LUMPKIN COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2025

Prepared By:
The Lumpkin County Office of Financial Administration

INTRODUCTORY SECTION

LUMPKIN COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

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LUMPKIN COUNTY BOARD OF COMMISSIONERS

David Miller
District 1

Bobby Mayfield
District 2

Chris Dockery
Chairman

Rhett Stringer
District 3

Jeff Moran
District 4

May 31, 2026

To the Citizens of Lumpkin County, Georgia:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of Lumpkin County, Georgia for the fiscal year ended December 31, 2025.

This report consists of management's representations concerning the finances of Lumpkin County and was prepared by the Office of Financial Administration. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. The County's comprehensive framework of internal controls is designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatements. We believe the data is presented in a manner which fairly sets forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain a comprehensive understanding of the County's financial activity have been included.

The County's financial statements have been audited by Mauldin & Jenkins LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2025, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Lumpkin County, Georgia's financial statements for the

fiscal year ended December 31, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to assure compliance with applicable laws and regulations related to those programs. Thus, internal controls are subject to periodic evaluation by management.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

General Information on Lumpkin County

Lumpkin County was officially established on December 3, 1832. Named in honor of Wilson Lumpkin, who served in both state houses, as governor, and in the U.S. House of Representatives and Senate. The County was carved out of what were then Cherokee, Hall and Habersham Counties.

Resting in the foothills of the Appalachian Mountains, Lumpkin County is 285 square miles in area, approximately 44% of which is located within the Chattahoochee National Forest. The population of the County has grown by 14% over the past ten years with a current 2025 census population estimate of 36,178.

In 1836, the Old Courthouse was built in the center of Dahlonega and is today the oldest public building in North Georgia. Also, in 1836 the U.S. government opened one of the first Federal Branch Mints in Dahlonega. More than $6 million in gold coins were minted at the site that was later to become University of North Georgia's Price Memorial Hall (the original mint building was burned to the foundation in 1878). The University was one of the first Federal Land Grant colleges and is to this day one of the premier military institutions in the nation.

Government Structure

Prior to January 1, 2005, Lumpkin County's Charter set forth a Sole Commissioner form of government under which the Commissioner was elected to serve as the executive and legislative body for the County.

The form of government was changed to a five-person Board of Commissioners, effective January 1, 2005. The Board is comprised of four members that live in a specific district but are elected by voters countywide. Terms for the Board of Commissioners are staggered, so as to provide some continuity on the board. The Chairman is elected by voters countywide to serve a four-year term.

Each year, the members of the Board elect one of their own to serve as vice-chairman for the coming year. A County Manager, appointed by the Board of Commissioners, serves as the administrative head of Lumpkin County Government. The County Manager provides direction to department heads and managers to implement policies set forth by the Board of Commissioners.

The citizens also elect other officials, such as the Tax Commissioner, Sheriff, Magistrate Court Judge, Probate Court Judge, Superior Court Judges, Clerk of Courts, Coroner and County Surveyor.

The County provides a full range of services, including police and fire protection, the construction and maintenance of highways, streets and other infrastructure, and recreational facilities.

The County maintains budgetary controls to ensure compliance with the annual appropriated budget approved by the Lumpkin County Board of Commissioners and State law. Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, debt service fund, and all special revenue funds. Project-length budgets are adopted for all capital projects funds. Annual operating budgets are not legally required for enterprise funds, but are prepared for use in planning, control and evaluation purposes. Budgetary control is essential to good financial management and the County has established a legacy of balanced budgets and good budgetary control. For each fund, financing sources are identified for all expenditures/expenses. The level of budgetary control (the level at which expenditures cannot legally exceed the approved budget) is established at the department level. The County does not currently use an encumbrance system under which purchase orders, contracts or other commitments for goods and services not yet received would be recorded as a reservation of fund balance. Instead, such commitments are re-budgeted each year.

Prior to January 1, 2005, the Sole Commissioner, the Director of Finance, and the Budget Officer acted as a Budget Committee. Subsequent to January 1, 2005, Georgia Senate Bill 58, the Act creating the Board of Commissioners, places the duty of budget preparation upon the County Manager.

Revenue and expenditure estimates are prepared by the responsible department and presented to the Budget Committee/County Manager. The Budget Committee/County Manager reviews the budget requests and makes decisions regarding the proposed budget. The proposed budget is then submitted to the Board of Commissioners for their consideration. The proposed budget is presented to interested citizens during a public hearing. The Board of Commissioners then adopts the final budget at an official meeting.

Unforeseen situations may arise during the year that might require budget amendments. Department heads may request line-item budget amendments through the Finance Department, provided that the budget amendment does not increase or

decrease the overall budget for that department. Any changes in department totals require approval at an official meeting by the Board of Commissioners.

Economic Condition and Outlook

Lumpkin County lies just 40 miles north of the perimeter highway that circles Atlanta, Georgia. It is also adjacent to Dawson County, which is one of the fastest growing counties in the nation. The busy State Route 400 crosses the southern portion of Lumpkin County, providing easy access for Atlanta area commuters. As the metropolitan Atlanta growth moves northward, Lumpkin County is now on the fringes of dense development creating a demand for residential properties. This growth also increases the demand for police and fire protection and water and sewer services.

The County's economy is based largely on a mix of tourism and related services, manufacturing, and agriculture. The County has experienced an increase in the rate of economic growth since the onset of the COVID-19 pandemic, largely due to its location and broad mix of industries. A rural lifestyle retailer opened on State Route 400 in 2025. Construction is underway for a new 172,000 square foot manufacturing facility and distribution center, which will open in 2026.

Major Initiatives & Accomplishments

During 2025, Lumpkin County was awarded three grants totaling $12,629.44.

Other accomplishments during the year include:

- Resurfacing approximately 26 lane miles of County roads, using a combination of Federal, State, and local money
- Constructing a new roundabout at a heavily traveled intersection
- Adding a ladder truck to the Emergency Services fleet
- Renovating Fire Station #2

Financial Policies

The Finance Department strives to keep current with recommendations on financial policies and procedures. The policies and procedures adopted by the Lumpkin County Board of Commissioners are published in the codification of county ordinances and distributed to all departments as needed. There was no significant impact to the current financial statements based on adopted policies or procedures.

Acknowledgments

The preparation, design and publication of this Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. We would also like to express our appreciation and thanks to the firm of Mauldin & Jenkins, LLC. The firm's

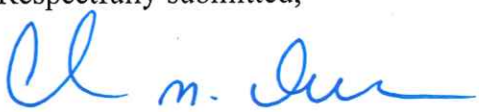
dedication to the highest standard of governmental accounting and auditing and strong support of the finance office staff throughout the year has proven to be extremely beneficial.

Sincere appreciation also goes to the various elected officials, and county department directors for their assistance and positive attitude throughout the year in matters pertaining to the financial affairs of the County.

We would also like to thank local photographer Jack Anthony for generously allowing us to use his photographs in this document.

Finally, we thank the Board of Commissioners for their support and direction in conducting the financial affairs of the County in a responsible manner.

Respectfully submitted,



Alan Ours
County Manager



Abby C. Branan
Director of Finance and Purchasing

LIST OF OFFICIALS
LUMPKIN COUNTY, GEORGIA

COMMISSIONER'S OFFICE

Chris Dockery	**Chairman**
Tucker Greene	**District 1**
Bobby Mayfield	**District 2**
Rhett Stringer	**District 3**
Jeff Moran	**District 4**
Alan Ours	**County Manager**
Ashley Peck	**Assistant County Manager**
Melissa Witcher	**County Clerk**

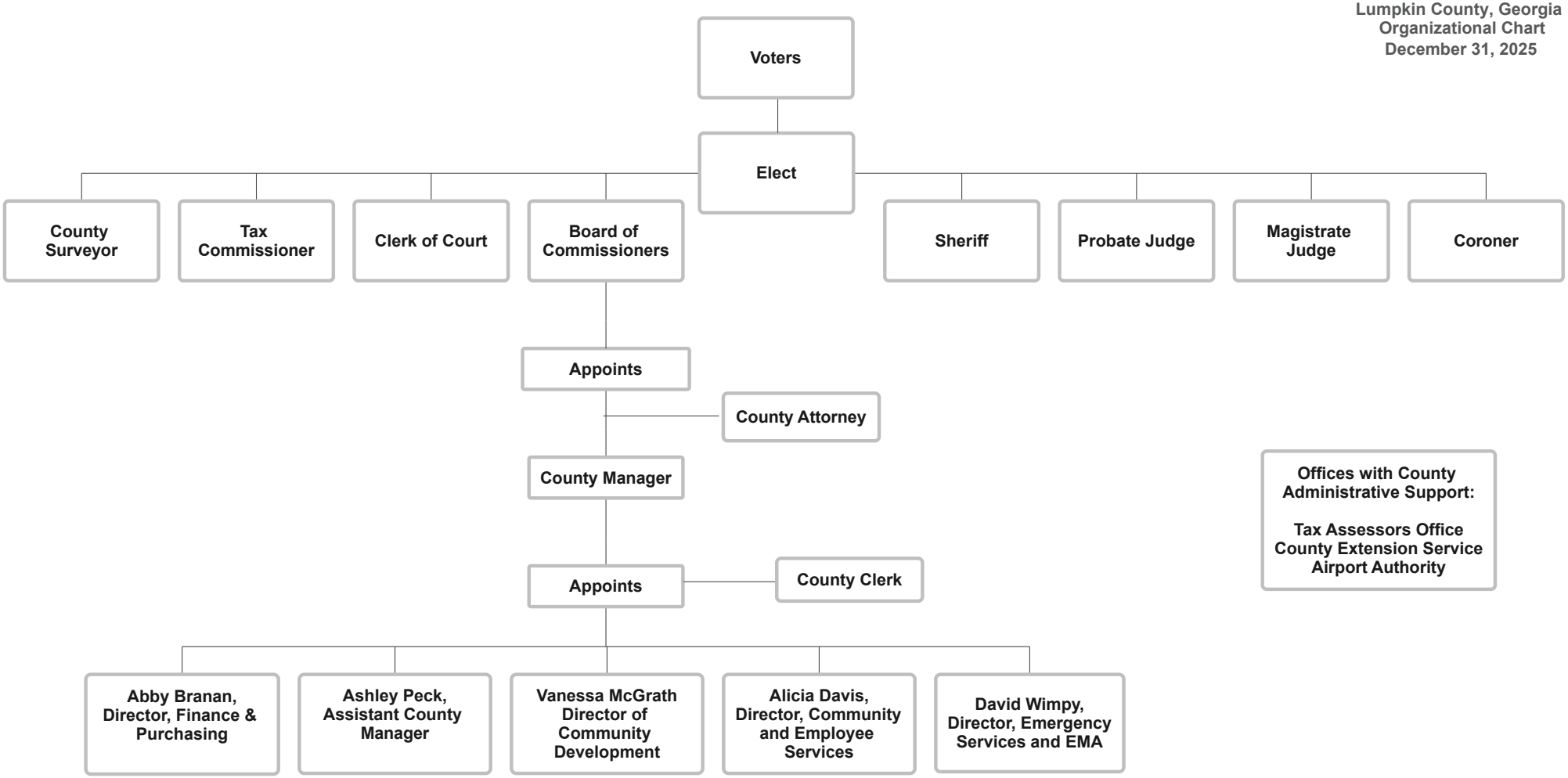
DEPARTMENT DIRECTORS

Abby C. Branan	**Finance**
Alicia Davis	**Human Resources**
Vacant	**Parks & Recreation**
Chris Thomas	**Public Works**
Vanessa McGrath	**Planning**
Marc Bottoms	**Senior Center**
Danny Ziemer	**Chief Appraiser**
Ashley Peck	**Registrar**
Wayne Marshall	**Animal Shelter**
David Wimpy	**Emergency Management**
Jared Ray	**Pinetree Recreation Center**

JUDICIAL & OTHER ELECTED OFFICIALS

Rita Harkins	**Clerk of Court**
Michael Chastain	**Probate Judge**
Wil Maxwell	**Magistrate Judge**
Jeff Langley	**District Attorney**
Joy Parks	**Chief Superior Court Judge**
Raymond George	**Superior Court Judge**
Buckley Levins	**Superior Court Judge**
Jeremy Clough	**Juvenile Court Judge**
Mike Young	**Tax Commissioner**
Stacy Jarrard	**Sheriff**
Mark Cox	**Coroner**
John Gaston	**County Surveyor**

Lumpkin County, Georgia
Organizational Chart
December 31, 2025



FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Lumpkin County, Georgia
Dahlonega, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited 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 **Lumpkin County, Georgia** (the "County") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying 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 Lumpkin County, Georgia, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Lumpkin County Department of Public Health, which represents 4%, 2%, and 7%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units as of December 31, 2025, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lumpkin County Department of Public Health, is based solely on the report of the other auditor.

Basis for Opinions

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

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MEMBERS OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the General Fund budgetary comparison schedule, the Multiple Grant Fund budgetary schedule, the schedule of changes in the County's net pension liability and related ratios and the schedule of County contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, the schedule of expenditures of federal awards 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,* the schedule of supplemental official income, the schedule of expenditures of transportation special purpose local option sales tax proceeds, and the schedule of expenditures of special purpose local option sales tax proceeds (the "supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2026 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 31, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Lumpkin County's Annual Comprehensive Financial Report provides readers with a narrative overview and analysis of the County's financial performance during the fiscal year that ended on December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report, the County's basic financial statements, and notes to the financial statements to enhance their understanding of the activities and financial health of Lumpkin County.

The County is required to present a discussion and analysis of our financial condition and performance for the year ended December 31, 2025.

Financial Highlights

- Lumpkin County's governmental activities assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2025 by approximately $146.4 million (*net position*). Of this amount, approximately $14.7 million (*unrestricted*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of December 31, 2025, the governmental funds of Lumpkin County reported combined ending fund balances of approximately $55.3 million, an increase of approximately $3.4 million in comparison with the prior year ending fund balances. Of this total fund balance, approximately $25.0 million is in the SPLOST Fund for SPLOST-related projects, and approximately $10.5 million is in the Local Roads Fund for transportation projects. Approximately 19% of the combined ending fund balances, $10.4 million, is *available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of 2025, unassigned fund balance for the General Fund was approximately $11.6 million, or 39.3% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's *Basic Financial Statements*. The Basic Financial Statements contain three components: government-wide financial statements (including component unit statements), fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the County government, reporting the County's operations in more detail than the government-wide statements.

- ***Governmental Fund Statements*** tell how *general government* services like general government, public safety, judicial system, public works, health and welfare, cultural and recreation, and housing and development were financed in the short-term as well as what remains for future spending.

- ***Proprietary Fund Statements*** offer *short-term* and *long-term* financial information about the activities the County government operates similar to a private business. The Solid Waste Fund is reported as an *enterprise fund*. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to allocate for its group insurance activities. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

- ***Fiduciary Fund Statements*** provides information about *Custodial Fund* assets held by the County, which is acting solely as a *trustee or agent* for the benefit of others, to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. In addition to these required components, a section is included with combining statements that provide further detail about our nonmajor governmental funds, each of which are added together and presented in a single column in each of the basic financial statements.

Table A on the following page summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

TABLE A

Major Features of Lumpkin County's Government-Wide and Fund Financial Statements

	Government-Wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Custodial Funds
Scope	Entire County government (except fiduciary funds). The County's Component Units are shown in separate columns on the required financial statements	The activities of the County that are not proprietary or fiduciary, such as general government, public safety, judicial system, public works, health and welfare, culture and recreation and housing and development	Activities the County operates similar to private business, including the Solid Waste Fund	Instances in which the County is the trustee or agent for someone else's resources
Required financial statements	❑ Statement of Net Position ❑ Statement of Activities	❑ Balance Sheet ❑ Statement of Revenues, Expenditures and Changes in Fund Balance	❑ Statement of Net Position ❑ Statement of Revenues, Expenses and Changes in Net Position ❑ Statement of Cash Flows	❑ Statement of Fiduciary Net Position ❑ Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting
Type of asset/ liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the County's funds do not currently contain capital assets, although they can
Type of inflow/ outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All receipts and disbursements during year, regardless of when cash is received or paid

Government-Wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the County's *net position* and how they have changed. Net position, the difference between the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, is one way to measure the County's financial health or current position.

- Over time, increases or decreases in the County's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, consideration should be given to additional nonfinancial factors such as changes in the County's property tax base and the condition of the County's roads.

The government-wide financial statements of the County are divided into three categories:

- *Governmental activities*: Most of the County's basic services are included here, such as general government, public safety, judicial system, public works, health and welfare, culture and recreation and housing and development. Property taxes, local option sales taxes, and state and federal grants finance most of these activities.
- *Business-type activities*: The County charges fees to customers to help cover the costs of certain services it provides. The County's only Enterprise Fund, the Solid Waste Fund is included.
- *Component units*: The County includes five other entities in its report as discretely presented component units: the Lumpkin County Health Department, the Lumpkin County Water and Sewerage Authority, Development Authority of Lumpkin County, the Lumpkin County Hospital Authority, and the Lumpkin County Airport Authority. The County includes one entity in its report as a blended component unit and debt service fund: the Lumpkin County Public Building Authority. Although legally separate, these "component units" are important because the County is financially accountable for them.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by state law and by bond covenants.
- The County establishes other funds to control and manage resources for particular purposes (i.e., Debt Service and Capital Projects Funds) or show that certain revenues are used appropriately (i.e., Special Revenue Funds).

The County has three kinds of funds:

- *Governmental funds:* Most of the County's basic services are included in governmental funds, which focus on: (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on the subsequent page of the governmental funds statement that explains the relationship (or differences) between the two types of statements.
- *Proprietary funds:* Services for which the County charges customers a fee and are expected to be largely self-supporting, are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. The County's Enterprise Fund is classified as a business-type activity on the government-wide statements, but more detailed information is provided in the Proprietary Fund Statements, such as its cash flows. The County also uses an internal service fund to allocate for its group insurance activities, and this fund is also presented in the proprietary fund financial statements.
- *Custodial funds:* Custodial funds are used to account for resources held for the benefit of parties outside the government. These balances are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

Financial Analysis of the County as a Whole

Net position. As discussed earlier, net position may serve as a useful indicator of a government's financial position. As of December 31, 2025, the County's governmental activities net position was approximately $146.4 million, which is an increase of approximately $11.8 million from the adjusted prior year. Table B on the following page provides a summary of the County's governmental and business-type net positions for 2025 and 2024.

TABLE B

LUMPKIN COUNTY, GEORGIA'S NET POSITION
December 31, 2025 and 2024
($ in thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2025	2024	2025	2024	2025	2024
CURRENT ASSETS	$78,907	$71,945	$(2)	$-	$78,905	$71,945
CAPITAL ASSETS (net of depreciation)	128,570	122,012	1,094	531	129,664	122,543
DEFERRED OUTFLOWS OF RESOURCES	2,128	2,051	-	-	2,128	2,051
TOTAL ASSETS	209,605	196,008	1,092	531	210,697	196,539
CURRENT AND LONG-TERM LIABILITIES	47,504	46,207	181	198	47,685	46,405
DEFERRED INFLOWS OF RESOURCES	15,657	15,626	-	-	15,657	15,626
TOTAL LIABILITIES	63,161	61,833	181	198	63,342	62,031
NET POSITION:						
NET INVESTMENT IN CAPITAL ASSETS	102,613	97,487	1,094	531	103,707	98,018
RESTRICTED FOR DEBT SERVICE	4	84	-	-	4	84
RESTRICTED FOR CAPITAL PROJECTS	25,118	19,123	-	-	25,118	19,123
RESTRICTED FOR PUBLIC SAFETY ACTIVITIES	1,717	462	-	-	1,717	462
RESTRICTED FOR HEALTH AND WELFARE	225	251	-	-	225	251
RESTRICTED FOR PLANNING	1,126	919	-	-	1,126	919
RESTRICTED FOR LAW LIBRARY OPERATIONS	56	38	-	-	56	38
RESTRICTED FOR JUDICIAL ACTIVITIES	359	500	-	-	359	500
RESTRICTED FOR TOURISM	515	294	-	-	515	294
UNRESTRICTED **	14,711	15,017	(183)	(198)	14,528	14,819
TOTAL NET POSITION	146,444	134,175	$911	$333	$147,355	$134,508

A significant portion (70.38%) of the net position represents the *net investment in capital assets*. This includes land, buildings, machinery and equipment, right-to-use, and infrastructure assets, offset with associated long-term debt liabilities. Capital assets are restricted for the purpose of providing services to the citizens of Lumpkin County; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Other restricted net position components represent resources that are subject to external restrictions on how they may be used and represent 19.76% of the total. Included in this category are unspent SPLOST proceeds for Debt Service Reserves (0.002% of the total), funds restricted for capital projects (17.05% of the total), public safety activities (1.16% of the total), health and welfare activities (0.15% of the total), planning department operations (0.76% of the total), law library operations (0.04% of the total), judicial activities (0.24% of the total), and tourism (0.35% of the total). The remaining 9.86% of net position represent the unrestricted portion available for the County's ongoing obligations to its citizens.

Changes in Revenues and Expenses. Table C presents the County's 2025 and 2024 revenues and expenses for governmental and business-type activities as they are reported in the entity wide statements.

TABLE C

LUMPKIN COUNTY, GEORGIA'S CHANGES IN NET POSITION
Year Ended December 31, 2025 and 2024
($ in thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2025	2024	2025	2024	2025	2024
REVENUES:						
PROGRAM REVENUES:						
CHARGES FOR SERVICES	$6,583	$5,883	$19	$18	$6,602	$5,901
OPERATING GRANTS AND CONTRIBUTIONS	4,528	1,680	-	-	4,528	1,680
CAPITAL GRANTS AND CONTRIBUTIONS	4,775	2,185	-	-	4,775	2,185
GENERAL REVENUES:						
PROPERTY TAXES	17,939	15,604	-	-	17,939	15,604
SALES TAXES	19,365	17,713	-	-	19,365	17,713
OTHER TAXES	3,916	3,618	-	-	3,916	3,618
UNRESTRICTED INVESTMENT EARNINGS	859	895	-	-	859	895
TOTAL REVENUES	57,965	47,578	19	18	57,984	47,596
EXPENSES:						
GENERAL GOVERNMENT	6,575	6,969	-	-	6,575	6,969
PUBLIC SAFETY	19,146	18,042	-	-	19,146	18,042
JUDICIAL SYSTEM	3,051	2,929	-	-	3,051	2,929
PUBLIC WORKS	9,617	5,590	-	-	9,617	5,590
HEALTH AND WELFARE	1,101	1,697	-	-	1,101	1,697
CULTURE AND RECREATION	3,491	2,998	-	-	3,491	2,998
HOUSING AND DEVELOPMENT	1,526	1,504	-	-	1,526	1,504
INTEREST	1,161	958	-	-	1,161	958
SOLID WASTE	-	-	91	82	91	82
TOTAL EXPENSES	45,668	40,687	91	82	45,759	40,769
INCREASE (DECREASE) IN NET POSITION BEFORE TRANSFERS AND GAIN ON SALE	12,297	6,891	(72)	(64)	12,225	6,827
TRANSFERS	(650)	(101)	650	101	-	-
GAIN ON SALE OF CAPITAL ASSETS	158	-	-	-	158	-
INCREASE IN NET POSITION	11,805	6,790	578	37	12,383	6,827
NET POSITION, BEGINNING OF YEAR, ADJUSTED	134,639	127,385	333	296	134,972	127,681
NET POSITION, END OF YEAR	$146,444	$134,175	$911	$333	$147,355	$134,508

Governmental Activities: Governmental activities accounted for approximately $11.8 million of the excess in the County's net revenues over expenses for 2025 primarily due to the increase in sales tax and other tax revenues.

Business-Type Activities: The County's only business-type activity, the Solid Waste Fund, is privately leased, and the only revenues from this activity is rental income and payments for recycled materials.

Financial Analysis of the County's Funds

Governmental Funds Overview: Lumpkin County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As described earlier, the County's governmental funds provide information on short-term inflows and outflows, as well as what remains for future spending. Such information is useful in assessing the County's financing requirements. For example, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2025, Lumpkin County Governmental Funds reported a combined fund balance of approximately $55.3 million. This amount increased approximately $3.4 million from 2024 ending fund balance. Of the total combined fund balance, approximately 18.9% consists of *unassigned fund balance*, the portion of fund balance, which serves as a measure of current available financial resources.

The *restricted fund balance* represents resources not available for spending or those on which legal restrictions have been placed. The County's restricted fund balance makes up 69.1% of the combined total.

The General Fund, Multiple Grant Fund, SPLOST Fund, Capital Projects Fund, and Local Roads Fund are the County's major governmental funds.

General Fund. The General Fund of Lumpkin County accounts for all transactions not accounted for in other funds. As the County's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property taxes and charges for services. The General Fund completed the year with a fund balance of approximately $18.6 million. This was an increase from the previous year of approximately $1.3 million. Of the $18.6 million, 62.4% is unassigned while the remaining 37.6% is non-spendable, restricted or assigned.

Multiple Grant Fund. This fund accounts for the money to be used for grant-funded projects. At December 31, 2025, the fund balance of this fund was approximately ($1.2) million, which reflects reimbursements due from other governments but not yet collected within the County's revenue recognition window.

SPLOST. This fund accounts for the 2014, 2020, and 2026 SPLOST money, including earned interest, which is to be used for various capital projects as provided in Title 48, Chapter 8 of the Official Code of Georgia Annotated. At December 31, 2025, the fund balance of this fund was approximately $25.0 million.

Capital Projects Fund. This fund accounts for the money to be used for aquatic facility construction. At December 31, 2025, the fund balance of this fund was zero.

Local Roads Fund. This fund accounts for the LMIG and 2023 TSPLOST money, including earned interest, which is to be used for various transportation projects as provided in Title 48, Chapter 8 of the Official Code of Georgia Annotated. At December 31, 2025, the fund balance of this fund was approximately $10.5 million.

Proprietary Funds Overview. The Proprietary fund is used to account for activities similar to those found in the private sector where determination of net income is necessary or useful to sound financial administration. Lumpkin County has two types of Proprietary Funds: The Enterprise Fund, and the Internal Service Fund. The County's Proprietary Fund Statements provide the same type of information found in the government-wide statements, but in more detail.

Enterprise Fund. The Enterprise Fund accounts for operations that are financed and operated in a manner similar to private business enterprises - where the costs (expenses, including depreciation) of providing goods or services to the general public are being financed or recovered primarily through user charges on a continuing basis. The Solid Waste Management Fund is the County's sole enterprise fund. Total net position of the Solid Waste Management Fund at the end of 2025 was approximately $911 thousand, representing an increase of approximately $578 thousand. The Internal Service Fund was established in 2022 for the purpose of providing self-insurance benefits to employees. Total net position of the Internal Service Fund at the end of 2025 was approximately $1.8 million.

General Fund Budgetary Highlights

Over the course of the year, the governing authority revised the County's budget several times. The three primary reasons for amending the budget are:

- Carry forwards from the prior year's capital improvement projects that were not completed in the prior year and continued into the current year.
- Supplemental appropriations to increase revenue and expenditure accounts due to receipt of unanticipated grant revenue.
- Increases in appropriations due to unexpected needs.

Capital Assets and Debt Administration

Capital Assets

At the end of 2025, the County' had acquired approximately $129.7 million (net of accumulated depreciation/amortization) in a broad range of capital assets for its governmental and business-type activities including land, buildings, park facilities, roads, bridges, heavy machinery, vehicles and equipment, right-to-use assets and infrastructure.

- All infrastructure assets acquired to date are included in capital assets in accordance with GASB 34 requirements.
- Additional information on the County's capital assets can be found in Note 6 of the Notes to Financial Statements.

Debt Administration

Georgia statutes provide for a general obligation debt limit of 10.0% of assessed valuation. The County had a general obligation debt capacity of $206 million in 2025. The County currently has $- in general obligation debt subject to the limitation.

At December 31, 2025, Lumpkin County had the following approximate amounts of outstanding long-term debt:

- $4.7 million in notes payable
- $32.2 million in bonds payable
- $276 thousand in leases payable
- $234 thousand in claims payable
- $1.25 million in compensated absences
- $180 thousand in landfill postclosure costs
- $4.599 million in net pension liability
- Additional information on the County's long-term debt can be found in Note 8 of the Notes to Financial Statements

Economic Factors and Next Year's Budgets and Rates

Economic conditions improved in the County during 2025. New housing starts were up in the County during 2025, and property values increased with real estate market demand. A Tractor Supply and Dunkin' Donuts opened in 2025. A new manufacturing facility is expected to be completed in 2026. Additional commercial growth in the 400 corridor is expected and should shift more of the tax burden from homeowners.

The 2026 budget planned for an increase over 2025 while holding the millage rate steady. The County has also implemented a number of cost-saving measures and is currently looking at joint ventures within the community to ease the burden placed on the operating budget.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, 99 Courthouse Hill, Suite D, Dahlonega, GA 30533.

LUMPKIN COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2025

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Cash and cash equivalents	$ 52,831,248	$ -	$ 52,831,248	$ 2,476,728
Investments	17,927,000	-	17,927,000	1,271,034
Due from Lumpkin County Board of Education	400,000	-	400,000	-
Due from other governments	2,007,951	-	2,007,951	5,722,192
Internal balances	2,969	(2,969)	-	-
Net OPEB asset	-	-	-	135,557
Accrued interest receivable	-	-	-	10,507
Receivables (net of allowance for uncollectibles)	4,139,712	-	4,139,712	436,040
Lease receivable, due within one year	31,997	-	31,997	43,585
Lease receivable, due in more than one year	382,899	-	382,899	662,441
Prepaid items	929,489	500	929,989	34,445
Inventories	247,006	-	247,006	37,463
Due from component units	6,684	-	6,684	-
Capital assets, nondepreciable	44,310,784	242,655	44,553,439	19,976,221
Capital assets, depreciable, net of accumulated depreciation and amortization	84,258,980	851,163	85,110,143	15,054,316
Total assets	207,476,719	1,091,349	208,568,068	45,860,529
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	397,753	-	397,753	-
OPEB related items	-	-	-	74,197
Pension related items	1,730,066	-	1,730,066	200,558
Total deferred outflows of resources	2,127,819	-	2,127,819	274,755
LIABILITIES				
Accounts payable	3,467,874	3,580	3,471,454	5,838,728
Retainage payable	284,301	-	284,301	791,301
Accrued liabilities	506,458	910	507,368	35,694
Accrued interest payable	-	-	-	7,340
Customer deposits	-	-	-	179,132
Due to primary government	-	-	-	6,684
Noncurrent liabilities due within one year				
Compensated absences	939,008	-	939,008	110,043
Claims payable	233,571	-	233,571	-
Landfill closure and postclosure	-	22,000	22,000	-
Leases payable	139,929	-	139,929	-
Notes payable	185,890	-	185,890	207,635
Bonds payable	1,650,553	-	1,650,553	327,800
Noncurrent liabilities due in more than one year				
Compensated absences	312,819	-	312,819	36,095
Landfill closure and postclosure	-	154,000	154,000	-
Leases payable	136,498	-	136,498	-
Notes payable	4,509,238	-	4,509,238	5,647,591
Bonds payable	30,538,209	-	30,538,209	-
Net pension liability	4,599,213	-	4,599,213	762,840
Total liabilities	47,503,561	180,490	47,684,051	13,950,883
DEFERRED INFLOWS OF RESOURCES				
Deferred revenues - property taxes	14,348,693	-	14,348,693	-
Deferred revenues - intergovernmental	846,979	-	846,979	-
OPEB related items	-	-	-	58,630
Pension related items	51,179	-	51,179	108,343
Lease related deferred inflows	409,702	-	409,702	687,252
Total deferred inflows of resources	15,656,553	-	15,656,553	854,225
NET POSITION				
Net investment in capital assets	102,613,592	1,093,818	103,707,410	22,712,932
Restricted for:				
Debt service	3,628	-	3,628	-
Capital projects	25,117,665	-	25,117,665	-
Public safety activities	1,716,602	-	1,716,602	-
Health and welfare	225,483	-	225,483	137,879
Planning department operations	1,125,848	-	1,125,848	-
Law library operations	56,080	-	56,080	-
Judicial activities	359,763	-	359,763	-
Tourism	514,713	-	514,713	-
Unrestricted	14,711,050	(182,959)	14,528,091	8,479,365
Total net position	$ 146,444,424	$ 910,859	$ 147,355,283	$ 31,330,176

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

LUMPKIN COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 6,574,748	$ 1,478,226	$ 786,534	$ -
Judicial	3,051,427	1,195,218	980,857	-
Public safety	19,146,165	2,814,469	786,663	-
Public works	9,616,763	2,325	1,457,586	4,775,399
Health and welfare	1,101,488	22,226	352,631	-
Culture and recreation	3,490,925	548,235	163,798	-
Housing and development	1,526,142	522,445	-	-
Interest on long-term debt	1,159,999	-	-	-
Total governmental activities	45,667,657	6,583,144	4,528,069	4,775,399
Business-type activities:				
Solid waste management	91,770	19,019	-	-
Total business-type activities	91,770	19,019	-	-
Total primary government	$ 45,759,427	$ 6,602,163	$ 4,528,069	$ 4,775,399
Component units	$ 5,000,344	$ 2,949,256	$ 749,559	$ 13,712,475

General revenues:
- Property taxes
- Sales taxes
- Insurance premium taxes
- Other taxes
- Unrestricted net investment earnings
- Miscellaneous
- Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Adjustment - change within reporting entity

Net position, beginning of year, as adjusted

Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
$ (4,309,988)	$ -	$ (4,309,988)	$ -
(875,352)	-	(875,352)	-
(15,545,033)	-	(15,545,033)	-
(3,381,453)	-	(3,381,453)	-
(726,631)	-	(726,631)	-
(2,778,892)	-	(2,778,892)	-
(1,003,697)	-	(1,003,697)	-
(1,159,999)	-	(1,159,999)	-
(29,781,045)	-	(29,781,045)	-
-	(72,751)	(72,751)	-
-	(72,751)	(72,751)	-
(29,781,045)	(72,751)	(29,853,796)	-
-	-	-	12,410,946
17,938,686	-	17,938,686	-
19,364,519	-	19,364,519	-
2,545,074	-	2,545,074	-
1,371,006	-	1,371,006	-
858,622	-	858,622	147,522
-	-	-	239,306
158,839	-	158,839	-
(650,351)	650,351	-	-
41,586,395	650,351	42,236,746	386,828
11,805,350	577,600	12,382,950	12,797,774
134,175,029	333,259	134,972,333	18,996,447
464,045	-	464,045	(464,045)
134,639,074	333,259	134,972,333	18,532,402
$ 146,444,424	$ 910,859	$ 147,355,283	$ 31,330,176

LUMPKIN COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

ASSETS	General Fund	*(Previously nonmajor)* Multiple Grant Fund	SPLOST Fund	Capital Projects Fund	Local Roads Fund	Nonmajor Governmental Funds	Total
Cash and cash equivalents	$ 18,962,155	$ -	$ 20,281,835	$ 15,182	$ 6,969,331	$ 2,922,644	$ 49,151,147
Investments	9,826,000	-	4,394,000	-	5,829,000	-	20,049,000
Receivables (net of allowance for uncollectibles)	2,337,526	-	718,832	-	712,430	370,924	4,139,712
Lease receivable	414,896	-	-	-	-	-	414,896
Inventories	247,006	-	-	-	-	-	247,006
Due from other governments	601,367	1,159,751	-	-	-	1,031	1,762,149
Due from other funds	1,542,195	-	-	358,348	-	114,639	2,015,182
Due from component units	6,684	-	-	-	-	-	6,684
Prepaid items	789,926	-	-	-	-	139,563	929,489
Total assets	$ 34,727,755	$ 1,159,751	$ 25,394,667	$ 373,530	$ 13,510,761	$ 3,548,801	$ 78,715,265
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 573,358	$ 35,196	$ 280,866	$ 373,530	$ 1,985,070	$ 219,854	$ 3,467,874
Accrued liabilities	333,565	-	-	-	2,854	-	336,419
Retainage payable	113,965	-	-	-	170,336	-	284,301
Due to other funds	692,987	1,137,492	82,954	-	12,312	306,468	2,232,213
Total liabilities	1,713,875	1,172,688	363,820	373,530	2,170,572	526,322	6,320,807
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	267,404	-	-	-	-	11,114	278,518
Deferred revenue - property taxes	13,670,133	-	-	-	-	678,560	14,348,693
Unavailable revenue - intergovernmental	36,433	1,146,815	-	-	-	-	1,183,248
Deferred revenue - intergovernmental	-	-	-	-	846,979	-	846,979
Lease related deferred inflows	409,702	-	-	-	-	-	409,702
Total deferred inflows of resources	14,383,672	1,146,815	-	-	846,979	689,674	17,067,140
FUND BALANCES (DEFICITS)							
Fund balances (deficits):							
Nonspendable:							
Prepaid items	789,926	-	-	-	-	139,563	929,489
Inventories	247,006	-	-	-	-	-	247,006
Lease receivable, net	5,194	-	-	-	-	-	5,194
Restricted for:							
Capital projects	-	-	25,030,847	-	10,493,210	-	35,524,057
Public safety activities	-	-	-	-	-	493,831	493,831
Health and welfare	-	-	-	-	-	225,483	225,483
Planning department operations	-	-	-	-	-	1,094,957	1,094,957
Law library operations	-	-	-	-	-	56,080	56,080
Judicial activities	-	-	-	-	-	319,561	319,561
Tourism	485,113	-	-	-	-	29,600	514,713
Assigned for:							
Use of reserves in subsequent budget	1,819,830	-	-	-	-	-	1,819,830
Capital projects - ARPA related	3,448,116	-	-	-	-	-	3,448,116
Capital projects	200,741	-	-	-	-	-	200,741
Unassigned (deficit)	11,634,282	(1,159,752)	-	-	-	(26,270)	10,448,260
Total fund balances	18,630,208	(1,159,752)	25,030,847	-	10,493,210	2,332,805	55,327,318
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 34,727,755	$ 1,159,751	$ 25,394,667	$ 373,530	$ 13,510,761	$ 3,548,801	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital and right-to-use assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	128,569,764
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the governmental funds.	1,461,766
Long-term intergovernmental receivables are not receivable in the current period and, therefore, are not reported in the governmental funds.	400,000
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(38,184,430)
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the County's pension plan are not expected to be liquidated with expendable available financial resources, and, therefore, are not reported in the governmental funds.	(2,920,326)
The internal service fund is used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service fund have been allocated to governmental activities on the Statement of Net Position.	1,790,332
Net position of governmental activities	$ 146,444,424

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

LUMPKIN COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	*(Previously nonmajor)* Multiple Grant Fund	SPLOST Fund	Capital Projects Fund	Local Roads Fund	Nonmajor Governmental Funds	Total
Revenues:							
Taxes	$ 25,325,612	$ -	$ 7,175,174	$ -	$ 6,807,975	$ 1,925,135	$ 41,233,896
Licenses and permits	90,814	-	-	-	-	471,565	562,379
Fines and forfeitures	761,137	-	-	-	-	58,400	819,537
Charges for services	3,773,370	-	-	-	-	816,052	4,589,422
Interest income	731,459	-	765,545	13,740	354,743	68,947	1,934,434
Intergovernmental	660,628	213,399	-	-	3,712,738	2,851,817	7,438,582
Contributions and donations	178,691	3,000	-	-	-	55,491	237,182
Other	611,806	-	-	-	-	-	611,806
Total revenues	32,133,517	216,399	7,940,719	13,740	10,875,456	6,247,407	57,427,238
Expenditures:							
Current:							
General government	5,171,741	8,038	-	222,072	-	310,272	5,712,123
Judicial	2,304,083	98,889	-	12,260	-	605,584	3,020,816
Public safety	16,213,148	63,715	1,599	-	-	1,575,097	17,853,559
Public works	1,770,723	-	5,708	-	535,647	1,367,811	3,679,889
Health and welfare	1,001,128	5,871	-	-	-	18,893	1,025,892
Culture and recreation	2,790,764	1,229,231	-	15,888	-	-	4,035,883
Housing and development	87,884	-	-	-	-	1,416,785	1,504,669
Intergovernmental	-	-	2,370,960		970,136	-	3,341,096
Capital outlay	-	-	2,147,098	513,084	7,755,773	136,470	10,552,425
Debt service:							
Principal	223,381	-	-	-	-	1,245,272	1,468,653
Interest and fiscal fees	67,703	-	3,155	3,125	-	1,119,215	1,193,198
Total expenditures	29,630,555	1,405,744	4,528,520	766,429	9,261,556	7,795,399	53,388,203
Excess (deficiency) of revenues over expenditures	2,502,962	(1,189,345)	3,412,199	(752,689)	1,613,900	(1,547,992)	4,039,035
Other financing sources (uses):							
Proceeds from the sale of capital assets	25,700	-	-	-	-	240,954	266,654
Transfers in	925,848	144,173	24,659	982,834	3,941	2,466,726	4,548,181
Transfers out	(2,165,080)	(146,376)	(1,909,604)	(418,000)	-	(779,472)	(5,418,532)
Total other financing sources (uses)	(1,213,532)	(2,203)	(1,884,945)	564,834	3,941	1,928,208	(603,697)
Net change in fund balances	1,289,430	(1,191,548)	1,527,254	(187,855)	1,617,841	380,216	3,435,338
Fund balances, beginning of year	17,340,778	-	23,503,593	187,855	8,875,369	1,984,385	51,891,980
Adjustment - change within reporting entity	-	31,796	-	-	-	(31,796)	-
Fund balances, beginning of year, as adjusted	17,340,778	31,796	23,503,593	187,855	8,875,369	1,952,589	51,891,980
Fund balances (deficits), end of year	$ 18,630,208	$ (1,159,752)	$ 25,030,847	$ -	$ 10,493,210	$ 2,332,805	$ 55,327,318

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

LUMPKIN 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 DECEMBER 31, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$	3,435,338
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense of capital assets and amortization expense of right-to-use assets. This is the amount by which capital outlays exceeded depreciation and amortization in the current period.		6,633,294
The net effect of various transactions involving capital assets (i.e., donations and disposals) is to decrease net position.		(75,667)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		850,657
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		1,622,489
Repayment of long-term intergovernmental receivable provides resources that are used to repay principal on long-term debt.		(390,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(625,679)
The internal service fund is used by management to charge the costs of risk management to individual funds. The net expense of the internal service fund is reported within governmental activities.		354,918
Change in net position - governmental activities	$	11,805,350

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

LUMPKIN COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Solid Waste Management Fund	Governmental Activities Internal Service Fund
ASSETS		
Current assets:		
Cash	$ -	$ 1,558,101
Receivables	-	245,802
Due from other funds	-	220,000
Due from other governments	500	-
Total current assets	500	2,023,903
Noncurrent assets:		
Capital assets:		
Capital assets, not being depreciated	242,655	-
Capital assets, being depreciated	1,578,848	-
Less accumulated depreciation	(727,685)	-
Total capital assets, net of accumulated depreciation	1,093,818	-
Total assets	1,094,318	2,023,903
LIABILITIES		
Current liabilities:		
Accounts payable	3,580	-
Due to other funds	2,969	-
Claims payable	-	233,571
Accrued liabilities	910	-
Landfill postclosure, current	22,000	-
Total current liabilities	29,459	233,571
Long-term liabilities:		
Landfill postclosure	154,000	-
Total long-term liabilities	154,000	-
Total liabilities	183,459	233,571
NET POSITION		
Investment in capital assets	1,093,818	-
Unrestricted	(182,959)	1,790,332
Total net position	$ 910,859	$ 1,790,332

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

LUMPKIN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Solid Waste Management Fund	Governmental Activities Internal Service Fund
OPERATING REVENUES		
Charges for services	$ 19,019	$ 2,867,067
Miscellaneous	-	77,077
Total operating revenues	19,019	2,944,144
OPERATING EXPENSES		
Claims	19,318	2,638,502
Cost of services	-	215,200
Supplies and maintenance	52,004	-
Depreciation expense	20,448	-
Total operating expenses	91,770	2,853,702
Operating loss	(72,751)	90,442
NONOPERATING INCOME		
Interest income	-	44,476
Total nonoperating income	-	44,476
Loss before transfers	(72,751)	134,918
Transfers in	650,351	220,000
Change in net position	577,600	354,918
NET POSITION, beginning of year	333,259	1,435,414
NET POSITION, end of year	$ 910,859	$ 1,790,332

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

LUMPKIN COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Solid Waste Management Fund	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 18,519	$ 2,944,144
Payments to suppliers and service providers	(67,455)	(3,424,796)
Payments to employees	(18,408)	-
Net cash used in operating activities	(67,344)	(480,652)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Purchase of capital assets	(583,007)	-
Net cash used in capital financing activities	(583,007)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer in from other funds	650,351	220,000
Net cash provided by noncapital financing activities	650,351	220,000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	-	44,476
Net cash provided by investing activities	-	44,476
Net increase in cash and cash equivalents	-	(216,176)
Cash and cash equivalents:		
Beginning of year	-	1,774,277
End of year	$ -	$ 1,558,101
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (72,751)	$ 90,442
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	20,448	-
Increase in accounts receivable	-	(230,701)
Increase in due from other governments	(500)	-
Increase in accounts payable	3,580	-
Increase in accrued liabilities	910	-
Decrease in claims payable	-	(120,393)
Increase in due to other funds	2,969	-
Increase in due from other funds	-	(220,000)
Decrease in landfill postclosure care costs	(22,000)	-
Net cash used in operating activities	$ (67,344)	$ (480,652)

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

LUMPKIN COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 12,626,945
Taxes receivable	2,830,515
Total assets	15,457,460
LIABILITIES	
Due to others	11,552,341
Uncollected taxes	2,830,515
Total liabilities	14,382,856
NET POSITION	
Restricted:	
Individuals, organizations, and other governments	1,074,604
Total net position	$ 1,074,604

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

LUMPKIN COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Custodial Funds
ADDITIONS	
Property taxes collected for other governments	$ 29,195,512
Fines and fees collected	542,693
Criminal and civil bonds	1,137,764
Total additions	30,875,969
DEDUCTIONS	
Property taxes distributed to other governments	29,162,005
Fines and fees disbursed	1,367,315
Other custodial disbursements	222,839
Total deductions	30,752,159
Change in fiduciary net position	123,810
NET POSITION, beginning of year	950,794
NET POSITION, end of year	$ 1,074,604

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

LUMPKIN COUNTY, GEORGIA

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2025

	Component Units		
ASSETS	**Health Department**	**Development Authority**	**Hospital Authority**
Cash and cash equivalents	$ 1,197,480	$ 427,900	$ 44,650
Investments	-	150,000	1,121,034
Due from other government	-	-	-
Net OPEB asset	135,557	-	-
Accrued interest receivable	-	-	10,507
Receivables (net of allowance for uncollectibles)	7,106	4,455	-
Lease receivable, due within one year	-	43,585	-
Lease receivable, due in more than one year	-	662,441	-
Prepaid items	-	-	-
Inventories	-	-	-
Capital assets, nondepreciable	-	31,691	-
Capital assets, depreciable, net of accumulated depreciation	51,153	746,176	-
Total assets	1,391,296	2,066,248	1,176,191
DEFERRED OUTFLOWS OF RESOURCES			
OPEB related items	74,197	-	-
Pension related items	200,558	-	-
Total deferred outflows of resources	274,755	-	-
LIABILITIES			
Accounts payable	8,923	100	-
Retainage payable	-	-	-
Accrued liabilities	-	1,181	-
Accrued interest payable	-	-	-
Customer deposits	-	-	-
Due to primary government	-	-	-
Noncurrent liabilities due within one year			
Compensated absences	51,000	-	-
Notes payable	-	-	-
Bonds payable	-	-	-
Noncurrent liabilities due in more than one year			
Compensated absences	24,749	-	-
Notes payable	-	-	-
Net pension liability	762,840	-	-
Total liabilities	847,512	1,281	-
DEFERRED INFLOWS OF RESOURCES			
OPEB related items	58,630	-	-
Pension related items	108,343	-	-
Leases	-	687,252	-
Total deferred inflows of resources	166,973	687,252	-
NET POSITION			
Net investment in capital assets	51,153	777,867	-
Restricted	137,879	-	-
Unrestricted	462,534	599,848	1,176,191
Total net position	$ 651,566	$ 1,377,715	$ 1,176,191

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

Component Units		
Airport Authority	Water and Sewerage Authority	Total
$ 81,085	$ 725,613	$ 2,476,728
-	-	1,271,034
-	5,722,192	5,722,192
-	-	135,557
-	-	10,507
3,036	421,443	436,040
-	-	43,585
-	-	662,441
485	33,960	34,445
-	37,463	37,463
466,486	19,478,044	19,976,221
485,094	13,771,893	15,054,316
1,036,186	40,190,608	45,860,529
-	-	74,197
-	-	200,558
-	-	274,755
217	5,829,488	5,838,728
-	791,301	791,301
-	34,513	35,694
-	7,340	7,340
-	179,132	179,132
-	6,684	6,684
-	59,043	110,043
-	207,635	207,635
-	327,800	327,800
-	11,346	36,095
-	5,647,591	5,647,591
-	-	762,840
217	13,101,873	13,950,883
-	-	58,630
-	-	108,343
-	-	687,252
-	-	854,225
951,580	20,932,332	22,712,932
-	-	137,879
84,389	6,156,403	8,479,365
$ 1,035,969	$ 27,088,735	$ 31,330,176

LUMPKIN COUNTY, GEORGIA

COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2025

Component units	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Health Department	$ 1,135,305	$ 390,614	$ 710,560	$ -
Development Authority	214,854	47,207	38,999	113,712
Hospital Authority	45,000	-	-	-
Airport Authority	36,183	11,741	-	-
Public Building Authority	-	-	-	-
Water and Sewerage Authority	3,569,002	2,499,694	-	13,598,763
Total component units	$ 5,000,344	$ 2,949,256	$ 749,559	$ 13,712,475
General revenues:				
Unrestricted net investment earnings				
Miscellaneous				
Total general revenues				
Change in net position				
Net position, beginning of year				
Adjustment - change within reporting entity				
Net position, beginning of year, as adjusted				
Net position, end of year				

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

Component Units						
Health Department	Development Authority	Hospital Authority	Airport Authority	*(Previously discretely presented)* Public Building Authority	Water and Sewerage Authority	Total
$ (34,131)	$ -	$ -	$ -	$ -	$ -	$ (34,131)
-	(14,936)	-	-	-	-	(14,936)
-	-	(45,000)	-	-	-	(45,000)
-	-	-	(24,442)	-	-	(24,442)
-	-	-	-	-	-	-
-	-	-	-	-	12,529,455	12,529,455
(34,131)	(14,936)	(45,000)	(24,442)	-	12,529,455	12,410,946
-	32,185	59,380	2,433	-	53,524	147,522
233,268	6,038	-	-	-	-	239,306
233,268	38,223	59,380	2,433	-	53,524	386,828
199,137	23,287	14,380	(22,009)	-	12,582,979	12,797,774
452,429	1,354,428	1,161,811	1,057,978	464,045	14,505,756	18,996,447
-	-	-	-	(464,045)	-	(464,045)
452,429	1,354,428	1,161,811	1,057,978	-	14,505,756	18,532,402
$ 651,566	$ 1,377,715	$ 1,176,191	$ 1,035,969	$ -	$ 27,088,735	$ 31,330,176

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Lumpkin County operates under a commissioner-manager form of government under which a five member Board of Commissioners is elected to serve as the legislative body for the County. The commission chairman is elected at large, while the remaining four commissioners are elected by geographical districts in which they reside by voters county-wide. The County provides the following services: public safety, judicial, public works, health and welfare, culture and recreation, housing and development, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely Presented Component Units

The Lumpkin County Department of Public Health (the "Health Department") is governed by a seven member board consisting of one member of the Board of Commissioners and two members as appointed by the Board of Commissioners. The County has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. The Health Department has a June 30th year end and is presented as a governmental type component unit.

The Health Department's financial statements can be obtained by writing to the Lumpkin County Health Department, 60 Mechanicsville Road, Dahlonega, GA 30533.

The Development Authority of Lumpkin County (the "Development Authority") is governed by a nine member board appointed by the Board of Commissioners. The Authority is responsible for promoting economic development within Lumpkin County. The Development Authority provides a financial benefit to the County. The Authority is reported as a proprietary type component unit.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Financial information with regard to the Development Authority can be obtained by writing to the Development Authority of Lumpkin County, 194 Courthouse Hill, Annex A, Dahlonega, GA 30533. Separate financial statements for the Development Authority are not prepared.

The Lumpkin County Water and Sewerage Authority (the "Water Authority") is governed by a seven member board appointed by the Board of Commissioners. The County has the ability to impose its will upon the Water Authority in addition to its appointment of a voting majority of the Water Authority's governing body. The Water Authority is reported as a proprietary type component unit.

The Water Authority's financial statements can be obtained by writing to the Lumpkin County Water and Sewerage Authority, 194 Courthouse Hill, Annex A, Dahlonega, GA 30533.

The Lumpkin County Hospital Authority (the "Hospital Authority") is governed by a nine member board appointed by the Board of Commissioners. The County has the authority to approve or modify the budget of the Hospital Authority and has the ability to impose its will upon the Hospital Authority. The Authority provides medical services for indigent citizens of the County and is reported as a proprietary type component unit. The Hospital Authority does not issue separate financial statements.

The Lumpkin County Airport Authority (the "Airport Authority") is governed by a five member board appointed by the Board of Commissioners. The County has the authority to approve or modify the budget of the Airport Authority and has the ability to impose its will upon the Airport Authority in addition to its appointment of all five members of the Authority's governing body. The Airport Authority is reported as a proprietary type component unit.

Financial information with regard to the Airport Authority can be obtained from the Authority's administrative offices at 99 Courthouse Hill, Suite H, Dahlonega, GA 30533. Separate financial statements for the Airport Authority are not prepared.

Blended Component Unit

The Lumpkin County Public Building Authority (the "Building Authority"), which provides financing for County buildings and Lumpkin County Board of Education buildings, is governed by a five-member board appointed by the Lumpkin County Board of Commissioners. Although it is legally separate from the County, the Building Authority is reported as a blended component unit as substantially all its debt is repaid with County resources. Separate financial statements are not prepared for the Building Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, sales taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if availability criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the County. The County reports the following major governmental funds:

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

The ***Multiple Grant Fund*** is used to account for governmental grants received and the related expenditures.

The ***Special Purpose Local Option Sales Tax Fund (SPLOST)*** is used to account for the revenues and expenditures relating to the County's 1% Special Purpose Local Option Sales Tax issues.

The ***Capital Projects Fund*** is used to account for the resources accumulated and used for the acquisition and construction of major capital projects.

The ***Local Roads Fund*** is used to account for Local Maintenance and Improvement Grant (LMIG) funds received from the Georgia Department of Transportation to fund maintenance of and improvements to the County's roads as well as to account for the proceeds of the Transportation Special Purpose Local Option Sales Tax (TSPLOST) for the various improvement projects as approved by the voter referendum.

The County reports the following major proprietary fund:

The ***Solid Waste Management Fund*** is used to account for the activities of the County's solid waste disposal program.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are either legally restricted or committed to expenditure for specific purposes.

The ***capital projects funds*** account for large capital outlay projects funded locally, with state funding and federal funding.

The ***debt service funds*** account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds and the Building Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***internal service fund*** accounts for the accumulation of resources to be used for health insurance-related costs, as the County is partially self-insured.

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

In accounting and reporting for its proprietary operations, the County applies all Governmental Accounting Standards Board (GASB) pronouncements.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

D. Deposits and Investments

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

Investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

G. Capital Assets

Capital and right-to-use assets, which include property, plant, equipment, lease assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years; lease assets are defined as assets with an initial, individual cost of $10,000 and an estimated useful life in excess of two years. Intangible assets, such as internally generated or purchased software, are defined as having an initial cost of $25,000 and an estimated useful life in excess of two years, and all remaining intangible assets are defined as having an initial cost in excess of $100,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Capital and right-to-use assets of the primary government are depreciated and amortized using the straight-line method over the following useful lives:

Asset Category	Years
Buildings and improvements	20 - 50
Machinery and equipment	5 - 20
Vehicles	3 - 10
Infrastructure	19 - 50
Right-to-use lease equipment	3 - 5

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. One item that qualifies for reporting in this category is the deferred charge on refunding which is reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports deferred inflows of resources in both its governmental funds balance sheet and statement of net position.

The County also has deferred inflows and outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the pension plan before year-end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

Unavailable revenues, which arise only under a modified accrual basis of accounting, qualify for reporting in this category. The governmental funds balance sheet will report unavailable revenues from property taxes, intergovernmental sources, and other sources as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available in accordance with the County's revenue recognition policy.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

The governmental funds balance sheet and the government-wide statement of net position will report deferred inflows of resources for unearned revenues. The County reports unearned revenues from property taxes which are received or reported as a receivable before the period for which the taxes have been levied. Additionally, the County reports unearned intergovernmental revenues from voluntary exchange transactions for resources received before time requirements are met but after all other eligibility requirements have been met.

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Sick pay is accumulated and in accordance with GASB Statement No. 101 an estimate for the time to be used during employment has been accrued in the government-wide financial statements. All vacation and annual leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

J. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Balance

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

Fund Balance – Generally, fund balance represents the difference between assets and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

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

Restricted – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action (passage of a resolution) of the Board of Commissioners. The same formal action is required to subsequently remove a commitment of fund balance.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. By passage of a resolution establishing the County’s fund balance policy, the Board of Commissioners has delegated the County Manager the authority to assign amounts to be used for specific purposes.

Unassigned – Fund balances are reported as unassigned as the residual classification for the County’s General Fund and includes all spendable amounts not contained in the other classifications. In addition, any remaining deficits in the County’s governmental funds which remain after all other fund balances have been exhausted are classified as unassigned. The County reports positive unassigned fund balance only in the General Fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Balance (Continued)

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: (1) Committed, (2) Assigned, and (3) Unassigned.

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

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

L. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows or resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

M. Pensions

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 Lumpkin County Defined Benefit Plan (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)

N. Leases

Lessee

The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of $10,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

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

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

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Leases (Continued)

Lessor

The Lumpkin County Development Authority is a lessor for a noncancellable lease of a land parcel, and the County is a lessor for a noncallable lease of a cell tower. The Authority and County recognize a lease receivable and a deferred inflow of resources in the government-wide financial statements. The Authority recognizes lease receivables with an initial, individual value of $5,000 or more, and the County recognizes lease receivables with an initial, individual value of $10,000 or more.

At the commencement of a lease, the Authority and County initially measure the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The Authority and County use the interest rate charged to the lessee as the discount rate. When the Authority or County does not charge interest, the Authority and County generally use its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments and purchase option prices that the Authority and County are reasonably certain to exercise.

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

Deferred inflows of resources related to leases are reported with other deferred inflows of resources and lease receivables are reported with noncurrent assets on the statement of net position.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the governmental funds." The details of this $38,184,430 difference are as follows:

Notes payable	$	(4,695,128)
Leases payable		(276,427)
Intergovernmental payable		(31,138,322)
Discount on intergovernmental payable		147,704
Premium on intergovernmental payable		(1,198,144)
Deferred charges on refunding		397,753
Accrued interest payable		(170,039)
Compensated absences		(1,251,827)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(38,184,430)

Another element of that reconciliation states that "deferred outflows of resources, deferred inflows of resources and the net pension liability related to the County's pension plan are not expected to be liquidated with expendable available resources, and, therefore, are not reported in the governmental funds." The details of this $2,920,326 difference are as follows:

Net pension liability	$	(4,599,213)
Deferred outflows of resources - pension related items		1,730,066
Deferred inflows of resources - pension related items		(51,179)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(2,920,326)

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated usef294ul lives and reported as depreciation and amortization expense." The details of this $6,633,294 difference are as follows:

Capital outlay	$	11,490,167
Depreciation and amortization expense		(4,856,873)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$	6,633,294

Another element of the reconciliation states that "The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." The details of this $1,622,489 difference are as follows:

Principal repayments of leases payable	$	155,522
Principal payments on bonds payable		1,132,728
Amortization of deferred charges on refunding		(66,292)
Amortization of premium on bond issuance		230,932
Amortization of discount on intergovernmental payable		(10,804)
Principal repayments of notes payable		180,403
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$	1,622,489

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of that reconciliation states that "The net effect of various transactions involving capital assets (i.e., donations and disposals) is to decrease net position." The details of this $75,667 difference are as follows:

Donation of capital assets	$	32,148
Disposal of capital assets		(107,815)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$	(75,667)

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds." The details of this $625,679 difference are as follows:

Compensated absences	$	(107,184)
Accrued interest		(120,637)
Net pension liability and related deferred outflows and inflows of resources		(397,858)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$	(625,679)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

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

1. Prior to July 1, the County Manager submits to the Board of Commissioners a proposed operating budget for each department for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the County.
3. The budget is then adopted by the Board of Commissioners at a public meeting.
4. Budget amounts can be transferred between line items within any department (the legal level of budgetary control); however, any revisions of the budget must be amended by formal action of the Board of Commissioners in a regular meeting.
5. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets are adopted for the General Fund, Debt Service Fund, and special revenue funds. Project length budgets are adopted for the capital projects funds.
6. Formal budgetary integration is employed as a measurement control device during the year for the General Fund, Debt Service Fund, and the special revenue funds. An annual operating budget is prepared for the Solid Waste Fund for planning, control, cost allocation, and evaluation purposes. All appropriations lapse at year-end.

Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary appropriations made are reflected in the final budget amounts. The County did not adopt a budget for the Public Building Authority in the current fiscal year due to the Authority undergoing a change in reporting entity that was not anticipated by the Board of Commissioners.

B. Excess Expenditures Over Appropriations

For the year ended December 31, 2025 expenditures exceeded the budget in various funds as follows:

Fund/Department	Excess
General Fund	
Debt service	$ 172,044
Hotel/Motel Tax Fund	
Housing and development	156,223

The excess of expenditures over budget that are noted above were primarily funded by budgetary savings in other departments and revenues collected in excess of budget.

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

C. Deficit Fund Balances

The Multiple Grant Fund and Debt Service Fund had a deficit fund balance of $1,159,725 and $26,270, respectively, at December 31, 2025. The deficit in the Multiple Grant Fund will be recovered as cash payments are received related to an intergovernmental grant receivable in the subsequent fiscal year. The deficit in the Debt Service Fund will be recovered as unavailable and unearned property tax revenues are collected and recognized as revenue in the subsequent fiscal year.

NOTE 4. DEPOSITS AND INVESTMENTS

A. Primary Government

Custodial credit risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and County policy require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities of the State of Georgia. Amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of December 31, 2025, the County's deposits were insured and/or collateralized as defined by state statutes and GASB pronouncements. As of December 31, 2025, the County had deposits with two (2) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. Additionally, the County had certificates of deposit with other financial institutions that did not individually exceed standard depository insurance limits. As of December 31, 2025, all of the County's deposits with financial institutions were insured and/or collateralized as required by State statutes

Credit risk. State statutes authorize the County to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

A. Primary Government (Continued)

Categorization of investments. As of December 31, 2025, the County had the following investments:

Investment	Maturity	Credit Rating	Fair Value
Certificates of deposit	Less than a year	N/A	$ 7,871,000
Certificates of deposit	1-5 years	N/A	10,056,000
			$ 17,927,000

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.

B. Component Unit – Hospital Authority

Credit risk. State statutes authorize the Authority to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

Categorization of investments. As of December 31, 2025, the Hospital Authority had the following investments:

Investment	Maturity	Rating (S&P)	Fair Value
Tennessee Valley Authority	July 15, 2033	AA+	$ 104,756
Decatur GA School System COP	May 1, 2044	AA	195,370
GA State Revenue Bonds	December 1, 2041	AAA	186,210
Fulton County GA Water and Sewerage Authority Revenue Bonds	January 1, 2043	AA	181,725
Federal Farm Credit Bank	June 8, 2037	AA+	99,772
Federal Farm Credit Bank	March 17, 2038	AA+	199,710
Fulton County GA Development Authority	July 1, 2044	AA-	78,704
Cobb County GA Kennestone Hospital Authority	April 1, 2052	AA	74,787
	Total		$ 1,121,034

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

B. Component Unit – Hospital Authority (Continued)

Interest rate risk. The Hospital Authority 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.

Fair value measurements. The Hospital Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Hospital Authority has the following recurring fair value measurements as of December 31, 2025:

Investment	Level 1	Level 2	Fair Value
Tennessee Valley Authority	$ -	$ 104,756	$ 104,756
Decatur GA School System COP	-	195,370	195,370
GA State Revenue Bonds	-	186,210	186,210
Fulton County GA Water and Sewerage Authority Revenue Bonds	-	181,725	181,725
Federal Farm Credit Bank	-	99,772	99,772
Federal Farm Credit Bank	-	199,710	199,710
Fulton County GA Development Authority	78,704	-	78,704
Cobb County GA Kennestone Hospital Authority	74,787	-	74,787
Total investments measured at fair value	$ 153,491	$ 967,543	$ 1,121,034

The investment in Fulton County, Georgia Development Authority and Cobb County, Georgia Kennestone Hospital Authority classified as Level 1 of the fair value hierarchy is valued using prices quoted in active markets for that investment. The Tennessee Valley Authority, Decatur Georgia School System (COP), GA State Revenue Bonds, Fulton County, Georgia Water and Sewerage Authority Revenue Bonds, and both Federal Farm Credit Bank investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Custodial credit risk. As of December 31, 2025, all of the Hospital Authority's deposits were collateralized with the depository financial institution.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

C. Component Unit – Development Authority

Credit risk. State statutes authorize the Authority to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

Categorization of investments. As of December 31, 2025, the Development Authority had the following investments:

Investment	Maturity	Credit Rating	Fair Value
Certificates of deposit	Less than a year	N/A	$ 150,000

Custodial credit risk. As of December 31, 2025, all of the Development Authority's deposits were collateralized with the depository financial institution.

Interest rate risk. The Development Authority 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.

NOTE 5. RECEIVABLES

A. Primary Government

Receivables at December 31, 2025, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	SPLOST Fund	Local Roads Fund	Multiple Grant Fund
Receivables:				
Taxes	$ 1,917,135	$ 692,371	$ 661,906	$ -
Lease	414,896	-	-	-
Other governments	601,367	-	-	1,159,751
Accounts	1,194,872	-	-	-
Interest	-	26,461	50,524	-
Gross receivables	4,128,270	718,832	712,430	1,159,751
Less allowance for uncollectibles	(774,481)	-	-	-
Net receivables	$ 3,353,789	$ 718,832	$ 712,430	$ 1,159,751

	Nonmajor Governmental Funds	Internal Service Fund	Solid Waste Fund
Receivables:			
Taxes	$ 370,924	$ -	$ -
Other governments	1,031	-	500
Accounts	-	245,802	-
Gross receivables	371,955	245,802	500
Less allowance for uncollectibles	-	-	-
Net receivables	$ 371,955	$ 245,802	$ 500

Property taxes for the 2025 fiscal year were levied on August 20, 2024, with property values assessed as of January 1, 2024. Bills are payable on or before December 1, 2024, after which the applicable property is subject to lien and penalties and interest as assessed. Property taxes attached as an enforceable lien on property as of January 1. Property taxes levied during 2025 are to fund operations for the County's fiscal year beginning January 1, 2026. Amounts recorded as a receivable as well as amounts collected as of December 31, 2025 related to these taxes are recorded as deferred inflows of resources – unearned property taxes in the fund financial statements and in the government-wide statement of net position.

NOTE 5. RECEIVABLES (CONTINUED)

A. Primary Government (Continued)

Lease Receivable

In April 2023, the County entered an arrangement as lessor of a cell tower. The County receives monthly payments that, on an annual basis, and over the life of the lease term range from $9,000 to $36,000. These payments include the principal and interest components of the lease arrangement. As the lease does not contain a specified interest rate, the County has used an estimated discount rate of 1.00%, approximating the 20-year Daily Treasury Long-Term Bond Rate.

In the current year, the County recognized $33,445 in lease revenue and $4,321 in interest revenue. The County reports a deferred inflow of resources associated with the lease that will be recognized over the lease term, which concludes in 2038. This deferred inflow of resources has a balance of $409,702 as of December 31, 2025. As of December 31, 2025, the County's receivable for lease payments was $414,896.

The principal and interest payments to maturity of the lease are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 31,997	$ 4,003	$ 36,000
2027	32,319	3,681	36,000
2028	32,644	3,356	36,000
2029	32,971	3,029	36,000
2030	33,303	2,697	36,000
2031-2035	171,600	8,400	180,000
2036-2038	80,062	938	81,000
Total	$ 414,896	$ 26,104	$ 441,000

Due From Lumpkin County Board of Education

In December 2018, the Lumpkin County Public Building Authority (the "Building Authority") issued revenue bonds and entered into an intergovernmental agreement to sell a project to Lumpkin County Schools. Lumpkin County Schools will be responsible for paying the Authority amounts equal to the debt service requirements on the Revenue Bonds, Series 2018, in the amount of $3,600,000. The outstanding balance of the amount due to Public Building Authority at December 31, 2025 is $400,000.

NOTE 5. RECEIVABLES (CONTINUED)

A. Primary Government (Continued)

Due From Lumpkin County Board of Education (Continued)

Future payments to be received by the Authority under the debt service schedule are as follows:

Fiscal Year Ending December 31,	
2026	$ 400,000
	$ 400,000

B. Discretely Presented Component Unit – Development Authority – Lease Receivable

The Lumpkin County Development Authority is a lessor of a land parcel located at 35 Breakstone Drive. The Authority receives monthly payments for which the lease escalates over the life of the lease terms. Payment terms on the lease ranges from $31,500 to $54,000. These payments include the principal and interest components of the lease arrangements. As the leases do not contain a specified interest rate, the Authority has used an estimated discount rate of 1.52%.

In the current year, the Authority recognized $47,149 in lease revenue and $11,071 in interest revenue. At December 31, 2025, the Authority's total receivable for future lease payments was $706,026. The Authority reports a deferred inflow of resources in the amount of $687,252 associated with these lease agreements that will be recognized over the combined lease terms, which terminate in July 2040.

The principal and interest payments to maturity of the lease are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 43,585	$ 10,416	$ 54,001
2027	44,251	9,749	54,000
2028	44,928	9,072	54,000
2029	45,614	8,386	54,000
2030	46,312	7,688	54,000
2031-2035	242,396	27,604	270,000
2036-2040	238,940	8,560	247,500
Total	$ 706,026	$ 81,475	$ 787,501

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated/amortized:					
Land and improvements	$ 22,993,618	$ 809	$ (48,412)	$ -	$ 22,946,015
Infrastructure land improvements	16,738,487	-	-	-	16,738,487
Construction in progress	938,031	6,581,727	-	(2,893,476)	4,626,282
Total capital assets, not being depreciated/amortized	40,670,136	6,582,536	(48,412)	(2,893,476)	44,310,784
Capital assets, being depreciated:					
Buildings and improvements	69,146,345	321,675	(105,324)	337,823	69,700,519
Machinery and equipment	10,637,935	323,592	-	584,517	11,546,044
Vehicles	9,082,488	108,365	(23,125)	1,971,136	11,138,864
Infrastructure	44,633,665	4,186,147	(23,272)	-	48,796,540
Right-to-use equipment	748,080	-	-	-	748,080
Total capital assets, being depreciated/amortized	134,248,513	4,939,779	(151,721)	2,893,476	141,930,047
Less accumulated depreciation/ amortization for:					
Buildings and improvements	18,470,182	1,584,487	(60,902)	-	19,993,767
Machinery and equipment	7,092,689	574,207	-	-	7,666,896
Vehicles	5,150,823	641,579	(20,812)	-	5,771,590
Infrastructure	21,957,821	1,896,538	(10,604)	-	23,843,755
Right-to-use equipment	234,997	160,062	-	-	395,059
Total accumulated depreciation/ amortization	52,906,512	4,856,873	(92,318)	-	57,671,067
Total capital assets, being depreciated, net	81,342,001	82,906	(59,403)	2,893,476	84,258,980
Governmental activities capital assets, net	$ 122,012,137	$ 6,665,442	$ (107,815)	$ -	$ 128,569,764

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital assets, not being depreciated:					
Land	$ 192,103	$ -	$ -	$ -	$ 192,103
Construction in progress	31,320	50,552	-	(31,320)	50,552
Total capital assets, not being depreciated	223,423	50,552	-	(31,320)	242,655
Capital assets, being depreciated:					
Land improvements	291,585	380,299	-	31,320	703,204
Buildings and improvements	551,470	9,178	-	-	560,648
Machinery and equipment	172,018	142,978	-	-	314,996
Total capital assets, being depreciated	1,015,073	532,455	-	31,320	1,578,848
Less accumulated depreciation for:					
Land improvements	291,585	1,029	-	-	292,614
Buildings and improvements	272,906	12,987	-	-	285,893
Machinery and equipment	142,746	6,432	-	-	149,178
Total accumulated depreciation	707,237	20,448	-	-	727,685
Total capital assets, being depreciated, net	307,836	512,007	-	31,320	851,163
Business-type activities capital assets, net	$ 531,259	$ 562,559	$ -	$ -	$ 1,093,818

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 827,157
Public safety	1,053,423
Public works	2,251,369
Health and welfare	61,419
Culture and recreation	653,422
Housing and development	10,083
Total depreciation and amortization expense - governmental activities	$ 4,856,873
Business-type activities:	
Solid waste	$ 20,448

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Water and Sewerage Authority

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 768,299	$ -	$ -	$ -	$ 768,299
Construction in progress	4,503,168	15,365,023	-	(1,158,446)	18,709,745
Total	5,271,467	15,365,023	-	(1,158,446)	19,478,044
Capital assets, being depreciated:					
Infrastructure	19,291,110	35,762	-	1,158,446	20,485,318
Machinery and equipment	371,619	18,486	-	-	390,105
Vehicles	140,027	71,940	-	-	211,967
Total	19,802,756	126,188	-	1,158,446	21,087,390
Less accumulated depreciation for:					
Infrastructure	(5,978,529)	(1,007,979)	-	-	(6,986,508)
Machinery and equipment	(221,278)	(15,904)	-	-	(237,182)
Vehicles	(78,683)	(13,124)	-	-	(91,807)
Total	(6,278,490)	(1,037,007)	-	-	(7,315,497)
Total capital assets, being depreciated, net	13,524,266	(910,819)	-	1,158,446	13,771,893
Total capital assets, net	$ 18,795,733	$ 14,454,204	$ -	$ -	$ 33,249,937

NOTE 6. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit – Airport Authority

	Beginning Balance	Increases	Decreases and Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	$ 109,542	$ -	$ -	$ 109,542
Land improvements	356,944	-	-	356,944
Total	466,486	-	-	466,486
Capital assets, being depreciated:				
Buildings and improvements	678,717	-	-	678,717
Machinery and equipment	57,476	-	-	57,476
Total	736,193	-	-	736,193
Less accumulated depreciation for:				
Buildings and improvements	(177,228)	(22,143)	-	(199,371)
Machinery and equipment	(51,728)	-	-	(51,728)
Total	(228,956)	(22,143)	-	(251,099)
Total capital assets, being depreciated, net	507,237	(22,143)	-	485,094
Total capital assets, net	$ 973,723	$ (22,143)	$ -	$ 951,580

NOTE 6. CAPITAL ASSETS (CONTINUED)

D. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases and Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	$ 15,600	$ 16,091	$ -	$ 31,691
Total	15,600	16,091	-	31,691
Capital assets, being depreciated:				
Buildings and improvements	787,510	97,621	-	885,131
Furniture and fixtures	25,300	-	-	25,300
Machinery and equipment	3,287	-	-	3,287
Total	816,097	97,621	-	913,718
Less accumulated depreciation for:				
Buildings and improvements	(119,460)	(19,495)	-	(138,955)
Furniture and fixtures	(25,300)	-	-	(25,300)
Machinery and equipment	(3,287)	-	-	(3,287)
Total	(148,047)	(19,495)	-	(167,542)
Total capital assets, being depreciated, net	668,050	78,126	-	746,176
Total capital assets, net	$ 683,650	$ 94,217	$ -	$ 777,867

NOTE 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2025 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Local Roads Fund	$ 12,312
General Fund	SPLOST Fund	82,954
General Fund	Solid Waste Management Fund	2,969
General Fund	Nonmajor Governmental Funds	306,468
General Fund	Multiple Grant Fund	1,137,492
Capital Projects Fund	General Fund	358,348
Nonmajor Governmental Funds	General Fund	114,639
Internal Service Fund	General Fund	220,000
		$ 2,235,182

These balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The balance between the General Fund and nonmajor governmental funds pertains to hotel/motel tourism funds to be remitted to the County. The balance between the General Fund and SPLOST Fund relate to allowable costs for referendum approved project costs initially paid out of the General Fund. The balance between the General Fund and Capital Projects Fund relate to project costs to be funded via the General Fund. The balances between the General Fund and Solid Waste Management Fund and Local Roads Fund relate to project or operational costs initially supplemented by the General Fund. The balance between the General Fund and Multiple Grant Fund relates to amounts initially paid out of General Fund to be replenished with subsequent year's intergovernmental revenue receipts. The balance between the Internal Service Fund and the General Fund relates to a transfer of funds to supplement cash flow needs within the Internal Service Fund.

Interfund transfers for the year ended December 31, 2025 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	$ 779,472
General Fund	Multiple Grant Fund	146,376
Local Roads Fund	General Fund	3,941
Capital Projects Fund	General Fund	982,834
Solid Waste Management Fund	SPLOST Fund	583,243
Nonmajor Governmental Funds	SPLOST Fund	1,326,361
Nonmajor Governmental Funds	Capital Projects Fund	418,000
Solid Waste Management Fund	General Fund	67,108
SPLOST Fund	General Fund	24,659
Nonmajor Governmental Funds	General Fund	722,365
Multiple Grant Fund	General Fund	144,173
Internal Service Fund	General Fund	220,000

NOTE 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) provide unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (3) move SPLOST funds to refund the Solid Waste Management Fund for allowable costs incurred on referendum approved projects, (4) move SPLOST and Capital Projects funds to the Public Building Authority for debt service payments (5) move Multiple Grant funds to refund the General Fund for project costs incurred, and (6) move Nonmajor Governmental Funds (ARP and hotel/motel taxes) to the General Fund for tourism collection and grant uses.

Due from/to primary government and component units:

Receivable Entity	Payable Entity	Amount
Lumpkin County General Fund	Water and Sewerage Authority	$ 6,684

NOTE 8. LONG-TERM DEBT

A. Primary Government

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

	Adjusted Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable	$ 32,271,050	$ -	$ (1,132,728)	$ 31,138,322	$ 1,650,553
Discount on bonds payable	(158,508)	-	10,804	(147,704)	-
Premium on bonds payable	1,429,076	-	(230,932)	1,198,144	-
Total bonds payable	33,541,618	-	(1,352,856)	32,188,762	1,650,553
Notes payable	4,875,531	-	(180,403)	4,695,128	185,890
Leases payable	431,949	-	(155,522)	276,427	139,929
Net pension liability	4,573,525	1,668,278	(1,642,590)	4,599,213	-
Compensated absences *	1,144,643	107,184	-	1,251,827	939,008
Governmental activities long-term liabilities	$ 44,567,266	$ 1,775,462	$ (3,331,371)	$ 43,011,357	$ 2,915,380
Business-Type Activities:					
Landfill postclosure costs	$ 198,000	$ -	$ (22,000)	$ 176,000	$ 22,000

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

Governmental activities reported a change within its reporting entity, resulting in debt previously classified as intergovernmental payable to be reported as bonds payable, including an adjustment to reflect the Series 2018 Lumpkin County Board of Education Bonds beginning balance. See also Note 5 and Note 15. For governmental activities, the net pension liability is liquidated by the General Fund.

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Notes payable from direct borrowings. In September 1999, Lumpkin County and the City of Dahlonega borrowed $4,475,000 from the Georgia Environmental Finance Authority (GEFA) to develop a reservoir. During 2001, the City and County entered into an agreement to increase the loan amount to $14,000,000. During 2006, the reservoir was completed and the loan finalized. The County's share of the obligation as of December 31, 2025, was $4,695,128 which is 53% of the total debt outstanding. The note carries an interest rate of 3%.

The County's debt service requirements to maturity on the GEFA notes payables from direct borrowings are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 185,890	$ 138,312	$ 324,202
2027	191,544	132,658	324,202
2028	197,370	126,832	324,202
2029	203,373	120,829	324,202
2030	209,558	114,643	324,201
2031-2035	1,147,369	473,638	1,621,007
2036-2040	1,332,804	288,204	1,621,008
2041-2045	1,227,220	78,945	1,306,165
Total	$ 4,695,128	$ 1,474,061	$ 6,169,189

Revenue bonds payable from direct borrowings. In May 2013, Lumpkin County Public Building Authority issued revenue bonds and entered into an intergovernmental agreement with the County, for the Series 2013 Revenue Bonds which refunded previously outstanding certificates of participation. The proceeds from the bonds, together with certain other monies, were deposited into an escrow fund which provided sufficient money to pay, when due, the principal and interest on the certificates up to and including November 1, 2014 when the certificates were fully redeemed. The revenue bonds bear interest at rates ranging from 1.25 – 2.00% and payments are made semiannually on May 1 and November 1 beginning in 2013 and concluding when the bonds are retired on November 1, 2027.

In December 2018, the Public Building Authority issued direct placement revenue bonds and entered into an intergovernmental agreement to sell a project to Lumpkin County Schools. Lumpkin County Schools will be responsible for paying the County amounts equal to the debt service requirements on the Revenue Bonds, Series 2018, in the amount of $3,600,000. The revenue bonds bear interest at a rate of 3.16% and payments are made semiannually on June 1 and December 1 beginning in 2019 and concluding when the bonds are retired on December 1, 2026.

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Revenue bonds payable from direct borrowings (Continued). In May 2020, the County completed its purchase of a judicial facility from the Association of County Commissioners of Georgia. Subsequently, the Public Building Authority issued $8,165,000 of Series 2020A Revenue Bonds. The proceeds of the Series 2020A Revenue Bonds will be used to finance the acquisition, construction and equipping of certain recreation projects. The bonds were issued with an interest rate of 2.95% and mature in June 2045. An intergovernmental agreement between the County and Public Building Authority stipulates that the County levy an ad valorem property tax sufficient to pay the Authority to make debt service payments.

In addition, in May 2020, the Public Building Authority issued $5,810,000 of Series 2020B Revenue Bonds. The proceeds of the Series 2020B Revenue Bonds were issued to refund all the outstanding Series 2013 Revenue Bonds, the proceeds of which were used to refinance the County's Justice Center. A deferred charge on refunding is reported within the governmental activities due to a difference in the carrying value of the old debt versus the newly issued debt. The bonds were issued with an interest rate of 2.95% and mature in June 2045. An intergovernmental agreement between the County and Public Building Authority stipulates that the County levies an ad valorem property tax sufficient to pay the Authority to make debt service payments.

The Series 2020A Revenue Bonds bear interest at a rate of 1.06%, and the Series 2020B Revenue Bonds bear interest at a rate of 2.95%. Payments on both bonds are made semiannually on June 1 and December 1. Payments on the Series 2020A Revenue Bonds began in 2020 and conclude when the bonds are retired on June 1, 2045. Payments on the Series 2020B Revenue Bonds began in 2020 and conclude when the bonds are retired on December 1, 2027.

In September 2022, the Lumpkin County Public Building Authority issued $8,040,000 of Series 2022A and $1,640,000 of 2022B Revenue Bonds. The purpose of the bonds is to: (1) finance the acquisition, construction and equipping of certain capital projects, (2) paying the cost of issuing the bonds, and (3) paying a portion of the debt service on the Authority's Series 2020A Bonds. A portion of the proceeds from the Series 2022B Bonds were deposited into an escrow fund, which will provide sufficient money to pay, when due, the principal and interest on the Series 2020A Bonds through December 2025.

The Series 2022A Revenue Bonds bear interest at a rate ranging from 4.00% to 4.50%, and the Series 2022B Revenue Bonds bear interest at a rate ranging from 4.20% to 4.50%. Payments on both bonds are made semiannually on June 1 and December 1. Principal payments on the Series 2022A Revenue Bonds begin in 2032 and conclude when the bonds are retired on December 1, 2047. Principal payments on the Series 2022B Revenue Bonds begin in 2026 and conclude when the bonds are retired on June 1, 2031.

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Revenue bonds payable from direct borrowings (Continued). In November 2024, the Lumpkin County Public Building Authority issued $12,680,000 of Series 2024 Revenue Bonds. The purpose of the bonds is to: (1) finance the acquisition, construction, and equipment of all or a portion of: (i) a new animal shelter, (ii) emergency services vehicles, (iii) parks and recreation improvements, (iv) renovations and repairs to existing County-owned facilities, (v) recycling capital improvements, (vi) a road development pole barn, and (vi) Sheriff's vehicles, (2) paying capitalized interest on the bonds, and (3) paying the costs of issuing the bonds.

The Series 2024 Revenue Bonds bear interest at a rate of 5.00%. Payments on the bonds are made semiannually on April 1 and October 1. Principal payments on the bonds begin in 2028 and conclude when the bonds are retired on April 1, 2032. The Series 2024 Revenue Bonds were issued at an original issuance premium of $1,429,076.

The County's debt service requirements to maturity on its revenue bonds payable are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 1,650,553	$ 957,370	$ 2,607,923
2027	1,273,129	1,235,527	2,508,656
2028	2,831,943	1,152,996	3,984,939
2029	2,970,025	1,015,229	3,985,254
2030	3,108,347	870,652	3,978,999
2031-2035	8,680,487	2,617,549	11,298,036
2036-2040	3,848,933	1,724,722	5,573,655
2041-2045	4,634,905	946,373	5,581,278
2046-2047	2,140,000	97,422	2,237,422
Total	$ 31,138,322	$ 10,617,840	$ 41,756,162

Lease liabilities. During the fiscal year, the County had active noncancelable lease agreements as lessee. A description of those agreements and related balances are as follows:

The County has entered into agreements with a third party to lease equipment for public safety use as well as office equipment for various departmental use. The public safety equipment lease terminates in August 2027, however the right-to-use asset terminates in August 2028. The office equipment terminates in November 2025 through July 2027. As the leases do not reflect stated interest rates, the County utilized its incremental borrowing rate as calculated at the inception of each lease agreement at 4.00%. Monthly payments range from $1,494 to $11,062 for each lease, over the various terms of the individual leases. The outstanding balance of the County's lease liabilities for equipment as of December 31, 2025, was $276,427.

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Lease liabilities (Continued). The County's debt service requirements to maturity on its lease liabilities is as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 139,929	$ 10,744	$ 150,673
2027	136,499	5,209	141,708
Total	$ 276,428	$ 15,953	$ 292,381

Landfill postclosure costs. Effective June 17, 2003, the Lumpkin County Landfill was closed, and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of December 31, 2025, the County has 8 years of monitoring remaining. Engineering studies estimate postclosure costs of approximately $176,000 over the 8-year period. These costs are based on what it would cost to perform all postclosure care in 2025, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

B. Discretely Presented Component Unit – Water and Sewerage Authority

Long-term debt activity for the year ended December 31, 2025 for the Water and Sewerage Authority (the "Authority") is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct placement bonds payable	$ 980,500	$ -	$ (652,700)	$ 327,800	$ 327,800
Notes payable from direct borrowing	4,404,126	1,655,435	(204,335)	5,855,226	207,635
Compensated absences *	56,730	13,659	-	70,389	59,043
Total long-term liabilities	$ 5,441,356	$ 1,669,094	$ (857,035)	$ 6,253,415	$ 594,478

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

Bonds payable from direct placement. In February 2021, the Authority issued $3,400,000 of Series 2021 Revenue Bonds. The bonds were issued with an interest rate of 0.85%. The bonds were issued for the purpose of funding capital improvement projects, specifically the 2021 EDA Grant Project. Lumpkin County will assume responsibility for the repayment of the bond debt service using the Authority's remaining allocation under the 2020 SPLOST Program. The debt service is scheduled to be retired at the end of the 2020 SPLOST Program in 2026.

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Water and Sewerage Authority (Continued)

Bonds payable from direct placement (Continued). The debt service requirements to maturity on the direct placement Series 2021 Bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 327,800	$ 1,411	$ 329,211
Total	$ 327,800	$ 1,411	$ 329,211

Notes payable from direct borrowings. On March 23, 2011, the Authority issued a note payable to borrow a total of $408,000 from the Georgia Environmental Finance Authority (GEFA) for the purpose of funding the Copper Ridge well improvement project. Additionally, the agreement with GEFA included a principal forgiveness component equal to 30% of the face value of the note, or $122,400. Monthly principal and interest payments are paid each month beginning June 1, 2012 through December 1, 2032 at an interest rate of 3.0%.

On February 24, 2015, the Authority executed a promissory note to GEFA to borrow up to $1 million from the Drinking Water State Revolving Fund for the construction of a 500,000 gallon elevated water storage tank. Additionally, the agreement with GEFA included a principal forgiveness component equal to 25% of the face value of the note, or $250,000. Monthly principal and interest payments are paid each month beginning April 1, 2018 through September 1, 2038 at an interest rate of 2.03%.

On March 15, 2016, the Authority executed a promissory note to GEFA to borrow up to $750,000 from the Drinking Water State Revolving Fund to finance the costs of acquiring, constructing, and installing water mains and appurtenances. Additionally, the agreement with GEFA included a principal forgiveness component equal to 40% of the face value of the note, or $300,000. Monthly principal and interest payments are paid each month beginning January 1, 2018 through June 1, 2028 at an interest rate of 0.52%.

On August 18, 2020, the Authority executed a promissory note to GEFA to borrow up to $2.5 million from the Drinking Water State Revolving Fund to finance the costs of acquiring, constructing and installing the environmental facilities at the Auraria Road and Copper Pines interconnection. The agreement with GEFA did not include a principal forgiveness component and the Authority is responsible for 100% of the face value of the note. Monthly principal and interest payments are paid each month beginning February 1, 2021 through October 1, 2041 at an interest rate of 1.71%.

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Water and Sewerage Authority (Continued)

Notes payable from direct borrowings (Continued). On August 2, 2022, the Authority executed a promissory note to GEFA to borrow up to $825,000 from the Clean Water State Revolving Fund to finance the costs of acquiring, constructing and installing the wastewater treatment plant at Chestatee Industrial Park. The unpaid principal balance of the note will bear interest at 0.43% annually and will be payable monthly until the project is completed or July 1, 2023 (whichever is earlier). At that time, the note will be finalized and will enter into its repayment phase whereby principal and interest will be due in one hundred nineteen (119) equal monthly installments until the note is fully repaid. As of December 31, 2025, the Authority had made draws totaling $3,086,735 on this note payable to GEFA. As the project is still in the construction phase, an amortization schedule has not been determined for this note and thus the entire payable is reported as due in more than one year.

The Authority's debt service requirements to maturity on its notes payable from direct borrowings are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 207,635	$ 47,610	$ 255,245
2027	210,996	44,248	255,244
2028	191,951	40,848	232,799
2029	172,793	37,558	210,351
2030	176,114	34,236	210,350
2031-2035	873,182	121,549	994,731
2036-2040	813,775	44,540	858,315
2041	122,045	959	123,004
Total	$ 2,768,491	$ 371,548	$ 3,140,039

NOTE 9. DEFINED BENEFIT PLAN

Plan Description

The County, as authorized by the County Commission, has established a noncontributory defined benefit pension plan, The Lumpkin County Defined Benefit Plan (the "Plan"), covering substantially all of the County's employees. The County's pension plan is administered through the Association of 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 members and beneficiaries. Plan benefits are provided for Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. Plan benefits are provided for Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the 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. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust.WThat report may be obtained at www.gebcorp.com or by writing to the Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan membership. As of January 1, 2025, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Retirees, Beneficiaries and Disabled receiving benefits	78
Terminated plan participants entitled to but not yet receiving benefits	183
Active employees participating in the Plan	269
Total number of Plan participants	530

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by Plan participants. For the year ended December 31, 2025, the County's contribution rate was 10.0% of annual payroll. County contributions to the Plan were $898,800 for the year ended December 31, 2025.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025 with update procedures performed by the actuary to rollforward to the total pension liability measured as of December 31, 2024.

Actuarial assumptions. The total pension liability in the January 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%
Salary increases	3.0% - 7.0%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Amount-Weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employes with Scale AA projection to year 2025.

The actuarial assumptions used in the January 1, 2025 valuation were based on the results of an actuarial experience study through February 2024.

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Net Pension Liability of the County (Continued)

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed income	30%	3.60%
Large cap equity	30%	8.20
International equity	15%	8.90
Other equity	20%	8.90
Real estate	5%	8.50
Total	100%	

* Rates shown are net of the 2.00% assumed rate of inflation

Discount rate. The discount rate used to measure the total pension liability was 7.00%, which did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability. As of December 31, 2024, the expected long-term rate of return was 7.00%.

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Changes in the net pension liability of the County. The changes in the components of the net pension liability of the County for the year ended December 31, 2025, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/24	$ 11,863,741	$ 7,290,216	$ 4,573,525
Changes for the year:			
Service cost	435,259	-	435,259
Interest	820,237	-	820,237
Differences between expected and actual experience	251,506	-	251,506
Assumption changes	22,164	-	22,164
Contributions—employer	-	893,575	(893,575)
Net investment income	-	749,015	(749,015)
Benefit payments, including refunds of employee contributions	(282,332)	(355,712)	73,380
Administrative expense	-	(65,732)	65,732
Net changes	1,246,834	1,221,146	25,688
Balances at 12/31/25	$ 13,110,575	$ 8,511,362	$ 4,599,213

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	$ 6,676,960	$ 4,599,213	$ 2,892,332

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Sensitivity of the net pension liability to changes in the discount rate (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2024 and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2025, the County recognized pension expense of $1,296,658. At December 31, 2025, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Plan contributions made subsequent to the measurement period	$ 898,800	$ -
Assumption changes	471,526	-
Experience differences	359,740	-
Net difference between projected and actual earnings on pension plan investments	-	51,179
Total	$ 1,730,066	$ 51,179

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

County contributions subsequent to the measurement date of $898,800 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending December 31, 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 Ending December 31:		
2026	$	444,929
2027		479,564
2028		(96,241)
2029		(48,165)
Total	$	780,087

NOTE 10. DEFINED CONTRIBUTION PLAN

The County, by resolution, adopted the ACCG 401(a), a defined contribution retirement plan, administered by GEBCorp. The plan provisions and contribution rates may also be amended by resolution. Current full-time employees are eligible to participate, beginning on their date of hire. The County shall make a matching contribution on behalf of each participant to the plan equal to 4% of the participant's compensation for each participant who contributes 2% of their compensation.

For the year ended December 31, 2025, the County's covered payroll for employees participating in this plan was $10,505,047 and total payroll was $17,458,753. The County's contribution was $417,591 and employee contributions were $153,461.

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents. The County is partially self-insured for health insurance claims. The self-insurance plan is described below.

The County participates in the Georgia Interlocal Risk Management Agency Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of the risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, 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.

The County also carries insurance for all other risks of loss, including general liability and errors and omission coverage through a private insurance company. Settled claims have not exceeded insurance coverage in any of the past three years. There have been no significant reductions of insurance coverage from coverage in the prior year.

The County is partially self-insured for health insurance and health related claims. Individual limits for County payments are $75,000 per claim. After this limit is met, commercial insurance covers the claims. The County has entered into a contract with a third-party administrator to administer the claims. The following describes the activity related to these claims based on actual claims presented after year end for the past fiscal year.

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2024	$ 37,916	$ 3,048,196	$ 2,732,148	$ 353,964
2025	353,964	2,638,502	2,758,895	233,571

NOTE 12. COMMITMENTS AND CONTINGENCIES

Litigation

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

Grant Contingencies

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

Financial Guarantees

In March 2016, the Lumpkin County Water and Sewerage Authority entered into an intergovernmental contract relating to $750,000 the Authority borrowed from the Drinking Water State Revolving fund administered by Georgia Environmental Finance Authority (GEFA). Subsequently, the County guaranteed these notes in accordance with an intergovernmental contract signed between the Water and Sewerage Authority and the County dated March 15, 2016. Payments on the loan are due in monthly installments of principal and interest for a term of 119 monthly payments. As of December 31, 2025, the outstanding balance of this note is $111,483. In the event that the Water and Sewerage Authority has insufficient funds on deposit to enable the Water and Sewerage Authority to pay the principal and interest on the loan, the County will be required to transfer funds to the Water and Sewerage Authority such that payments from the County, when added to amounts available in the Water and Sewerage Authority's accounts, will be sufficient to pay principal and interest currently due.

Contractual Commitments

For the year ended December 31, 2025, contractual commitments on uncompleted contracts were $6,384,785.

NOTE 13. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Georgia Mountains Regional Commission (RC) and is required to pay annual dues thereto. During the year ended December 31, 2025, the County paid $34,380 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional development commissions 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 a regional development commission. Separate financial statements may be obtained from:

Georgia Mountains Regional Commission
P.O. Box 1720
Gainesville, GA 30503

The County participates with Union, Banks and Towns Counties in the North Georgia Resource Management Authority. The Authority studied solid waste disposal issues, developed a plan to recycle waste paper and has leased those facilities to private entities. Lumpkin County has an ongoing financial interest and obligation for funding debt service requirements. The participating counties are annually assessed varying amounts to cover the Authority's inability to service its debt. During the year ended December 31, 2025, the County made no payments to the Authority. As of December 31, 2025, the Authority does not have any debt outstanding. Separate financial statements can be obtained from their office at:

North Georgia Resource Management Authority
150 Hudson Ridge, Suite 1
Homer, GA 30547

NOTE 14. HOTEL/MOTEL TAX

The County has levied an 8% lodging tax. During the year ended December 31, 2025, the County collected $1,143,089 in hotel/motel taxes. For the same year then ended, the Hotel/Motel Tax Fund reported expenditures of $1,131,319 for the promotion of tourism in accordance with the provisions of O.C.G.A. 48-13-51(b).

NOTE 15. ACCOUNTING CHANGES

Change Within the Financial Reporting Entity – Change in Major Funds

In the current year, the County's Multiple Grant Fund meets the definition of a major fund. The Multiple Grant Fund reported fund balance of $31,796 as of December 31, 2024. The impact of the change is shown in the table below:

	Reporting Units Affected by Adjustments to Beginning Fund Balances	
	Multiple Grant Fund	Nonmajor Governmental Funds
December 31, 2024, as previously reported	$ -	$ 1,984,385
Change from nonmajor to major fund	31,796	(31,796)
December 31, 2024, as adjusted	$ 31,796	$ 1,952,589

Change Within the Financial Reporting Entity – Change in Component Unit Presentation

The Lumpkin County Public Building Authority (the Building Authority) was previously reported as a discretely presented component unit. However, management determined that a majority of the outstanding debt issued by the Authority is repaid by the County, and, therefore, the Building Authority meets the definition of a blended component unit as of December 31, 2025. The Building Authority is reported as a nonmajor, governmental debt service fund as of December 31, 2025. There is no impact to beginning governmental fund balance(s). The effects of the change within the financial reporting entity at the government-wide reporting level is shown in the table below:

	Reporting Units Affected by Adjustments to Beginning Net Positions	
	Discretely Presented Component Units	Governmental Activities
December 31, 2024, as previously reported	$ 18,996,447	$ 134,175,029
Impact of deferred charges on refunding on Building Authority bonds payable	(464,045)	464,045
Impact of Series 2018 LC BOE bonds payable	760,000	(760,000)
Impact of LC BOE long-term receivable	(760,000)	760,000
December 31, 2024, as adjusted	$ 18,532,402	$ 134,639,074

REQUIRED SUPPLEMENTARY INFORMATION

LUMPKIN COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Taxes	$ 23,651,833	$ 24,158,225	$ 25,325,612	$ 1,167,387
Licenses and permits	80,000	80,000	90,814	10,814
Fines and forfeitures	629,300	632,224	761,137	128,913
Charges for services	3,170,621	3,183,542	3,773,370	589,828
Interest income	301,521	301,521	731,459	429,938
Intergovernmental	654,902	654,902	660,628	5,726
Contributions and donations	28,100	28,100	178,691	150,591
Other	441,400	527,387	611,806	84,419
Total revenues	28,957,677	29,565,901	32,133,517	2,567,616
Expenditures:				
Current:				
General government:				
Legislative	463,350	482,872	261,368	221,504
Executive	755,825	755,825	671,792	84,033
Board of elections	335,892	335,892	176,176	159,716
Human resources	363,384	363,384	359,145	4,239
Financial administration	554,267	554,267	495,762	58,505
Data processing	150,964	151,464	121,945	29,519
Tax commissioner	517,483	560,213	560,010	203
Public/General buildings	1,418,359	1,418,659	1,355,827	62,832
Customer service	415,216	532,415	452,920	79,495
Tax assessor	714,323	731,680	716,796	14,884
Total general government	5,689,063	5,886,671	5,171,741	714,930
Judicial:				
Judicial administration	416,540	416,540	416,503	37
Superior court	240,747	315,035	305,539	9,496
Clerk superior court	893,444	893,444	837,657	55,787
District attorney	37,500	56,623	53,974	2,649
Magistrate court	253,531	292,287	292,078	209
Probate court	415,987	415,987	398,332	17,655
Total judicial	2,257,749	2,389,916	2,304,083	85,833
Public safety:				
Police	287,300	279,526	95,992	183,534
Fire	5,922,488	6,236,030	6,233,201	2,829
Sheriff	7,643,980	9,208,515	9,162,454	46,061
Emergency medical services	63,044	63,044	50,552	12,492
Coroner	85,974	85,974	68,319	17,655
Other protection	585,826	604,530	602,630	1,900
Total public safety	14,588,612	16,477,619	16,213,148	264,471
Public works:				
Public works administration	159,182	159,182	80,948	78,234
Highways and streets	1,466,612	1,489,512	1,361,048	128,464
Sanitation and wastewater	397,780	399,445	328,727	70,718
Total public works	2,023,574	2,048,139	1,770,723	277,416

(Continued)

LUMPKIN COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Health and welfare:				
Health	$ 209,199	$ 209,199	$ 209,199	$ -
Welfare	27,500	27,500	27,500	-
Community services	759,251	806,691	764,429	42,262
Total health and welfare	995,950	1,043,390	1,001,128	42,262
Culture and recreation:				
Participant recreation	2,386,046	2,429,949	2,280,969	148,980
Library	509,795	509,795	509,795	-
Total culture and recreation	2,895,841	2,939,744	2,790,764	148,980
Housing and development:				
Conservation	66,488	66,488	62,884	3,604
Economic development	25,000	25,000	25,000	-
Total housing and development	91,488	91,488	87,884	3,604
Debt service:				
Principal	67,860	67,860	223,381	(155,521)
Interest	51,180	51,180	67,703	(16,523)
Total debt service	119,040	119,040	291,084	(172,044)
Total expenditures	28,661,317	30,996,007	29,630,555	1,365,452
Excess (Deficiency) of revenues over expenditures	296,360	(1,430,106)	2,502,962	3,933,068
Other financing sources (Uses):				
Proceeds from the sale of capital assets	20,000	20,000	25,700	5,700
Transfers in	450,000	450,000	925,848	475,848
Transfers out	(1,494,527)	(1,494,527)	(2,165,080)	(670,553)
Total other financing sources (Uses)	(1,024,527)	(1,024,527)	(1,213,532)	(189,005)
Net change in fund balances	(728,167)	(2,454,633)	1,289,430	3,744,063
Fund balances, beginning of year	17,340,778	17,340,778	17,340,778	-
Fund balances, end of year	$ 16,612,611	$ 14,886,145	$ 18,630,208	$ 3,744,063

LUMPKIN COUNTY, GEORGIA
MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 141,724	$ 1,401,798	$ 213,399	$ (1,188,399)
Contributions and donations	-	-	3,000	3,000
Total revenues	141,724	1,401,798	216,399	(1,185,399)
Expenditures:				
Current:				
General government	6,000	8,343	8,038	305
Judicial	97,121	99,829	98,889	940
Public safety	41,603	71,523	63,715	7,808
Health and welfare	-	5,872	5,871	1
Culture and recreation	-	1,229,231	1,229,231	-
Total expenditures	144,724	1,414,798	1,405,744	9,054
Deficiency of revenues over expenditures	(3,000)	(13,000)	(1,189,345)	(1,176,345)
Other financing sources (Uses):				
Transfers in	13,000	159,377	144,173	(15,204)
Transfers out	-	(146,377)	(146,376)	1
Total other financing sources (Uses)	13,000	13,000	(2,203)	(15,203)
Net changes in fund balances	10,000	-	(1,191,548)	(1,191,548)
Fund balances, beginning of year	31,796	31,796	31,796	-
Fund balances (Deficit), end of year	$ 41,796	$ 31,796	$ (1,159,752)	$ (1,191,548)

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

	2025	2024	2023	2022	2021
Total pension liability					
Service cost	$ 435,259	$ 329,902	$ 321,480	$ 294,431	$ 269,762
Interest on total pension liability	820,237	687,388	623,391	572,332	520,492
Differences between expected and actual experience	251,506	243,108	204,682	73,519	141,682
Changes of assumptions	22,164	901,950	16,279	14,904	13,580
Benefit payments, including refunds of employee contributions	(282,332)	(246,681)	(246,681)	(204,880)	(205,020)
Net change in total pension liability	1,246,834	1,915,667	919,151	750,306	740,496
Total pension liability - beginning	11,863,741	9,948,074	9,028,923	8,278,617	7,538,121
Total pension liability - ending (a)	$ 13,110,575	$ 11,863,741	$ 9,948,074	$ 9,028,923	$ 8,278,617
Plan fiduciary net position					
Contributions - employer	$ 893,575	$ 715,513	$ 638,318	$ 487,324	$ 584,400
Net investment income	749,015	968,271	(957,773)	832,147	600,539
Benefit payments, including refunds of employee contributions	(355,712)	(271,489)	(255,785)	(227,928)	(205,101)
Administrative expenses	(65,732)	(61,123)	(56,527)	(52,178)	(49,356)
Net change in plan fiduciary net position	1,221,146	1,351,172	(631,767)	1,039,365	930,482
Plan fiduciary net position - beginning	7,290,216	5,939,044	6,570,811	5,531,446	4,600,964
Plan fiduciary net position - ending (b)	$ 8,511,362	$ 7,290,216	$ 5,939,044	$ 6,570,811	$ 5,531,446
County's net pension liability - ending (a) - (b)	$ 4,599,213	$ 4,573,525	$ 4,009,030	$ 2,458,112	$ 2,747,171
Plan fiduciary net position as a percentage of the total pension liability	64.9%	61.4%	59.7%	72.8%	66.8%
Covered payroll	$ 9,399,210	$ 8,650,998	$ 8,076,454	$ 7,420,189	$ 7,008,565
County's net pension liability as a percentage of covered payroll	48.9%	52.9%	49.6%	33.1%	39.2%

	2020	2019	2018	2017	2016
Total pension liability					
Service cost	$ 241,712	$ 203,574	$ 182,798	$ 178,104	$ 155,942
Interest on total pension liability	450,303	360,478	351,063	328,874	283,967
Differences between expected and actual experience	121,211	551,950	(137,228)	42,009	88,048
Changes of assumptions	382,661	510,833	10,986	175,216	159,350
Benefit payments, including refunds of employee contributions	(181,344)	(150,713)	(142,810)	(146,542)	(114,386)
Net change in total pension liability	1,014,543	1,476,122	264,809	577,661	572,921
Total pension liability - beginning	6,523,578	5,047,456	4,782,647	4,204,986	3,632,065
Total pension liability - ending (a)	$ 7,538,121	$ 6,523,578	$ 5,047,456	$ 4,782,647	$ 4,204,986
Plan fiduciary net position					
Contributions - employer	$ 494,650	$ 401,622	$ 317,767	$ 277,885	$ 289,822
Net investment income	756,224	(201,255)	453,981	180,124	(3,783)
Benefit payments, including refunds of employee contributions	(191,337)	(150,713)	(142,810)	(146,542)	(114,386)
Administrative expenses	(46,532)	(34,818)	(30,148)	(31,535)	(28,468)
Other	-	-	-	-	(9,103)
Net change in plan fiduciary net position	1,013,005	14,836	598,790	279,932	134,082
Plan fiduciary net position - beginning	3,587,959	3,573,123	2,974,333	2,694,401	2,560,319
Plan fiduciary net position - ending (b)	$ 4,600,964	$ 3,587,959	$ 3,573,123	$ 2,974,333	$ 2,694,401
County's net pension liability - ending (a) - (b)	$ 2,937,157	$ 2,935,619	$ 1,474,333	$ 1,808,314	$ 1,510,585
Plan fiduciary net position as a percentage of the total pension liability	61.0%	55.0%	70.8%	62.2%	64.1%
Covered payroll	$ 6,563,526	$ 6,387,811	$ 5,526,657	$ 5,493,661	$ 5,086,023
County's net pension liability as a percentage of covered payroll	44.7%	46.0%	26.7%	32.9%	29.7%

LUMPKIN COUNTY, GEORGIA

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

	2025	2024	2023	2022	2021
Actuarially determined contribution	$ 836,248	$ 791,291	$ 669,632	$ 638,318	$ 487,324
Contributions in relation to the actuarially determined contribution	898,800	893,575	715,513	638,318	487,324
Contribution deficiency (excess)	$ (62,552)	$ (102,284)	$ (45,881)	$ -	$ -
Covered payroll	$ 8,988,000	$ 9,399,210	$ 8,650,998	$ 8,076,454	$ 7,420,189
Contributions as a percentage of covered payroll	10.0%	9.5%	8.3%	7.9%	6.6%

	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 584,400	$ 494,650	$ 401,622	$ 317,767	$ 277,885
Contributions in relation to the actuarially determined contribution	584,400	494,650	401,622	317,767	277,885
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 7,008,565	$ 6,563,526	$ 6,387,811	$ 5,526,657	$ 5,493,661
Contributions as a percentage of covered payroll	8.3%	7.5%	6.3%	5.7%	5.1%

Notes to the Schedule

Valuation Date	January 1, 2025
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period.
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	3.0% - 7.0% (including 2.0% for inflation)
Cost-of-Living Adjustment	2.0%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes, as described below.

Drug Rehabilitation Fund - to account for funds collected from fines and forfeitures to be used to create and maintain a Drug Abuse Treatment and Education Fund; these funds are restricted by the Official Code of Georgia Annotated (OCGA) 15-21-100.

Law Library Fund - to account for the revenues and related expenditures of operating the County's Law Library; these funds are restricted by OCGA 36-15.

Emergency Telephone System Fund - to account for the monthly 911 charge to help fund the cost of providing emergency 911 services; these funds are restricted by OCGA 46-5-134.

American Rescue Plan Fund - to account for the revenues and expenditures relating to the funds received through the American Rescue Plan Act.

Juvenile Services Fund - to account for funds collected to be used for law enforcement activities; these funds are restricted by OCGA 15-11-71.

Confiscated Assets Fund - to account for the use of confiscated assets by the Sheriff's Department; these funds are restricted by the applicable State of Georgia confiscation and seizure laws.

Special Programs Fund - to account for fines, confiscated monies, and donations received that are to be expended within the guidelines of each program as established by the external resource providers.

Public Defender Fund - to account for funds from contributing counties to be used to maintain a circuit public defender's office as established by the external resource providers.

Technology Fee Fund - to account for funds collected from fines to be used by magistrate and probate courts for technology related expenditures in accordance with State of Georgia laws.

Hotel/Motel Tax Fund - to account for the collection of hotel/motel taxes within the County and for the expenditures made distributing the collections to the appropriate entities as required by OCGA 48-13-51.

Planning Fund - to account for the revenues from the designated property tax levy and related expenditures for the operations of the County's Planning Department.

NTIA Fund - to account for the expenditures related to the NTIA broadband professional services grant.

Opioid Settlement Fund - to account for the restricted funds received from legal settlements related to the nationwide opioid epidemic.

Debt Service Funds

Debt Service Fund - to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Public Building Authority - to account for the resources accumulated and payments made for principal and interest on revenue bonded debt of governmental funds.

LUMPKIN COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue Funds							
ASSETS	**Drug Rehabilitation Fund**	**Law Library Fund**	**Emergency Telephone System Fund**	**American Rescue Plan Fund**	**Juvenile Services Fund**	**Confiscated Assets Fund**	**Special Programs Fund**	**Public Defender Fund**
Cash and cash equivalents	$ 1,736	$ 56,406	$ -	$ -	$ -	$ 271,493	$ 103,869	$ 173,835
Receivables (net of allowance for uncollectibles)	-	-	109,948	-	-	-	158	29,931
Due from other funds	84,238	-	-	-	15,292	-	-	-
Due from other governments	1,031	-	-	-	-	-	-	-
Prepaid items	-	-	32,649	-	-	43,307	-	40,202
Total assets	$ 87,005	$ 56,406	$ 142,597	$ -	$ 15,292	$ 314,800	$ 104,027	$ 243,968
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable	$ -	$ -	$ 16,151	$ -	$ -	$ 1,055	$ 21,603	$ 3,555
Due to other funds	-	326	39,040	-	-	-	1,168	5
Total liabilities	-	326	55,191	-	-	1,055	22,771	3,560
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
Unearned revenue - property taxes	-	-	-	-	-	-	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT)								
Nonspendable:								
Prepaid items	-	-	32,649	-	-	43,307	-	40,202
Restricted for:								
Public safety activities	87,005	-	54,757	-	-	270,438	81,256	-
Health and welfare	-	-	-	-	-	-	-	-
Planning department operations	-	-	-	-	-	-	-	-
Law library operations	-	56,080	-	-	-	-	-	-
Judicial activities	-	-	-	-	15,292	-	-	200,206
Tourism	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
Total fund balances (deficit)	87,005	56,080	87,406	-	15,292	313,745	81,256	240,408
Total liabilities, deferred inflows of resources, and fund balances	$ 87,005	$ 56,406	$ 142,597	$ -	$ 15,292	$ 314,800	$ 104,027	$ 243,968

Technology Fee Fund	Hotel/Motel Tax Fund	Planning Fund	NTIA Fund	Opioid Settlement Fund	Debt Service Funds (Previously discretely presented component unit) Public Building Authority	Debt Service Fund	Total Nonmajor Governmental Funds
$ 91,043	$ 187,634	$ 1,516,216	$ 375	$ 225,483	$ -	$ 294,554	$ 2,922,644
-	130,223	68,914	-	-	-	31,750	370,924
14,416	-	693	-	-	-	-	114,639
-	-	-	-	-	-	-	1,031
-	-	23,405	-	-	-	-	139,563
$ 105,459	$ 317,857	$ 1,609,228	$ 375	$ 225,483	$ -	$ 326,304	$ 3,548,801
$ 1,396	$ 158,798	$ 17,296	$ -	$ -	$ -	$ -	$ 219,854
-	129,459	-	-	-	-	136,470	306,468
1,396	288,257	17,296	-	-	-	136,470	526,322
-	-	7,486	-	-	-	3,628	11,114
-	-	466,084	-	-	-	212,476	678,560
-	-	-	-	-	-	-	-
-	-	473,570	-	-	-	216,104	689,674
-	-	23,405	-	-	-	-	139,563
-	-	-	375	-	-	-	493,831
-	-	-	-	225,483	-	-	225,483
-	-	1,094,957	-	-	-	-	1,094,957
-	-	-	-	-	-	-	56,080
104,063	-	-	-	-	-	-	319,561
-	29,600	-	-	-	-	-	29,600
-	-	-	-	-	-	(26,270)	(26,270)
104,063	29,600	1,118,362	375	225,483	-	(26,270)	2,332,805
$ 105,459	$ 317,857	$ 1,609,228	$ 375	$ 225,483	$ -	$ 326,304	$ 3,548,801

LUMPKIN COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	Special Revenue Funds							
	Drug Rehabilitation Fund	Law Library Fund	Emergency Telephone System Fund	American Rescue Plan Fund	Juvenile Services Fund	Confiscated Assets Fund	Special Programs Fund	Public Defender Fund
Revenues:								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-	-	-
Fines and forfeitures	33,288	25,112	-	-	-	-	-	-
Charges for services	-	-	655,731	-	540	-	52,933	-
Interest income	-	-	-	-	-	1,335	3,653	6,525
Intergovernmental	-	-	-	485,345	-	-	21,310	420,612
Contributions and donations	-	-	-	-	-	-	55,491	-
Total revenues	33,288	25,112	655,731	485,345	540	1,335	133,387	427,137
Expenditures:								
Current:								
General government	-	-	-	292,200	-	-	-	-
Judicial	-	7,418	-	-	-	-	-	571,529
Public safety	-	-	1,273,294	-	-	51,393	166,966	-
Public works	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	18,893	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	7,418	1,273,294	311,093	-	51,393	166,966	571,529
Excess (Deficiency) of revenues over expenditures	33,288	17,694	(617,563)	174,252	540	(50,058)	(33,579)	(144,392)
Other financing sources (Uses):								
Proceeds from sale of capital assets	-	-	-	-	-	240,954	-	-
Transfers in	-	-	572,758	-	-	-	-	149,608
Transfers out	-	-	-	(174,252)	-	-	-	-
Total other financing sources (Uses)	-	-	572,758	(174,252)	-	240,954	-	149,608
Net change in fund balances	33,288	17,694	(44,805)	-	540	190,896	(33,579)	5,216
Fund balances (Deficits), beginning of year	53,717	38,386	132,211	-	14,752	122,849	114,835	235,192
Adjustment - change within reporting entity	-	-	-	-	-	-	-	-
Fund balances, beginning of year, as adjusted	53,717	38,386	132,211	-	14,752	122,849	114,835	235,192
Fund balances (Deficits), end of year	$ 87,005	$ 56,080	$ 87,406	$ -	$ 15,292	$ 313,745	$ 81,256	$ 240,408

Technology Fee Fund	*(Previously nonmajor)* Multiple Grant Fund	Hotel/Motel Tax Fund	Planning Fund	NTIA Fund	Opioid Settlement Fund	Debt Service Funds: *(Previously discretely presented component* Public Building Authority	Debt Service Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ 1,143,089	$ 535,967	$ -	$ -	-	$ 246,079	$ 1,925,135
-	-	-	471,565	-	-	-	-	471,565
-	-	-	-	-	-	-	-	58,400
55,968	-	-	50,880	-	-	-	-	816,052
-	-	7,189	37,663	375	6,010	-	6,197	68,947
-	-	-	-	1,457,586	52,000	414,964	-	2,851,817
-	-	-	-	-	-	-	-	55,491
55,968	-	1,150,278	1,096,075	1,457,961	58,010	414,964	252,276	6,247,407
-	-	-	-	-	-	-	18,072	310,272
26,637	-	-	-	-	-	-	-	605,584
-	-	-	-	-	83,444	-	-	1,575,097
-	-	-	-	1,367,811	-	-	-	1,367,811
-	-	-	-	-	-	-	-	18,893
-	-	-	-	-	-	-	-	-
-	-	526,099	890,686	-	-	-	-	1,416,785
-	-	-	-	-	-	-	136,470	136,470
-	-	-	-	-	-	1,132,728	112,544	1,245,272
-	-	-	-	-	-	1,026,596	92,619	1,119,215
26,637	-	526,099	890,686	1,367,811	83,444	2,159,324	359,705	7,795,399
29,331	-	624,179	205,389	90,150	(25,434)	(1,744,360)	(107,429)	(1,547,992)
-	-	-	-	-	-	-	-	240,954
-	-	-	-	-	-	1,744,360	-	2,466,726
-	-	(605,220)	-	-	-	-	-	(779,472)
-	-	(605,220)	-	-	-	1,744,360	-	1,928,208
29,331	-	18,959	205,389	90,150	(25,434)	-	(107,429)	380,216
74,732	31,796	10,641	912,973	(89,775)	250,917	-	81,159	1,984,385
-	(31,796)	-	-	-	-	-	-	(31,796)
74,732	-	10,641	912,973	(89,775)	250,917	-	81,159	1,952,589
$ 104,063	$ -	$ 29,600	$ 1,118,362	$ 375	$ 225,483	$ -	$ (26,270)	$ 2,332,805

LUMPKIN COUNTY, GEORGIA
DRUG REHABILITATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 25,000	$ 25,000	$ 33,288	$ 8,288
Total revenues	25,000	25,000	33,288	8,288
Expenditures:				
Current:				
Judicial	35,000	35,000	-	35,000
Public safety	15,000	15,000	-	15,000
Total expenditures	50,000	50,000	-	50,000
Net changes in fund balances	(25,000)	(25,000)	33,288	58,288
Fund balances, beginning of year	53,717	53,717	53,717	-
Fund balances, end of year	$ 28,717	$ 28,717	$ 87,005	$ 58,288

LUMPKIN COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 16,000	$ 16,000	$ 25,112	$ 9,112
Total revenues	16,000	16,000	25,112	9,112
Expenditures:				
Current:				
Judicial	16,000	16,000	7,418	8,582
Total expenditures	16,000	16,000	7,418	8,582
Net changes in fund balances	-	-	17,694	17,694
Fund balances, beginning of year	38,386	38,386	38,386	-
Fund balances, end of year	$ 38,386	$ 38,386	$ 56,080	$ 17,694

LUMPKIN COUNTY, GEORGIA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 600,450	$ 625,452	$ 655,731	$ 30,279
Total revenues	600,450	625,452	655,731	30,279
Expenditures:				
Current:				
Public safety	1,201,725	1,274,380	1,273,294	1,086
Total expenditures	1,201,725	1,274,380	1,273,294	1,086
Deficiency of revenues over expenditures	(601,275)	(648,928)	(617,563)	31,365
Other financing sources:				
Transfers in	648,928	648,928	572,758	(76,170)
Total other financing sources	648,928	648,928	572,758	(76,170)
Net changes in fund balances	47,653	-	(44,805)	(44,805)
Fund balances, beginning of year	132,211	132,211	132,211	-
Fund balances, end of year	$ 179,864	$ 132,211	$ 87,406	$ (44,805)

LUMPKIN COUNTY, GEORGIA
AMERICAN RESCUE PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 488,813	$ 488,813	$ 485,345	$ (3,468)
Total revenues	488,813	488,813	485,345	(3,468)
Expenditures:				
Current:				
General government	292,200	292,200	292,200	-
Health and welfare	22,360	22,360	18,893	3,467
Total expenditures	314,560	314,560	311,093	3,467
Excess of revenues over expenditures	174,253	174,253	174,252	(1)
Other financing uses:				
Transfers out	(174,253)	(174,253)	(174,252)	1
Total other financing uses	(174,253)	(174,253)	(174,252)	1
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ -	$ -	$ -

LUMPKIN COUNTY, GEORGIA
JUVENILE SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 900	$ 900	$ 540	$ (360)
Total revenues	900	900	540	(360)
Expenditures:				
Current:				
Judicial	900	900	-	900
Total expenditures	900	900	-	900
Net changes in fund balances	-	-	540	540
Fund balances, beginning of year	14,752	14,752	14,752	-
Fund balances, end of year	$ 14,752	$ 14,752	$ 15,292	$ 540

LUMPKIN COUNTY, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 1,500	$ 1,500	$ -	$ (1,500)
Interest income	-	-	1,335	1,335
Total revenues	1,500	1,500	1,335	(165)
Expenditures:				
Current:				
Public safety	1,500	52,894	51,393	1,501
Total expenditures	1,500	52,894	51,393	1,501
Deficiency of revenues over expenditures	-	(51,394)	(50,058)	1,336
Other financing sources:				
Proceeds from sale of capital assets	-	51,394	240,954	189,560
Total other financing sources	-	51,394	240,954	189,560
Net changes in fund balances	-	-	190,896	190,896
Fund balances, beginning of year	122,849	122,849	122,849	-
Fund balances, end of year	$ 122,849	$ 122,849	$ 313,745	$ 190,896

LUMPKIN COUNTY, GEORGIA
SPECIAL PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 35,000	$ 59,988	$ 52,933	$ (7,055)
Interest income	500	3,298	3,653	355
Intergovernmental	-	43,647	21,310	(22,337)
Contributions and donations	30,900	60,547	55,491	(5,056)
Total revenues	66,400	167,480	133,387	(34,093)
Expenditures:				
Current:				
Public safety	67,400	168,480	166,966	1,514
Total expenditures	67,400	168,480	166,966	1,514
Deficiency of revenues over expenditures	(1,000)	(1,000)	(33,579)	(32,579)
Other financing sources:				
Transfers in	1,000	1,000	-	(1,000)
Total other financing sources	1,000	1,000	-	(1,000)
Net changes in fund balances	-	-	(33,579)	(33,579)
Fund balances, beginning of year	114,835	114,835	114,835	-
Fund balances, end of year	$ 114,835	$ 114,835	$ 81,256	$ (33,579)

LUMPKIN COUNTY, GEORGIA
PUBLIC DEFENDER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 326,498	$ 346,498	$ 420,612	$ 74,114
Interest income	-	6,509	6,525	16
Total revenues	326,498	353,007	427,137	74,130
Expenditures:				
Current:				
Judicial	543,726	571,535	571,529	6
Total expenditures	543,726	571,535	571,529	6
Deficiency of revenues over expenditures	(217,228)	(218,528)	(144,392)	74,136
Other financing sources:				
Transfers in	149,639	149,639	149,608	(31)
Total other financing sources	149,639	149,639	149,608	(31)
Net changes in fund balances	(67,589)	(68,889)	5,216	74,105
Fund balances, beginning of year	235,192	235,192	235,192	-
Fund balances, end of year	$ 167,603	$ 166,303	$ 240,408	$ 74,105

LUMPKIN COUNTY, GEORGIA
TECHNOLOGY FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 10,000	$ 26,638	$ 55,968	$ 29,330
Total revenues	10,000	26,638	55,968	29,330
Expenditures:				
Current:				
Judicial	10,000	26,638	26,637	1
Total expenditures	10,000	26,638	26,637	1
Net changes in fund balances	-	-	29,331	29,331
Fund balances, beginning of year	74,732	74,732	74,732	-
Fund balances, end of year	$ 74,732	$ 74,732	$ 104,063	$ 29,331

LUMPKIN COUNTY, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Hotel/motel taxes	$ 800,000	$ 973,596	$ 1,143,089	$ 169,493
Interest	1,500	1,500	7,189	5,689
Total revenues	801,500	975,096	1,150,278	175,182
Expenditures:				
Current:				
Housing and development	351,500	369,876	526,099	(156,223)
Total expenditures	351,500	369,876	526,099	(156,223)
Excess of revenues over expenditures	450,000	605,220	624,179	18,959
Other financing uses:				
Transfers out	(450,000)	(605,220)	(605,220)	-
Total other financing uses	(450,000)	(605,220)	(605,220)	-
Net changes in fund balances	-	-	18,959	18,959
Fund balances, beginning of year	10,641	10,641	10,641	-
Fund balances, end of year	$ 10,641	$ 10,641	$ 29,600	$ 18,959

LUMPKIN COUNTY, GEORGIA
PLANNING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	$ 521,600	$ 521,600	$ 535,967	$ 14,367
Licenses and permits	324,200	324,200	471,565	147,365
Charges for services	40,500	40,500	50,880	10,380
Interest income	15,000	15,000	37,663	22,663
Total revenues	901,300	901,300	1,096,075	194,775
Expenditures:				
Current:				
Housing and development	872,811	901,300	890,686	10,614
Total expenditures	872,811	901,300	890,686	10,614
Net changes in fund balances	28,489	-	205,389	205,389
Fund balances, beginning of year	912,973	912,973	912,973	-
Fund balances, end of year	$ 941,462	$ 912,973	$ 1,118,362	$ 205,389

LUMPKIN COUNTY, GEORGIA
NTIA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 1,367,812	$ 1,367,812	$ 1,457,586	$ 89,774
Interest income	-	-	375	375
Total revenues	1,367,812	1,367,812	1,457,961	90,149
Expenditures:				
Current:				
Public works	1,367,812	1,367,812	1,367,811	1
Total expenditures	1,367,812	1,367,812	1,367,811	1
Net changes in fund balances	-	-	90,150	90,148
Fund deficits, beginning of year	(89,775)	(89,775)	(89,775)	-
Fund balance (deficits), end of year	$ (89,775)	$ (89,775)	$ 375	$ 90,148

LUMPKIN COUNTY, GEORGIA
OPIOID SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Interest income	$ 5	$ 8,444	$ 6,010	$ (2,434)
Miscellaneous	75,000	75,000	52,000	(23,000)
Total revenues	75,005	83,444	58,010	(25,434)
Expenditures:				
Public safety	-	83,444	83,444	-
Total other financing uses	-	83,444	83,444	-
Net changes in fund balances	75,005	-	(25,434)	(25,434)
Fund balances, beginning of year	250,917	250,917	250,917	-
Fund balances, end of year	$ 325,922	$ 250,917	$ 225,483	$ (25,434)

LUMPKIN COUNTY, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	$ 238,450	$ 374,920	$ 246,079	$ (128,841)
Interest income	3,000	3,000	6,197	3,197
Total revenues	241,450	377,920	252,276	(125,644)
Expenditures:				
Current:				
General government	36,287	36,287	18,072	18,215
Capital outlay	-	136,470	136,470	-
Debt service:				
Principal	112,544	112,544	112,544	-
Interest	92,619	92,619	92,619	-
Total expenditures	241,450	377,920	359,705	18,215
Net change in fund balances	-	-	(107,429)	(107,429)
Fund balances, beginning of year	81,159	81,159	81,159	-
Fund balances (deficit), end of year	$ 81,159	$ 81,159	$ (26,270)	$ (107,429)

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED DECEMBER 31, 2025

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2014 SPLOST					
Lease Payments	$ 5,100,000	$ 4,780,916	$ 4,780,916	$ -	$ 4,780,916
Administration Facility Improvements	1,200,000	2,485,025	1,972,817	155,981	2,128,798
Public Facility Renovations/Vehicles	300,000	300,000	209,445	-	209,445
Animal Shelter Equipment/Facilities, and Vehicles	75,000	285,000	199,986	-	199,986
Clerk of Court Archives Upgrade	20,000	20,000	20,000	-	20,000
Economic Development	500,000	500,000	500,000	-	500,000
Board of Elections Upgrades	40,000	40,000	38,112	-	38,112
Emergency Services Equipment/Vehicles, Facility	1,485,000	2,395,175	2,373,155	22,020	2,395,175
Roads and Bridges Equipment, Vehicles, Resurfacing, Improvements	4,270,000	4,070,644	4,067,203	-	4,067,203
Lumpkin Co. Library	1,000,000	1,331,916	1,331,916	-	1,331,916
Recreation Equipment/Vehicles/Facilities	1,000,000	1,000,000	777,104	-	777,104
Senior Center Facilities	50,000	53,054	53,054	-	53,054
Sheriff's Department Equipment and Vehicles	360,000	361,667	361,667	-	361,667
Water Authority System Improvements	500,000	500,000	460,315	-	460,315
Operating Transfers to Other Funds	-	50,552	-	50,552	50,552
City of Dahlonega	3,000,000	3,000,000	2,999,999	-	2,999,999
Total 2014 SPLOST	$ 18,900,000	$ 21,173,949	$ 20,145,689	$ 228,553	$ 20,374,242
2020 SPLOST					
Judicial Acquisition Contract Payments	$ 4,717,410	$ 4,717,410	$ 3,859,079	$ 765,641	$ 4,624,720
Economic Development	2,000,000	2,000,000	780,000	-	780,000
Roads and Bridges Equipment, Vehicles, Resurfacing, Improvements	1,953,590	1,953,590	1,572,712	-	1,572,712
Lumpkin County Library	1,000,000	1,000,000	1,000,000	-	1,000,000
Sheriff's Department Equipment and Vehicles	1,260,000	1,795,731	1,622,347	173,384	1,795,731
Water Authority System Improvements	4,000,000	4,636,989	3,772,816	864,173	4,636,989
City of Dahlonega	3,969,000	7,183,068	5,676,281	1,506,787	7,183,068
Total 2020 SPLOST	$ 18,900,000	$ 23,286,788	$ 18,283,235	$ 3,309,985	$ 21,593,220
2026 SPLOST					
Acquisition of Pinetree Recreation Center	$ 6,688,062	$ 6,688,062	$ -	$ 563,875	$ 563,875
Airport Improvements	112,500	112,500	-	-	-
Economic Development	250,000	250,000	-	-	-
Animal Shelter	2,658,000	2,658,000	311,601	87,906	399,507
Emergency Services	6,825,000	6,825,000	720,411	1,583,342	2,303,753
Parks and Recreation	1,571,000	1,571,000	-	12,124	12,124
Renovations and Repairs to Existing County-Owned Facilities	6,248,000	6,248,000	-	-	-
Recycling	750,000	750,000	31,320	532,691	564,011
Road Department Pole Barn	30,000	37,174	-	37,174	37,174
Information Technology	150,000	150,000	-	-	-
Sheriff's Office	291,438	291,438	-	-	-
Water and Sewer	250,000	864,173	-	82,473	82,473
City of Dahlonega	7,501,560	7,501,560	-	-	-
Total 2026 SPLOST	$ 33,325,560	$ 33,946,907	$ 1,063,332	$ 2,899,585	$ 3,962,917

Total SPLOST expenditures	6,438,123
	24,659 (1)
Total SPLOST Fund expenditures	$ 6,462,782

(1) In 2025, $24,659 of expenditures were funded via transfers of insurance proceeds for service vehicles repair/replacement.

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED DECEMBER 31, 2025

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2023 TSPLOST - Commenced 2023					
Joint Project	$ 5,000,000	$ 5,000,000	$ -	$ -	$ -
TSPLOST Election and Administration	-	15,073	15,073	-	15,073
Roads and Bridges - Construction, Improvements and Maintenance	8,505,000	8,505,000	392,064	4,209,279	4,601,343
Roads and Bridges - Equipment	3,645,000	3,645,000	57,588	88,555	146,143
City of Dahlonega	2,850,000	2,850,000	1,524,328	970,136	2,494,464
Total 2023 TSPLOST	$ 20,000,000	$ 20,015,073	$ 1,989,053	$ 5,267,970	$ 7,257,023

Total TSPLOST expenditures	5,267,970	
	3,712,738	(1)
	3,941	(2)
	276,907	(3)
Total TSPLOST Fund expenditures	$ 9,261,556	

(1) In 2025, GDOT provided $3,712,738 towards the completion of Roads and Bridges - Improvements.

(2) In 2025, $3,941 of Local Roads Fund expenditures were funded via transfers of $3,941 of USFS Title I funds.

(3) In 2025, a cybersecurity event resulted in a financial loss of $276,907 from TSPLOST funds.

Note: The TSPLOST funds activity is reported in the Local Roads Fund.

Note: The TSPLOST referendum stipulates that debt service payments on the joint project shall be expended first. In 2020, the County issued TSPLOST bonded debt and began making expenditures on the joint project. There are no other tiers or assignments of priority on project expenditures.

LUMPKIN COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2025

ASSETS	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Total
Cash and cash equivalents	$ 11,693,384	$ 30,012	$ 725,114	$ 172,319	$ 6,116	$ 12,626,945
Taxes receivable	2,830,515	-	-	-	-	2,830,515
Total assets	14,523,899	30,012	725,114	172,319	6,116	15,457,460
LIABILITIES						
Due to others	11,444,172	9,193	85,697	13,119	160	11,552,341
Uncollected taxes	2,830,515	-	-	-	-	2,830,515
Total liabilities	14,274,687	9,193	85,697	13,119	160	14,382,856
NET POSITION						
Restricted:						
Individuals, organizations, and other governments	249,212	20,819	639,417	159,200	5,956	1,074,604
Total net position	$ 249,212	$ 20,819	$ 639,417	$ 159,200	$ 5,956	$ 1,074,604

LUMPKIN COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Total
ADDITIONS						
Property taxes collected for other governments	$ 29,195,512	$ -	$ -	$ -	$ -	$ 29,195,512
Fines and fees collected	-	143,446	232,615	160,124	6,508	542,693
Criminal and civil bonds	-	-	1,047,649	90,115	-	1,137,764
Total additions	29,195,512	143,446	1,280,264	250,239	6,508	30,875,969
DEDUCTIONS						
Property taxes distributed to other governments	29,157,773	-	-	-	4,232	29,162,005
Fines and fees disbursed	-	140,262	1,227,053	-	-	1,367,315
Other custodial disbursements	-	-	-	222,839	-	222,839
Total deductions	29,157,773	140,262	1,227,053	222,839	4,232	30,752,159
Net increase (decrease) in custodial net position	37,739	3,184	53,211	27,400	2,276	123,810
Net position, beginning of year	211,473	17,635	586,206	131,800	3,680	950,794
Net position, end of year	$ 249,212	$ 20,819	$ 639,417	$ 159,200	$ 5,956	$ 1,074,604

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF SUPPLEMENTAL OFFICIAL INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025

County Constitutional Officer	Supplemental Income Type	Amount Collected	Amount Disbursed	Amount Retained by County Officer
Tax Commissioner	Fee for collection of taxes for other governments	$ 6,765	$ -	$ 6,765
Clerk of Superior Court	U.S. Passport Application processing and postage	29,382	3,122	26,260
Probate Court Judge	Vital Records fees	7,500	-	7,500
Sheriff	Commissions from third-party commissary	3,900	3,900	-
Sheriff	Commissions from telephone service	30,113	30,113	-

COMPONENT UNIT – HOSPITAL AUTHORITY

LUMPKIN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
COMPONENT UNIT - HOSPITAL AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2025

	Hospital Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to suppliers and service providers	$ (45,000)
Net cash used in operating activities	(45,000)
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	205,600
Purchase of investments	(200,000)
Interest received	38,993
Net cash used in investing activities	44,593
Net decrease in cash and cash equivalents	(407)
Cash and cash equivalents:	
Beginning of year	45,057
End of year	$ 44,650
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (45,000)
Net cash used in operating activities	$ (45,000)
NON-CASH INVESTING ACTIVITIES	
Unrealized gain on investments	$ 21,400

COMPONENT UNIT – AIRPORT AUTHORITY

LUMPKIN COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - AIRPORT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2025

	Airport Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 10,798
Payments to suppliers and service providers	(14,534)
Net cash used in operating activities	(3,736)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	2,433
Net cash provided by investing activities	2,433
Net decrease in cash and cash equivalents	(1,303)
Cash and cash equivalents:	
Beginning of year	82,388
End of year	$ 81,085
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (24,442)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	22,143
Increase in accounts receivable	(943)
Increase in prepaid items	(448)
Decrease in accounts payable	(46)
Net cash used in operating activities	$ (3,736)

COMPONENT UNIT – DEVELOPMENT AUTHORITY

LUMPKIN COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2025

	Development Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 53,245
Payments to suppliers and employees	(199,637)
Net cash used in operating activities	(146,392)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Contributions received	14,000
Transfers in from other funds	25,000
Net cash provided by noncapital financing activities	39,000
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	100,000
Purchase of investments	(150,000)
Interest received	27,860
Net cash used in investing activities	(22,140)
Net decrease in cash and cash equivalents	(129,532)
Cash and cash equivalents:	
Beginning of year	557,432
End of year	$ 427,900
Classified as:	
Cash and cash equivalents	$ 427,900
	$ 427,900
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (161,610)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	19,495
Decrease in lease receivable	42,929
Decrease in lease deferred inflow	(47,206)
Net cash used in operating activities	$ (146,392)
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
Contributions of capital assets	$ 113,712

STATISTICAL SECTION

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

Page

Financial Trends **108-114**

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

Revenue Capacity **115-119**

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

Debt Capacity **120-123**

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

Demographic and Economic Information ..... **124 and 125**

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

Operating Information **126-128**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

LUMPKIN COUNTY, GEORGIA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	**$ 102,614**	$ 97,487	$ 94,149	$ 86,934	$ 80,404	$ 74,656	$ 77,698	$ 71,483	$ 69,680	$ 66,028
Restricted	**29,119**	21,672	16,364	16,425	14,885	12,589	5,531	5,703	5,034	6,605
Unrestricted	**14,711**	15,016	17,346	13,770	11,319	8,284	8,001	6,282	6,524	5,670
Total governmental activities net position	**$ 146,444**	$ 134,175	$ 127,859	$ 117,129	$ 106,608	$ 95,529	$ 91,230	$ 83,468	$ 81,238	$ 78,303
Business-type activities										
Net investment in capital assets	**$ 1,094**	$ 531	$ 517	$ 533	$ 558	$ 622	$ 652	$ 575	$ 590	$ 607
Unrestricted	**(183)**	(198)	(220)	(239)	(204)	(285)	(313)	(318)	(334)	(366)
Total business-type activities net position	**$ 911**	$ 333	$ 297	$ 294	$ 354	$ 337	$ 339	$ 257	$ 256	$ 241
Primary government										
Net investment in capital assets	**$ 103,708**	$ 98,018	$ 94,666	$ 87,467	$ 80,962	$ 75,278	$ 78,350	$ 72,058	$ 70,271	$ 66,635
Restricted	**29,119**	21,672	16,364	16,425	14,885	12,589	5,531	5,702	5,034	6,605
Unrestricted	**14,528**	14,818	17,127	13,531	11,115	7,998	7,688	5,964	6,189	5,304
Total primary government net position	**$ 147,355**	$ 134,508	$ 128,157	$ 117,423	$ 106,962	$ 95,865	$ 91,569	$ 83,724	$ 81,494	$ 78,544
Adjustments	**$ -**	$ -	$ (476) (1)	$ -	$ -	$ -	$ -	$ -	$ 22	$ -
Total primary government net position, after adjustments	**$ 147,355**	$ 134,508	$ 127,681	$ 117,423	$ 106,962	$ 95,865	$ 91,569	$ 83,724	$ 81,516	$ 78,544

(1) The County implemented GASB Statement No. 101 in fiscal year 2024, which resulted in an adjustment of opening net position as of January 1, 2024

LUMPKIN COUNTY, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental activities:										
General government	**$ 6,575**	$ 6,969	$ 5,708	$ 5,377	$ 5,189	$ 6,308	$ 4,423	$ 5,420	$ 4,614	$ 4,270
Judicial system	**3,051**	2,929	2,596	2,626	2,577	2,434	2,595	2,412	2,317	2,348
Public safety	**19,146**	18,042	15,959	15,343	13,678	12,062	12,746	11,310	10,764	9,918
Public works	**9,617**	5,590	5,476	6,726	4,703	6,096	3,708	2,979	3,055	3,162
Health and welfare	**1,101**	1,697	1,578	1,492	1,584	824	793	745	734	690
Culture and recreation	**3,491**	2,998	2,041	1,857	1,804	1,546	1,518	1,545	1,511	1,405
Housing and development	**1,526**	1,504	1,333	1,421	1,201	988	815	782	668	511
Interest on long-term debt	**1,160**	958	658	718	515	1,297	355	375	394	477
Total governmental activities expenses	**45,667**	40,687	35,349	35,560	31,251	31,555	26,953	25,568	24,057	22,781
Business-type activities:										
Solid waste	**92**	82	90	94	134	107	104	167	112	110
Total business-type activities expenses	**92**	82	90	94	134	107	104	167	112	110
Total primary government expenses	**$ 45,759**	$ 40,769	$ 35,439	$ 35,654	$ 31,385	$ 31,662	$ 27,057	$ 25,735	$ 24,169	$ 22,891
Program Revenues										
Governmental activities:										
Charges for services:										
General government	**$ 1,478**	$ 1,547	$ 997	$ 640	$ 1,060	$ 1,046	$ 1,026	$ 960	$ 891	$ 971
Judicial system	**1,195**	1,113	1,118	1,082	1,030	839	984	936	1,003	932
Public safety	**2,814**	2,154	2,441	2,334	2,004	2,016	3,138	2,157	1,928	1,776
Public works	**2**	1	3	2	2	2	3	1	1	1
Health and welfare	**22**	23	21	19	15	13	32	27	25	30
Culture and recreation	**548**	527	193	170	159	107	224	267	250	245
Housing and development	**522**	517	386	428	440	406	360	367	237	203
Operating grants and contributions	**4,528**	1,680	2,843	5,069	4,988	3,242	1,697	1,740	1,175	1,146
Capital grants and contributions	**4,775**	2,185	1,223	3,618	2,955	924	3,655	929	1,409	1,296
Total governmental activities program revenues	**15,884**	9,747	9,225	13,362	12,653	8,595	11,119	7,384	6,919	6,600
Business-type activities:										
Charges for services:										
Solid waste	**20**	18	18	16	18	15	23	26	131	34
Operating grants and contributions	**-**	-	-	-	57	-	-	-	-	-
Total business-type activities program revenues	**20**	18	18	16	75	15	23	26	131	34
Total primary government program revenues	**$ 15,904**	$ 9,765	$ 9,243	$ 13,378	$ 12,728	$ 8,610	$ 11,142	$ 7,410	$ 7,050	$ 6,634
Net (Expense)/revenue										
Governmental activities	**$ (29,783)**	$ (30,940)	$ (26,124)	$ (22,198)	$ (18,598)	$ (22,960)	$ (15,834)	$ (18,184)	$ (17,138)	$ (16,181)
Business-type activities	**(72)**	(64)	(72)	(78)	(59)	(92)	(81)	(141)	19	(76)
Total primary government net expense	**$ (29,855)**	$ (31,004)	$ (26,196)	$ (22,276)	$ (18,657)	$ (23,052)	$ (15,915)	$ (18,325)	$ (17,119)	$ (16,257)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	**$ 17,939**	$ 15,604	$ 15,717	$ 13,890	$ 13,249	$ 12,829	$ 12,687	$ 12,271	$ 12,191	$ 10,626
Sales taxes	**19,365**	17,713	16,642	16,391	14,180	12,425	8,876	6,326	6,130	5,681
Insurance premium taxes	**2,545**	2,269	2,132	2,089	1,882	1,813	1,711	1,597	1,479	1,381
Other taxes	**1,371**	1,350	1,087	201	212	179	196	197	193	203
Unrestricted investment earnings	**859**	896	1,341	141	77	105	280	143	76	52
Gain on sale of capital assets	**159**	-	10	25	153	-	10	-	-	-
Transfers	**(650)**	(101)	(74)	(18)	(76)	(90)	(164)	(142)	4	(92)
Total governmental activities	**41,588**	37,731	36,855	32,719	29,677	27,261	23,596	20,392	20,073	17,851
Business-type activities:										
Transfers	**650**	101	74	18	76	90	164	142	(4)	92
Total business-type activities	**650**	101	74	18	90	164	142	(4)	92	81
Total primary government	**$ 42,238**	$ 37,832	$ 36,929	$ 32,737	$ 29,767	$ 27,425	$ 23,738	$ 20,388	$ 20,165	$ 17,932
Change in Net Position										
Governmental activities	**$ 11,805**	$ 6,791	$ 10,731	$ 10,521	$ 4,300	$ 7,761	$ 2,207	$ 2,935	$ 1,670	$ 1,803
Business-type activities	**578**	37	2	(60)	(2)	83	1	15	16	(7)
Total primary government	**$ 12,383**	$ 6,828	$ 10,733	$ 10,461	$ 4,298	$ 7,844	$ 2,208	$ 2,950	$ 1,686	$ 1,796

LUMPKIN COUNTY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2025	2024	2023	2022	2021
General fund					
Nonspendable:					
Prepaid items	**$ 790**	$ 575	$ 790	$ 308	$ 623
Inventory	**247**	255	243	226	243
Lease receivable, net	**5**	3	1	-	-
Restricted for:					
Tourism	**485**	283	79	-	-
Assigned:					
Fire station construction	**-**	-	-	-	-
Use of reserves for subsequent budget	**1,820**	2,455	1,728	1,141	1,515
Capital projects - ARPA related	**3,448**	3,449	4,538	4,814	3,156
Capital projects	**201**	391	391	391	391
Unassigned	**11,634**	9,930	10,817	8,778	7,442
Total General Fund	**$ 18,630**	$ 17,341	$ 18,587	$ 15,658	$ 13,370
All other governmental funds					
Nonspendable:					
Prepaid items	**$ 139**	$ 152	$ 108	$ 36	$ 80
Restricted for:					
Debt service	**-**	81	75	60	55
Capital projects	**35,524**	32,566	18,301	29,844	20,726
Public safety activities	**494**	324	308	264	291
Health and welfare	**225**	251	111	-	-
Planning department operations	**1,095**	901	644	478	343
Law library operations	**56**	38	23	17	28
Judicial activities	**320**	285	312	220	146
Tourism	**30**	11	7	5	5
Federal programs	**-**	-	-	-	127
Assigned:					
Public safety activities	**-**	32	135	44	**-**
Unassigned	**(1,186)**	(90)	(55)	(4)	-
Total all other governmental funds	**$ 36,697**	$ 34,551	$ 19,969	$ 30,964	$ 21,801

2020	2019	2018	2017	2016
$ 596	$ 477	$ 550	$ 570	$ 567
187	186	172	156	106
-	-	-	-	-
-	-	-	-	-
-	-	-	102	375
660	660	660	500	482
-	-	-	-	-
1,325	-	-	-	-
7,877	8,060	6,121	5,722	4,802
$ 10,645	$ 9,383	$ 7,503	$ 7,050	$ 6,332
$ 92	$ 76	$ 80	$ 44	$ 44
56	61	2,028	1,995	2,691
19,731	4,558	2,891	2,317	3,472
197	151	98	154	190
-	-	-	-	-
368	435	383	285	48
37	53	56	65	62
101	102	116	130	111
5	5	7	18	7
-	-	-	-	-
-	-	-	-	-
-	(67)	(110)	-	-
$ 20,587	$ 5,374	$ 5,549	$ 5,008	$ 6,625

LUMPKIN COUNTY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2025	2024	2023	2022	2021
Revenues					
Taxes	**$ 41,234**	$ 36,845	$ 35,639	$ 32,535	$ 29,549
Licenses and permits	**562**	520	421	460	473
Fines and forfeitures	**820**	781	850	833	727
Charges for services	**4,589**	3,868	3,697	3,411	3,110
Interest income	**1,934**	1,296	1,454	152	83
Intergovernmental	**7,439**	3,083	3,508	6,872	6,881
Contributions and donations	**237**	147	101	96	118
Miscellaneous	**613**	561	478	614	401
Total revenues	**57,428**	47,101	46,148	44,973	41,342
Expenditures					
General government	**5,712**	5,785	5,029	4,632	4,416
Judicial	**3,021**	2,890	2,629	2,609	2,524
Public safety	**17,854**	15,653	14,488	13,936	12,062
Public works	**3,680**	1,959	1,881	1,762	1,645
Health and welfare	**1,026**	963	930	818	838
Culture and recreation	**4,036**	2,575	1,706	1,542	1,463
Housing and development	**1,505**	1,441	1,317	1,407	1,181
Intergovernmental	**3,341**	2,907	3,568	3,485	2,647
Capital outlay (1)	**10,552**	9,070	19,089	7,127	8,381
Debt service					
Principal	**1,469**	3,416	3,400	3,321	1,262
Interest	**1,193**	957	657	439	517
Other charges	**-**	-	-	274	-
Total expenditures	**53,389**	47,616	54,694	41,352	36,936
Excess (Deficiency) of revenues over expenditures	**4,039**	(515)	(8,546)	3,621	4,406
Other financing sources (Uses)					
Transfers in	**4,548**	3,133	2,736	6,669	5,627
Transfers out	**(5,419)**	(3,454)	(3,029)	(6,906)	(6,276)
Issuance of debt	**-**	12,680	748	9,680	-
Premium/discount on issuance of debt	**-**	1,429	-	(182)	-
Refinancing of intergovernmental payable	**-**	-	-	-	-
Refunding payment to escrow agent	**-**	-	-	(1,502)	-
Proceeds from sale of capital assets	**267**	63	25	70	182
Total other financing sources (Uses)	**(604)**	13,851	480	7,829	(467)
Net change in fund balances	**$ 3,435**	$ 13,336	$ (8,066)	$ 11,450	$ 3,939
Debt service as a percentage of noncapital expenditures	**6.2%**	11.3%	11.4%	11.8%	5.7%
Total debt service expenditures	**$ 2,662**	$ 4,373	$ 4,057	$ 4,034	$ 1,992
Total noncapital expenditures	**$ 42,837**	$ 38,546	$ 35,605	$ 34,225	$ 31,147

(1) Capital outlay varies from year to year depending on the capital projects being conducted by the County at a particular time.

2020	2019	2018	2017	2016
$ 27,339	$ 23,421	$ 20,705	$ 19,948	$ 17,869
429	395	389	273	231
555	776	655	690	640
2,986	4,191	3,322	3,044	2,840
118	336	166	89	62
3,911	4,849	2,801	1,852	2,256
71	88	75	120	108
458	405	348	329	447
35,867	34,461	28,461	26,345	24,453
5,535	3,721	4,390	3,671	3,478
2,401	2,593	2,411	2,309	2,337
10,994	11,951	10,554	10,074	9,271
1,545	1,554	1,377	1,480	1,417
761	752	711	699	651
1,292	1,279	1,307	1,281	1,188
969	803	777	664	500
2,419	932	575	638	500
6,633	7,743	3,855	4,628	3,815
1,120	975	1,047	1,544	1,343
414	310	332	367	396
459	-	-	-	40
34,542	32,613	27,336	27,355	24,936
1,325	1,848	1,125	(1,010)	(483)
2,205	4,725	2,657	1,839	1,822
(2,295)	(4,889)	(2,799)	(1,835)	(1,914)
20,880	-	-	-	1,035
-	-	-	-	-
(5,712)	-	-	-	-
-	-	-	-	-
71	20	9	109	26
15,149	(144)	(133)	113	969
$ 16,474	$ 1,704	$ 992	$ (897)	$ 486
6.9%	5.2%	5.9%	8.5%	8.2%
$ 1,285	$ 1,379	$ 1,379	$ 1,911	$ 1,779
$ 28,752	$ 24,661	$ 23,316	$ 22,404	$ 21,595

LUMPKIN COUNTY, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax	Sales Tax	Insurance Premium Tax	Alcoholic Beverage Tax	Other Taxes	Total
2016	$ 10,604	$ 5,681	$ 1,381	$ 169	$ 34	$ 17,869
2017	12,146	6,130	1,479	160	33	19,948
2018	12,585	6,326	1,597	163	34	20,705
2019	12,687	8,876 (1)	1,711	166	30	23,470
2020	12,829	12,425 (2)	1,813	169	10	27,246
2021	13,275	14,180	1,882	202	10	29,549
2022	13,853	16,391	2,089	199	3	32,535
2023	15,778	16,642	2,132	205	882 (3)	35,639
2024	15,514	17,713	2,269	201	1,148	36,845
2025	17,953	19,365	2,545	228	1,143	41,234

(1) The County began collecting Transportation Special Purpose Local Option Sales Tax in 2019.

(2) First full year of Transportation Special Purpose Local Option Sales Tax collections and increase in other sales tax collections.

(3) Increase due to reclassification of hotel/motel tax as other taxes.

Note: Other taxes include business and occupation and franchise taxes.

LUMPKIN COUNTY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	Real Property				Personal Property			
		Residential	Commercial	Agricultural	Public Utilities	Motor Vehicles	Mobile Homes	Equipment	Other (1)
2017	2016	$ 569,800,102	$ 149,482,473	$ 338,916,963	$ 22,475,945	$ 33,244,030	$ 5,022,406	$ 27,792,737	$ 683,882
2018	2017	618,554,666	149,134,668	347,291,541	22,473,313	25,240,560	4,981,782	28,310,397	255,393
2019	2018	652,718,240	153,091,751	353,727,091	22,922,735	19,841,270	4,814,291	30,680,352	134,363
2020	2019	730,874,163	159,644,713	369,994,574	24,272,945	16,938,790	4,762,057	31,037,422	764,112
2021	2020	745,230,741	162,123,354	371,953,694	25,311,246	15,137,210	4,345,323	32,838,632	551,446
2022	2021	796,981,122	159,826,101	384,240,697	25,722,224	13,116,570	4,340,627	36,068,478	675,611
2023	2022	955,825,220	185,210,965	407,774,615	26,393,925	12,376,790	4,421,388	41,758,467	407,332
2024	2023	1,129,644,620	212,791,795	459,235,318	29,704,784	12,838,170	4,421,388	52,902,300	1,887,950
2025	2024	1,259,307,266	228,850,971	498,641,062	33,914,751	13,083,640	5,143,530	47,169,646	1,236,553
2026	2025	1,407,967,189	241,824,105	529,400,309	98,350,978	12,578,660	5,529,442	56,357,472	855,265

Source: Georgia Department of Revenue, Property Tax Division

Note: Property in the County is assessed annually. The County assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per $1,000 of assessed value.

(1) Includes timber and heavy equipment.

Less: Exemptions		Total Taxable	Total Direct	Estimated Actual	Assessed Value as a Percentage
Real	Personal	Assessed Value	Tax Rate	Taxable Value	of Actual Value
$ 193,433,964	$ 138,581,869	$ 815,402,705	$ 12.180	$ 2,038,506,763	40.00%
191,164,650	149,829,990	855,247,680	11.531	2,138,119,200	40.00%
193,048,417	156,737,371	888,144,305	11.053	2,220,360,763	40.00%
195,869,186	167,948,300	974,471,290	10.053	2,436,178,225	40.00%
194,538,280	176,767,890	986,185,476	9.757	2,465,463,690	40.00%
193,232,636	187,339,637	1,040,399,157	9.388	2,600,997,893	40.00%
193,773,874	196,392,045	1,244,002,783	9.389	3,110,006,958	40.00%
233,487,590	209,157,025	1,460,781,710	8.235	3,651,954,275	40.00%
247,214,217	219,105,440	1,621,027,762	8.235	4,052,569,405	40.00%
271,598,292	289,789,987	1,791,475,141	7.939	4,478,687,853	40.00%

LUMPKIN COUNTY, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(Per $1,000 of Assessed Value)
LAST TEN FISCAL YEARS

Tax Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Lumpkin County Rates										
Unincorporated	7.939	8.235	8.235	9.389	9.388	9.757	10.053	11.053	11.531	12.180
Incorporated	9.494	9.854	10.177	9.563	11.640	11.940	12.132	13.186	13.604	14.232
Special Services (reservoir)	0.174	0.181	0.181	0.212	0.238	0.247	0.252	0.280	0.293	0.310
Special Services (planning)	0.382	0.396	0.396	0.353	0.192	0.200	0.202	0.219	0.285	0.597
Municipal rates										
Dahlonega	3.701	3.847	4.112	4.558	5.634	5.776	5.814	6.392	6.589	6.781
Board of Education										
Maintenance and Operations	13.716	14.710	12.809	13.196	15.560	16.176	16.116	16.819	16.819	16.819
State of Georgia	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Unincorporated	22.211	23.522	21.621	23.150	25.378	26.380	26.623	28.371	28.928	29.906
Total Incorporated	26.911	28.411	27.098	27.317	32.834	33.892	34.062	36.397	37.012	37.832

Source: Georgia Department of Revenue, Property Tax Division

LUMPKIN COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO

	2025			2016		
Taxpayer	Original Billed Amount	Rank	Percentage of Total Billed Amount	Original Billed Amount	Rank	Percentage of Total Billed Amount
Georgia Power Company	$ 459,060	1	3.31 %	$ 239,354	2	2.43 %
KOYO Bearings North America, LLC	249,377	2	1.80	394,293	1	4.01
Roberta A Green, Trustee	171,671	3	1.24	204,981	4	2.08
Amicalola EMC	170,909	4	1.23	124,625	7	1.27
Dahlonega Student Housing Partners, LLC	162,203	5	1.17	153,345	5	1.56
Dunn Betty L Trustee	110,834	6	0.80	109,827	10	1.12
KingWood Dahlonega International Resort	106,548	7	0.77			
Dawsonville Holdings EN, LLC	102,018	8	0.74			
Butler Mini Mall, LLC	100,233	9	0.72			
Jackson EMC	96,217	10	0.69			
HD Development of Maryland, Inc.				112,950	9	1.15
Forestar (USA) Real Estate Group, Inc.				229,434	3	2.33
Dahlonega Group, LLC				123,830	8	1.26
Birch River Chestatee Company, LLC				126,237	6	1.28
	$ 1,729,069		12.48 %	$ 1,818,876		18.50 %

Source: Lumpkin County Tax Commissioner

LUMPKIN COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Tax Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Pct. of Levy		Amount	Percentage of Levy
2017	2016	$ 9,838	$ 8,769	89.13 %	$ 1,069	$ 9,838	100.00 %
2018	2017	9,906	9,077	91.63	829	9,906	100.00
2019	2018	9,962	9,278	93.13	684	9,962	100.00
2020	2019	9,997	9,197	92.00	779	9,976	99.79
2021	2020	9,910	9,197	92.81	713	9,910	100.00
2022	2021	10,210	9,287	90.96	767	10,054	98.47
2023	2022	12,028	11,134	92.57	869	12,003	99.79
2024	2023	11,540	10,665	92.42	874	11,539	99.99
2025	2024	13,726	12,732	92.76	780	13,512	98.44
2026	2025	13,445	12,048	89.61	-	12,048	89.61

LUMPKIN COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Leases Payable	Notes Payable			
2016	$ -	$ 7,671	$ -	$ 7,785	$ 15,456	1.58	492
2017	-	7,032	-	6,876	13,908	1.34	423
2018	-	6,365	-	6,473	12,838	1.11	391
2019	-	5,705	-	6,159	11,864	0.96	353
2020	6,905	13,177	-	5,837	25,919	1.97	758
2021	6,905	12,245	-	5,508	24,658	1.75	719
2022	4,625	20,074	-	5,298	29,997	2.13	862
2023	2,325	19,362	586	5,082	27,355	1.67	745
2024	-	32,752	432	4,876	38,060	2.15	1,057
2025	-	32,189	276	4,695	37,160	1.98	1,027

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

Note 2: In 2025 the County's Public Building Authority component unit was changed from discretely presented to blended, and as a result County debt previously reported as intergovernmental payable was revised to be reported as revenue bonds.

(1) See the Schedule of Demographic and Economic Statistics within this section for personal income and population data.

LUMPKIN COUNTY, GEORGIA

RATIOS OF GENERAL OBLIGATION DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	General Obligation Debt	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2016	$ 610	$ 610	$ -	- %	$ -
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	6,905	61	6,844	0.28	200
2021	6,905	59	6,846	0.26	200
2022	4,625	63	4,562	0.15	131
2023	2,325	78	2,247	0.06	61
2024	-	-	-	-	-
2025	-	-	-	-	-

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

LUMPKIN COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	2025	2024	2023	2022	2021
Debt limit	**$ 206,307**	$ 186,824	$ 169,427	$ 143,778	$ 123,363
Total net debt applicable to limit	**-**	-	2,325	4,562	6,846
Legal debt margin	**$ 206,307**	$ 186,824	$ 167,102	$ 139,216	$ 116,517
Total net debt applicable to the limit as a percentage of debt limit	**0%**	0%	1%	3%	6%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value	$ 1,791,475
Add back: exempt real property	271,598
Total assessed value	2,063,073
Debt limit (10% of total assessed value)	206,307
Debt applicable to limit:	
General obligation debt	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	$ 206,307

2020	2019	2018	2017	2016
$ 118,072	$ 117,034	$ 108,119	$ 104,641	$ 100,884
6,844	-	-	-	-
$ 111,228	$ 117,034	$ 108,119	$ 104,641	$ 100,884
6%	0%	0%	0%	0%

LUMPKIN COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income	Median Age	School Enrollment (3)	Unemployment Rate (4)
2016	31,445	$ 980,941	$ 31,195	36.8	3,808	4.4 %
2017	32,873	1,036,806	31,540	N/A	3,837	3.6
2018	32,873	1,154,180	35,110	N/A	3,849	3.3
2019	33,610	1,233,408	36,698	N/A	3,854	3.1
2020	34,186	1,314,452	38,450	36.8	3,740	3.9
2021	34,278	1,407,822	41,071	36.3	3,770	2.3
2022	34,796	1,407,822 (5)	40,459	37.0	3,749	2.2
2023	36,702	1,636,065	44,577	35.9	3,800	2.1
2024	36,016	1,771,015	49,173	35.9	3,728	2.7
2025	36,178	1,878,154	51,914	36.9	3,799	3.2

Data sources:

(1) Bureau of the Census

(2) Federal Bureau of Economic Analysis (amounts expressed in thousands)

(3) School District

(4) State Department of Labor

(5) Personal income information for 2022 was not available and as a result the County used the 2021 data.

N/A - Not available.

LUMPKIN COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND 2020

	2025			2020		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
University of North Georgia	1,126	1	5.99 %	1,350	1	8.07 %
Lumpkin Co. Board of Education	533	2	2.84	560	2	3.35
Walmart	285	3	1.52	270	4	1.61
Lumpkin Co. Board of Commissioners	275	4	1.46	290	3	1.73
NGHS	249	5	1.33			
US Army Ranger Camp Frank D. Merrill	220	6	1.17	160	7	0.96
Publix	179	7	0.95			
StruXure Outdoor	157	8	0.84			
Refrigiwear	140	9	0.75	150	8	0.90
JTEKT North America Corporation	135	10	0.72			
Satellite	135	10	0.72			
KOYO				200	5	1.20
Mount Sinai Wellness Center				180	6	1.08
Wahoo Docks & Wahoo Decks				130	9	0.78
Northeast Georgia Medical Center				100	10	0.60
	3,434		18.28 %	3,390		20.28 %

Sources: Lumpkin County Business Licenses & Development Authority of Lumpkin County.
Note: Information subsequent to 2012 and prior to 2020 is not available.

LUMPKIN COUNTY, GEORGIA

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function										
General government	**46**	46	45	45	44	43	42	40	40	39
Public safety										
Sheriff										
Officers	**75**	66	59	59	59	59	59	59	59	59
Civilians	**11**	11	11	11	11	11	11	10	10	10
Emergency	**16**	16	12	12	12	12	12	10	10	10
Fire										
Firefighters and officers	**57**	48	45	45	45	45	45	45	36	36
Civilians	**1**	1	1	1	1	1	1	1	1	1
Judicial	**20**	20	20	20	20	20	20	20	20	19
Public works	**31**	31	31	31	31	31	31	25	20	19
Culture and recreation	**34**	33	17	16	16	16	16	16	16	16
Total	**291**	272	241	240	239	238	237	226	212	209

Source: County Budget Office

LUMPKIN COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function										
Sheriff										
Traffic violations	**1,609**	1,112	935	894	1,045	1,050	1,121	1,760	1,792	1,526
Fire										
Number of calls answered	**5,951**	5,388	5,464	5,244	4,963	4,622	4,927	4,578	4,715	4,387
Inspections conducted	**322**	326	280	295	357 (3)	132	210	141	204	192
Highways and streets										
Street resurfacing (miles)	**22**	16	23	14	18	26 (2)	11	10	13	13
Sanitation										
Refuse collected (tons/day)	-	-	-	-	-	- (1)	36	42	45	44
Recyclables collected (tons/day)	**1** (4)	-	-	-	-	- (1)	1	1	1	1

Source: County departments

Note: Indicators are not available for any functions other than those listed above.

N/A - Information is not available.

(1) - The decrease in refuse collection is due to the County discontinuing is Recycling and Refuse Collection Programs in 2020.

(2) - The increase in miles resurfaced is the result of increase in expenditures of TSPLOST funds on various projects.

(3) - The 2021 data was revised to match new information gathered in 2022.

(4) - Effective in 2025 the County resumed its Recycling and Refuse Collection Program.

*Prevention provision- full fledge inspections (Late April-Dec. 31st)

LUMPKIN COUNTY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	**2025**	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government										
Buildings	**34**	34	34	30	25	21	15	15	16	16
Vehicles	**7**	7	6	6	7	7	6	6	6	5
Small equipment	**44**	43	43	42	37	34	32	30	29	29
Public safety										
Buildings	**17**	17	17	16	16	11	9	9	8	8
Vehicles										
Fire/pumper trucks	**13**	12	14	14	14	15	16	16	15	14
Other Fire Dept. vehicles	**17**	17	15	15	15	15	14	13	13	13
Ambulance/rescue	**7**	7	7	7	8	8	7	6	6	7
Sheriffs vehicles	**105**	96	89	83	76	73	72	67	64	67
Other public safety vehicles	**1**	1	1	1	1	1	1	2	2	3
Equipment	**177**	175	168	165	160	153	149	133	130	114
Judicial										
Small equipment	**6**	6	6	6	6	6	6	6	6	6
Public works										
Buildings	**7**	5	5	5	4	4	4	4	3	3
Vehicles										
Road Department	**11**	11	11	14	15	14	13	10	12	11
Building Inspector	**7**	7	7	7	7	7	7	7	7	7
Other	**3**	3	3	3	3	4	4	4	4	3
Small equipment	**17**	16	16	15	13	13	13	11	11	11
Heavy equipment	**56**	53	54	53	53	49	44	40	39	38
Health and welfare										
Buildings	**4**	4	4	4	4	4	3	3	3	3
Culture and recreation										
Buildings	**16**	16	15	13	12	8	5	5	5	5
Vehicles	**6**	6	6	5	3	2	3	4	5	5
Equipment	**31**	28	25	23	23	23	23	21	21	19

Source: Various County departments

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Lumpkin County, Georgia
Dahlonega, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 Lumpkin County, Georgia (the "County") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 31, 2026. Our report includes a reference to another auditor who audited the financial statements of the Lumpkin County Department of Public Health, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

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 opinion 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.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

The County's Responses to the Findings

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

Purpose of This Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 31, 2026

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Lumpkin County, Georgia
Dahlonega, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lumpkin County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2025. The County'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, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 31, 2026

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Contract or Project Number	Federal Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF COMMERCE				
Broadband Infrastructure	11.031	13-08-I2210	$ 1,367,811	$ 1,367,811
Total U.S. Department of Commerce			1,367,811	1,367,811
U.S. DEPARTMENT OF THE TREASURY				
Passed Through State of Georgia Office of Planning and Budget				
Coronavirus State and Local Fiscal Recovery Funds - Legacy Link	21.027	42700-373-0000106540	17,732	-
Coronavirus State and Local Fiscal Recovery Funds - INOIDIC	21.027	GA-0013719	44,801	-
Coronavirus State and Local Fiscal Recovery Funds - INOIDIC	21.027	GA-0013823	1,070,466	-
Passed Through Criminal Justice Coordinating Council:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	P.L. 117-103	292,200	-
Total U.S. Department of the Treasury			1,425,199	-
U.S. DEPARTMENT OF AGRICULTURE				
Title I Public Roads	10.665	P.L. 110-343	3,941	-
Total U.S. Department of Agriculture			3,941	-
U.S. DEPARTMENT OF THE INTERIOR				
Payments in Lieu of Taxes	15.226	P.L. 119-4	159,857	-
Total U.S. Department of the Interior			159,857	-
U.S. DEPARTMENT OF JUSTICE				
Passed Through Criminal Justice Coordinating Council:				
Victims of Crime Act - Victims' Assistance Program	16.575	C-23-8-249	74,900	-
Victims of Crime Act - Victims' Assistance Program	16.575	AW-VOCA-25-071-012	23,250	-
			98,150	-
Passed Through Bureau of Justice Assistance:				
Bulletproof Vest Partnership	16.607	V111093093	2,672	
Bulletproof Vest Partnership	16.607	V111093093	4,668	-
			7,340	-
Total U.S. Department of Justice			105,490	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed Through Georgia Emergency Management Agency:				
Emergency Management Performance Grant (EMPG)	97.042	OEM23-095	10,603	-
Passed Through Federal Emergency Management Agency				
Georgia Emergency Management & Homeland Security SHSP	97.067	S #26	8,298	-
Total U.S. Department of Homeland Security			18,901	-
U.S. DEPARTMENT OF TRANSPORTATION				
Passed Through Georgia Department of Transportation				
Section 5311 Rural Public Transportation	20.509	T008267	12,534	-
Section 5311 Rural Public Transportation	20.509	T008268	42,294	-
Total U.S. Department of Transportation			54,828	-
Total Expenditures of Federal Awards			$ 3,136,026	$ 1,367,811

See accompanying note to schedule of expenditures of federal awards.

LUMPKIN COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2025

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Lumpkin County, Georgia and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements. The County did not utilize the 10% de minimis indirect cost rate.

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	X yes _____ no
Significant deficiencies identified?	_____ yes X none reported
Noncompliance material to financial statements noted?	_____ yes X no

Federal Awards

Internal Control over major federal programs: Material weaknesses identified?	_____ yes X no
Significant deficiencies identified?	_____ yes X none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ yes X no

Identification of major federal program:

Assistance Listing Number	Name of Federal Program or Cluster
11.031	Broadband Infrastructure Program

Dollar threshold used to distinguish between Type A and Type B programs:	$1,000,000
Auditee qualified as low-risk auditee?	_____ yes X no

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2025-001 Cybersecurity and Functional Internal Control
(Lumpkin County)

Criteria: Internal controls should be in place and function to deter the payment of fraudulent and fictitious disbursements.

Condition: Internal controls were not functioning sufficient to prevent and remedy the payment of an automated clearing house (ACH) enrollment form.

Context/Cause: In August 2025, the County experienced a cybersecurity incident that resulted in a loss of funds. County finance received a fictitious ACH enrollment form submitted by a bad actor that posed as a certified vendor. The ACH accompanied a legitimate invoice from a County vendor related to an ongoing project. The fictitious ACH was designed to accompany a legitimate invoice for an ongoing County project. The County approved and paid this ACH to the bad actor for a total of $399,416. The County subsequently recovered $122,509, resulting in a net incident related loss of $276,907.

Effects: A fictitious ACH enrollment form was paid, resulting in a net incident related loss of $276,907 during fiscal year 2025.

Recommendation: We recommend the finance staff always adhere to the County's purchasing policies and procedures for disbursement transactions. After fiscal year end 2025, the County engaged the M&J advisory team and obtained a Financial Internal Controls and Functional Assessment on its existing control structure and operations, and we recommend incorporating the recommendations cited within the report to strengthen the County's existing controls. This incident and the resulting loss of funds occurred primarily because of a failure to verify the authenticity of the ACH. Finance staff should verify all disbursements (whether ACH or otherwise) prior to disbursing funds.

Auditee's Response: We concur with this finding.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-002 Capital Assets, Intergovernmental Revenues and Receivables, and Long-Term Debt and Payables
(Lumpkin County Water and Sewerage Authority)

Criteria: Internal controls should be in place to ensure that interrelated amounts reported in the Authority's financial statements as capital assets, intergovernmental receivables and revenues, and long-term debt and liabilities are free of material misstatement and reported in accordance with generally accepted accounting principles (GAAP).

Condition: Internal controls were not sufficient to detect certain misstatements in the reporting of the Authority's capital assets, intergovernmental receivables and revenues, and long-term debt and liabilities for the year ended December 31, 2025.

Context/Cause: During our testing of the Authority's capital assets, intergovernmental receivables and revenues, and long-term debt and liabilities, the following adjusting entries were necessary to properly report the activity and balances of those areas and accounts:

- Two audit adjusting entries whose net impact was $54,347 was needed to decrease construction in progress.
- The prior year intergovernmental receivable and revenue for the State & Local Fiscal Recovery funding was reported as of December 31, 2025. An adjusting entry totaling $1,048,907 was needed to reduce the intergovernmental receivable and revenue as of December 31, 2025.
- The Authority had one (1) reimbursement request outstanding from the Georgia Environmental Finance Authority (GEFA) as of December 31, 2025. An adjusting entry totaling $34,192 was needed to properly record an intergovernmental receivable and addition to notes payable as of December 31, 2025 related to expenses incurred in fiscal year 2025.
- An adjusting entry for $270,750 was required to reduce current year accounts payable and current year expenses for the effect of a prior year capital-related payable and addition to construction in progress.

Effects: Total misstatement related to capital assets was $54,347. A misstatement related to intergovernmental receivables and revenue was $1,048,907. A misstatement related to long-term debt and intergovernmental revenue was $34,192. A misstatement related to capital-related accounts payable was $270,750.

Recommendation: We recommend management carefully keep track of invoices and reimbursement requests submitted before and after the fiscal year end to determine what fiscal year those costs were incurred in to ensure capital assets, intergovernmental receivable and revenue, and notes payable are all properly reported. We also recommend management consider the effect of adjustments in the subsequent fiscal year to prevent recording activity that was recorded in the prior year closeout.

Auditee's Response: We concur with this finding.

LUMPKIN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

LUMPKIN COUNTY, GEORGIA

STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

2024-001 Purchase Cards
(Lumpkin County Water and Sewerage Authority)

Condition: Internal controls were not sufficient to detect various exceptions within the Authority's purchasing card program for the year ended December 31, 2024.

Status: Resolved in current fiscal year. See also Water and Sewerage Authority Management Letter regarding late fee charges.

2024-002 Capital Assets, Intergovernmental Revenues and Receivables, and Long-Term Debt and Related Liabilities (Continued)
(Lumpkin County Water and Sewerage Authority)

Condition: Internal controls were not sufficient to detect certain misstatements in the reporting of the Authority's capital assets, intergovernmental receivables and revenues, and long-term debt and related liabilities for the year ended December 31, 2024.

Status: Repeat finding in the current year related to capital assets, intergovernmental revenues and receivables, and long-term debt.

2024-003 Cash Reporting
(Lumpkin County Water and Sewerage Authority)

Condition: Internal controls were not sufficient to detect a misstatement in the reporting of the Authority's cash balance for the year ended December 31, 2024.

Status: Resolved in current fiscal year.

MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2025

2025-001 Cybersecurity and Functional Internal Control

Name of the Contact Person Responsible for the Corrective Action Plan: Abby Branan, Finance Director.

Corrective Action Plan: we will implement the recommendations from the Financial Internal Controls and Functional Assessment Operational Procedures have been updated with additional verification measures.

Anticipated Completion Date: December 31, 2026.

2025-002 Capital Assets, Intergovernmental Revenues and Receivables, and Long-Term Debt and Liabilities
(Lumpkin County Water and Sewerage Authority)

Name of the Contact Person Responsible for the Corrective Action Plan: Sean Phipps, Water and Sewerage Authority Director.

Corrective Action Plan: We will be more diligent in providing a more robust description of the transactions within each project directed to CIP at year end and in determining which items are outstanding for Accounts Receivable at year end.

Anticipated Completion Date: June 1, 2026.