lincoln County, Georgia
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	$ 51,000	$ 51,000	$ 52,504	$ 1,504	$ 51,522
Total Revenues	51,000	51,000	52,504	1,504	51,522
Expenditures					
Housing and development	51,000	51,000	45,331	5,669	34,235
Net Change in Fund Balances	$ -	$ -	7,173	$ 7,173	17,287
Fund Balances, Beginning of Year			83,729		66,442
Fund Balances, End of Year			$ 90,902		$ 83,729

Lincoln County, Georgia
E-911 Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 68,103	$ 42,969
Intergovernmental receivable	28,425	28,613
Interfund receivable	311,294	345,576
Total Assets	$ 407,822	$ 417,158
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 825	$ 1,066
Accrued expenses	26,270	6,748
Interfund payables	235,160	263,777
Total Liabilities	262,255	271,591
Fund Balances		
Restricted for program purposes	145,567	145,567
Total Liabilities and Fund Balances	$ 407,822	$ 417,158

Lincoln County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenue	$ 59,100	$ 59,100	$ 58,334	$ (766)	$ 58,346
Charges for services	173,150	173,150	167,479	(5,671)	171,788
Total Revenues	232,250	232,250	225,813	(6,437)	230,134
Expenditures					
Current:					
Public safety	500,900	476,000	475,996	4	444,204
Capital Outlay	-	7,500	7,500	-	39,103
Total Expenditures	500,900	483,500	483,496	4	483,307
Excess (Deficiency) of Revenues Over (Under) Expenditures	(268,650)	(251,250)	(257,683)	(6,433)	(253,173)
Other Financing Sources (Uses)					
Transfers in	268,650	251,250	257,683	6,433	253,173
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances, Beginning of Year			145,567		145,567
Fund Balances, End of Year			$ 145,567		$ 145,567

Lincoln County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 9,045	$ 8,670
Accounts receivable	255	315
Total Assets	$ 9,300	$ 8,985
Fund Balance		
Restricted for program purposes	$ 9,300	$ 8,985

Lincoln County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 4,000	$ 4,000	$ 3,783	$ (217)	$ 4,043
Expenditures					
Current:					
Judicial	4,000	4,000	3,468	532	7,233
Net Change in Fund Balance	$ -	$ -	315	$ 315	(3,190)
Fund Balance, Beginning of Year			8,985		12,175
Fund Balance, End of Year			$ 9,300		$ 8,985

Lincoln County, Georgia
Family Connection Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 66,376	$ 62,748
Interfund receivable	-	10,545
Intergovernmental receivable	13,250	14,990
Total Assets	$ 79,626	$ 88,283
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 1,700
Accrued expenses	-	3,463
Interfund payables	62,625	74,115
Total Liabilities	62,625	79,278
Fund Balances		
Restricted for program purposes	17,001	9,005
Total Liabilities and Fund Balances	$ 79,626	$ 88,283

Lincoln County, Georgia
Family Connection Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenue	$ 80,462	$ 80,462	$ 70,257	$ (10,205)	$ 65,177
Total Revenues	80,462	80,462	70,257	(10,205)	65,177
Expenditures					
Current:					
Health and welfare	80,462	80,462	62,261	18,201	75,722
Total Expenditures	80,462	80,462	62,261	18,201	75,722
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	7,996	(7,996)	(10,545)
Other Financing Sources (Uses)					
Transfers in (out)	-	-	-	-	10,545
Net Change in Fund Balances	$ -	$ -	7,996	$ (7,996)	-
Fund Balances, Beginning of Year			9,005		9,005
Fund Balances, End of Year			$ 17,001		$ 9,005

Lincoln County, Georgia
Drug Education Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 46,272	$ 42,858
Other receivables	-	246
Total Assets	$ 46,272	$ 43,104
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund Balances		
Restricted for program purposes	46,272	43,104
Total Fund Balances	46,272	43,104
Total Liabilities and Fund Balances	$ 46,272	$ 43,104

Lincoln County, Georgia
Drug Education Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 2,500	$ 2,500	$ 3,168	$ 668	$ 2,184
Total Revenues	2,500	2,500	3,168	668	2,184
Expenditures					
Current:					
Public safety	2,500	2,500	-	2,500	-
Net Change in Fund Balances	$ -	$ -	3,168	$ 3,168	2,184
Fund Balances, Beginning of Year			43,104		40,920
Fund Balances, End of Year			$ 46,272		$ 43,104

Lincoln County, Georgia
Jail Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 14,266	$ 18,441
Other receivables	876	1,082
Total Assets	$ 15,142	$ 19,523
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total liabilities	-	-
Fund Balances		
Restricted for program purposes	15,142	19,523
Total Liabilities and Fund Balances	$ 15,142	$ 19,523

Lincoln County, Georgia
Jail Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 15,000	$ 16,000	$ 11,577	$ (4,423)	$ 10,401
Total Revenues	15,000	16,000	11,577	(4,423)	10,401
Expenditures					
Current:					
Public safety	13,300	-	-	-	11,215
Capital Outlay					
Public safety	1,700	16,000	15,958	42	-
Total Expenditures	15,000	16,000	15,958	42	11,215
Net Change in Fund Balances	$ -	$ -	(4,381)	$ (4,465)	(814)
Fund Balances, Beginning of Year			19,523		20,337
Fund Balances, End of Year			$ 15,142		$ 19,523

Lincoln County, Georgia
Local Government's Share of Opioid Settlement Payments Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 7,105	$ 252
Interfund receivables	32,858	62,858
Total Assets	$ 39,963	$ 63,110
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total liabilities	-	-
Fund Balances		
Restricted for program purposes	39,963	63,110
Total Liabilities and Fund Balances	$ 39,963	$ 63,110

Lincoln County, Georgia
Local Government's Share of Opioid Settlement Payments Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenues	$ 1,000	$ 42,100	$ 18,894	$ (23,206)	$ 34,253
Total Revenues	1,000	42,100	18,894	(23,206)	34,253
Expenditures					
Current:					
Public safety	1,000	42,100	42,041	59	-
Total Expenditures	1,000	42,100	42,041	59	-
Net Change in Fund Balances	$ -	$ -	(23,147)	$ (23,147)	34,253
Fund Balances, Beginning of Year			63,110		28,857
Fund Balances, End of Year			$ 39,963		$ 63,110

Lincoln County, Georgia
Condemned Funds Fund
Comparative Balance Sheet
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 23,404	$ 22,058
Total Assets	$ 23,404	$ 22,058
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total liabilities	-	-
Fund Balances		
Restricted for program purposes	23,404	22,058
Total Liabilities and Fund Balances	$ 23,404	$ 22,058

Lincoln County, Georgia
Condemned Funds Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 5,000	$ 5,000	$ 1,929	$ (3,071)	$ 11,520
Total Revenues	5,000	5,000	1,929	(3,071)	11,520
Expenditures					
Current:					
Public safety	5,000	5,000	583	4,417	2,304
Net Change in Fund Balances	$ -	$ -	1,346	$ 1,346	9,216
Fund Balances, Beginning of Year			22,058		12,842
Fund Balances, End of Year			$ 23,404		$ 22,058

Lincoln County, Georgia
Water Fund
Comparative Statement of Net Position
June 30, 2025 and 2024

	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 204,274	$ 283,568
Restricted assets - cash	275,580	302,563
Accounts receivable, net	122,320	117,581
Total Current Assets	602,174	703,712
Noncurrent Assets:		
Prepaid bond issuance	9,420	10,362
Capital Assets:		
Nondepreciable	99,123	101,623
Depreciable, net	14,407,089	14,855,162
Total Noncurrent Assets	14,515,632	14,967,147
TOTAL ASSETS	15,117,806	15,670,859
DEFERRED OUTFLOWS OF RESOURCES		
Related to pension plan	43,731	47,539
Total Deferred Outflows of Resources	43,731	47,539
LIABILITIES		
Current Liabilities:		
Accounts payable	171,489	287,100
Accrued liabilities	96,054	37,894
Interfund payable	307,187	353,945
Compensated absences	1,749	-
Lease payable	1,469	1,426
Notes payable	92,890	91,453
Revenue bond payable	156,876	151,480
Total Current Liabilities	827,714	923,298
Long-Term Liabilities:		
Lease payable (net of current portion)	30,220	31,689
Notes payable (net of current portion)	491,273	584,151
Compensated absences (net of current portion)	5,246	8,424
Net pension liability	102,062	71,564
Revenue bond payable (net of current portion)	3,433,474	3,589,334
Total Long-Term Liabilities	4,062,275	4,285,162
TOTAL LIABILITIES	4,889,989	5,208,460
DEFERRED INFLOWS OF RESOURCES		
Related to pension plan	31,264	21,346
Total Deferred Inflows of Resources	31,264	21,346
Net Position		
Net investment in capital assets	10,300,010	10,507,252
Restricted for debt service	275,580	302,563
Unrestricted	(335,306)	(321,223)
TOTAL NET POSITION	$ 10,240,284	$ 10,488,592

Lincoln County, Georgia
Water Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Year Ended June 30, 2025 and 2024

	2025	2024
Operating Revenues		
Charges for services	$ 1,146,464	$ 1,263,239
Miscellaneous	8,119	4,832
Total Operating Revenues	1,154,583	1,268,071
Operating Expenses		
Cost of water	364,049	240,469
Salaries and benefits	309,731	334,830
Materials and supplies	104,747	162,791
Repairs and maintenance	123,609	26,945
Professional and contract services	72,998	116,297
Utilities	76,002	69,984
Other operating expenses	56,559	56,842
Depreciation	482,530	474,324
Amortization	9,090	10,548
Total Operating Expenses	1,599,315	1,493,030
Operating Income (Loss)	(444,732)	(224,959)
Non-Operating Revenues (Expenses)		
Investment earnings	3,171	2,966
Interest and fiscal charges	(100,429)	(104,126)
Total Non-Operating Revenues (Expenses)	(97,258)	(101,160)
Income (Loss) Before Transfers and Capital Contributions	(541,990)	(326,119)
Transfers in (out)	293,682	34,767
Change in Net Position	(248,308)	(291,352)
Net Position, Beginning of Year	10,488,592	10,779,944
Net Position, End of Year	$ 10,240,284	$ 10,488,592

Lincoln County, Georgia
Solid Waste Fund
Comparative Statement of Net Position
June 30, 2025 and 2024

	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 876,085	$ 804,157
Accounts receivable, net of allowances	42,676	35,614
Prepaid items	673	-
Total Current Assets	919,434	839,771
Noncurrent Assets:		
Capital Assets:		
Nondepreciable, net	62,000	62,000
Depreciable, net	28,571	46,831
Total Noncurrent Assets	90,571	108,831
TOTAL ASSETS	1,010,005	948,602
DEFERRED OUTFLOWS OF RESOURCES		
Related to pension plan	13,304	-
Total Deferred Outflows of Resources	13,304	-
LIABILITIES		
Current Liabilities:		
Accounts payable	137	357
Accrued liabilities	8,196	2,643
Unearned revenues	510,327	374,635
Interfund payable	31,139	58,713
Compensated absences	349	-
Post-closure liability, current portion	9,850	9,850
Total Current Liabilities	559,998	446,198
Long-Term Liabilities:		
Compensated absences (net of current portion)	1,048	-
Net pension liability	31,049	-
Post-closure liability, net of current portion	49,250	49,250
Total Long-Term Liabilities	81,347	49,250
TOTAL LIABILITIES	641,345	495,448
DEFERRED INFLOWS OF RESOURCES		
Related to pension plan	9,511	-
Total Deferred Inflows of Resources	9,511	-
Net Position		
Net investment in capital assets	90,571	108,831
Unrestricted (deficit)	281,882	344,323
Total Net Position	$ 372,453	$ 453,154

Lincoln County, Georgia
Solid Waste Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Year Ended June 30, 2025 and 2024

	2025	2024
Operating Revenues		
Charges for services	$ 954,261	$ 921,076
Total Operating Revenues	954,261	921,076
Operating Expenses		
Salaries and benefits	151,696	178,966
Repairs	1,400	25,364
Supplies	923	11,911
Utilities	5,520	4,031
Professional and contract services	853,867	597,292
Other	3,296	1,760
Depreciation	16,955	16,955
Amortization	1,305	1,566
Total Operating Expenses	1,034,962	837,845
Operating Income (Loss)	(80,701)	83,231
Non-Operating Revenues (Expenses)		
Interest expense and fiscal charges	-	(35)
Total Non-Operating Revenues (Expenses)	-	(35)
Income (Loss) Before Transfers	(80,701)	83,196
Transfers in (out)	-	(50,000)
Change in Net Position	(80,701)	33,196
Net Position, Beginning of Year	453,154	419,958
Net Position, End of Year	$ 372,453	$ 453,154

Lincoln County, Georgia
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	Clerk of Superior Court	Probate/ Magistrate Court	Sheriff's Department	Tax Commissioner's Office	Total
Assets					
Cash and cash equivalents	$ 107,486	$ 54,019	$ 50,974	$ 448,896	$ 661,375
Taxes receivable for other governments	-	-	-	171,346	171,346
Total Assets	107,486	54,019	50,974	620,242	832,721
Liabilities					
Funds due to others	94,735	46,969	40,388	305,865	487,957
Uncollected taxes	-	-	-	171,346	171,346
Total Liabilities	94,735	46,969	40,388	477,211	659,303
Net Position					
Restricted for individuals, organizations, and other governments	12,751	7,050	10,586	143,031	173,418
Total Net Position	$ 12,751	$ 7,050	$ 10,586	$ 143,031	$ 173,418

Lincoln County, Georgia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2025

	Clerk of Superior Court	Probate/ Magistrate Court	Sheriff's Department	Tax Commissioner's Office	Total
Additions					
Taxes collected	$ -	$ -	$ -	$ 14,125,692	$ 14,125,692
Fines and fees collected	148,853	223,646	229,209	-	601,708
Funds collected for others	178,043	-	-	-	178,043
Total Additions	326,896	223,646	229,209	14,125,692	14,905,443
Deductions					
Taxes distributed	-	-	-	14,150,503	14,150,503
Fines and fees disbursed	136,102	231,262	224,506	-	591,870
Funds distributed to others	194,722	-	-	-	194,722
Total Deductions	330,824	231,262	224,506	14,150,503	14,937,095
Changes in Net Position	(3,928)	(7,616)	4,703	(24,811)	(31,652)
Net Position - Beginning of Year	16,679	14,666	5,883	167,842	205,070
Net Position - End of Year	$ 12,751	$ 7,050	$ 10,586	$ 143,031	$ 173,418

Lincoln County, Georgia
SECTION 5311 TRANSPORTATION PROGRAM
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended June 30, 2025

Contract Number T008262
Grant Number GA-2024-010-00

REVENUES		
Reimbursements received from GA Department of Transportation	$	58,428
Participant contributions		3,143
TOTAL		61,571
EXPENDITURES		
Salaries and Fringe Benefits		
Administrative and operating		98,126
Operating Expenditures		
Fuel and operational supplies		16,534
Vehicle maintenance		1,126
Utilities		2,451
Office supplies		820
Rental expense		220
Other operating expenses		900
TOTAL		120,177
Revenues in Excess of (less than) Expenditures	$	(58,606)

* * The revenues and expenditures listed above are actual revenues and expenditures for the periods shown. In some instances, these amounts will exceed the amounts reported on the monthly reimbursement requests submitted. This occurs due to the fact that once an expenditure classification exceeds its budget, actual expenditures incurred are no longer included on the reimbursement request.

Lincoln County, Georgia
Schedule of Projects Funded
with Special Sales Tax Proceeds
For the Year Ended June 30, 2025

Special Sales Tax VII Imposed January 1, 2022	Original Estimated Cost	Expenditures			Estimated Percent Completed
		Prior Years	Current Year	Total	
Project Description					
County-wide projects (undesignated)	$ 1,174,358	$ 41,357	$ -	$ 41,357	3.5%
Capital improvements for transportation, government buildings, community and recreation, public safety, public works, and general government	3,757,947	295,586	632,059	927,645	24.7%
	4,932,305	336,943	632,059	969,002	
Intergovernmental					
City of Lincolnton	939,487	427,378	195,203	622,581	66.3%
TOTAL	$ 5,871,792	$ 764,321	$ 827,262	$ 1,591,583	

Lincoln County, Georgia
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing (AL) Number	Agency or Pass-through Number	Expenditures	Passed Through to Subrecipients
477 Cluster				
U. S. Department of Health and Human Services				
Passed through CSRA Economic Opportunity Authority, Inc.				
Community Services Block Grant	93.569	2025	$ 7,904	$ -
Total 477 Cluster			**7,904**	**-**
Aging Cluster				
U. S. Department of Health and Human Services				
Passed through CSRA RC				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2010-12 20 8202.0545	4,308	-
Subtotal AL 93.044			4,308	-
Special Programs for the Aging, Title III Part C, Nutrition Services				
HCD5 HDM	93.045	2010-23 20 8202.0545	52	-
ARPA HDM	93.045	2017-16 20 8202.0545	3,772	-
Title III-C-1	93.045	2010-16 20 8202.0545	23,869	-
ARPA - Congregate Meals	93.045	2017-14 20 8202.0545	14,233	-
Home Delivered Meals - Title III-C-2	93.045	2010-14 20 8202.0545	6,503	-
Subtotal AL 93.045			48,429	-
Nutrition Services Incentive Program	93.053	2010-16 20 8202.0545	7,796	-
Subtotal AL 93.053			7,796	-
Total Aging Cluster			**60,533**	**-**
Community Facilities Loans and Grants Cluster				
U. S. Department of Agriculture				
Direct program				
Community Facilities Loans and Grants - Beginning Balance	10.766	2020 Loan 91-13	29,168	-
Community Facilities Loans and Grants - Beginning Balance	10.766	2021 Loan 97-15	125,651	-
Community Facilities Loans and Grants - Beginning Balance	10.766	2022 Loan 97-17	215,651	-
Community Facilities Loans and Grants - Issued in 2025	10.766	2025	-	-
Total Community Facilities Loans and Grants Cluster			**370,470**	**-**
Transit Services Programs Cluster				
U.S. Department of Transportation				
Passed through Georgia Department of Human Services				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	2025	36,256	-
Total Transit Services Programs Cluster			**36,256**	**-**
Other Programs				
U. S. Department of Agriculture				
Direct program				
Rural Business Development Grant	10.351	2023	23,687	-
Total U. S. Department of Agriculture			**23,687**	**-**
U.S. Department of Defense				
Passed through from Georgia Office of the State Treasurer				
Payments to States in Lieu of Real Estate Taxes	12.112	486Flood	8,699	-
Total U.S. Department of Defense			**8,699**	**-**
U.S. Department of the Interior				
Direct program				
Payment in Lieu of Real Estate Taxes	15.226	2025	182,318	-
Total U.S. Department of the Interior			**182,318**	**-**
U.S. Department of Transportation				
Passed through from Georgia Department of Transportation				
COVID-19 - Formula Grants for Rural Areas	20.509	GA-2024-010-00	58,428	-
Total U.S. Department of Transportation			**58,428**	**-**

Lincoln County, Georgia
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing (AL) Number	Agency or Pass-through Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Treasury				
Direct Award				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	2024	$ 455,406	$ -
Passed through State of Georgia Toombs Judicial Circuit				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	2024	133,477	-
Total U.S. Department of Treasury			**588,883**	**-**
U. S. Department of Education				
Passed through Lincoln County Community Partnership, Inc.				
Education Stabilitzation Fund (ESF)	84.425	S425U210012	14,007	-
Total U. S. Department of Education			**14,007**	**-**
U.S. Department of Homeland Security				
Passed through State of Georgia - Emergency Management Agency				
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4830-DR-GA	2,736,768	-
Total U.S. Department of Homeland Security			**2,736,768**	-
Total Other Programs			**3,612,790**	**-**
Total Expenditures of Federal Awards			**$ 4,087,953**	**$ -**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Lincoln County, Georgia (the County) under programs of the federal government for the 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 Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the 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 assets, or cash flows of the County. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. For ALN 97.036 – Disaster Grants – Public Assistance, expenditures are reported when the eligible work is completed and costs are incurred, consistent with FEMA's guidance. Accordingly, the Schedule includes $ 2,736,768 of expenditures related to disaster recovery efforts incurred during fiscal year 2025, although reimbursement was not received until fiscal year 2026.

NOTE C – MEASUREMENT FOCUS

The determination of when an award is expended is based on when the activity related to the award occurred.

NOTE D – PROGRAM TYPE DETERMINATION

Type A programs are defined as federal programs with federal expenditures exceeding $ 750,000 of total federal expenditures.

NOTE E – DE MINIMIS INDIRECT COST RATE

The County elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance for the fiscal year ended June 30, 2025.

NOTE F – NONCASH ASSISTANCE AND LOANS

There were no federal awards expended in the form of noncash assistance, and the County did not receive any federal loans during the fiscal year ended June 30, 2025. The County was approved by the United States Department of Agriculture Rural Development to receive Community Facilities loans for $ 65,000, for $ 213,200, and for $ 264,000 to purchase public safety equipment and received these loans during the fiscal years ended June 30, 2020, 2021, and 2022, respectively. Federal Community Facilities loan balances outstanding at June 30, 2025, for which the County continues to have federal compliance requirements, are included in the County's financial statements and as federal expenditures in the Schedule. The amounts listed for these loans in the Schedule include the beginning of the period loan balances plus any proceeds used during the year. The loan balances owed as of June 30, 2025 were $ 19,681, $ 95,221, and $ 190,674, respectively. These loan balances are reported on the County's Statement of Net Position as of June 30, 2025. See Note 3-H Long-term Debt in the County's Notes to the Basic Financial Statements for further information on these loans.

NOTE G – SUBRECIPIENTS

The County passes certain federal awards received from the U. S. Department of Labor to other governments or not-for-profit agencies (subrecipients). As Note B describes, the County reports expenditures of federal awards to subrecipients on the modified accrual basis of accounting. As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that the subrecipients achieve the award's performance goals.

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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 of Lincoln County
Lincolnton, 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 Lincoln County, Georgia (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2025. We did not audit the financial statements of the Development Authority of Lincoln County, which represents 90.4% of the assets, 92.3% of the net position, and 55.5% of the revenues of the aggregate discretely presented component units for the year ended June 30, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Development Authority of Lincoln County, is based solely on the report of the other auditors.

Report on Internal Control Over Financial Reporting

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

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

corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-01 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Lincoln County, Georgia's Responses to Findings

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

Purpose of this Report

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

Jones, Jones, Davis & Associates

Louisville, Georgia
November 30, 2025

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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 of Lincoln County
Lincolnton, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lincoln County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2025. Lincoln 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, Lincoln 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 Lincoln 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 Lincoln 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 Lincoln 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 Lincoln 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 Lincoln 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 Lincoln 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 Lincoln 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 Lincoln 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.



Louisville, Georgia
November 30, 2025

Section 1 – Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Lincoln County, Georgia (the County) were prepared in accordance with GAAP.

2. One deficiency disclosed during the audit of the financial statements is reported in 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*. This deficiency is reported as a material weakness.

3. There were no instances of noncompliance material to the financial statements disclosed during the audit of the financial statements reported in 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*.

4. There were no deficiencies related to the audit of the major federal award programs reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs for the County expresses an unmodified opinion on all major federal programs.

6. There were no audit findings relative to the major federal award programs for the County that are required to be reported in accordance with 2 CFR section 200.516(a).

7. The programs tested as major programs were:

   U. S. Department of Homeland Security

Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036

   U. S. Department of Treasury

COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027

8. The threshold for distinguishing between type A and type B programs was $ 750,000.

9. Lincoln County, Georgia did not qualify as a low-risk auditee for the fiscal year ended June 30, 2025.

Section 2 – Financial Statement Findings

Internal Control

Material Weakness

Finding 2025-01 Lack of Segregation of Duties (Repeat Finding of Prior Year 2024-01)

Condition: There is not adequate segregation of duties between the recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments and offices maintained by the County.

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording or processing financial transactions are not performed by the same individual.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Cause: The material weakness is the result of the County not having sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities between recording, processing distribution and reconciliation of cash accounts and other operational functions in the various funds, departments, and offices maintained by the County.

Recommendation: The County should require monthly bank reconciliations to be performed by someone independent of the cash receipting and check disbursement functions. All adjusting journal entries made to cash accounts should be made monthly and approved by management and indication of approval should be noted on the records. Additionally, the County should continue to monitor this situation and use alternative control measures where available to assist in safeguarding the County's assets.

Views of Responsible Officials and Planned Corrective Action: Management concurs with the finding. Due to the limited number of personnel, we have determined it is not cost effective to fully segregate duties. Management has implemented compensating controls to the extent practical to include management supervision and review of employees' duties.

Findings - Compliance

There were no compliance findings noted for the year ended June 30, 2025 that are required to be reported in accordance with *Government Auditing Standards.*

Section 3 – Federal Award Findings and Questioned Costs

No findings on questioned costs were noted for the year ended June 30, 2025 that are required to be reported in accordance with the Uniform Guidance.

Section 1 – Prior Year Financial Statement Findings and Questioned Costs

Internal Control

Material Weakness

Finding 2024-01 Lack of Segregation of Duties

Condition: There is not adequate segregation of duties between the recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments and offices maintained by the County. This is especially prominent in the following offices: Water Department and Clerk of Superior Court.

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording or processing financial transactions are not performed by the same individual.

Status: Unresolved. See current year finding at 2025-01

Section 2 – Prior Year Federal Award Findings and Questioned Costs

No findings on questioned costs were noted for the year ended June 30, 2024 that were required to be reported in accordance with the Uniform Guidance.