TALBOT COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

INTRODUCTORY SECTION

TALBOT COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

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TALBOT COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

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FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Talbot County, Georgia
Talbotton, 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 Talbot County, Georgia (the "County") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of 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 the County as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison information for the General Fund; the Transportation Investment Act ("TIA") Fund; and the American Rescue Plan Act ("ARPA") Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Talbot County Department of Public Health, which represents 45.3% of the assets, 45.3% of the net position, and 94.3% of the revenues of the aggregate discretely presented component units as of June 30, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Talbot County Department of Public Health, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAS; this includes 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 judgement 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

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining and Individual Nonmajor Fund Financial Statements and Schedules and the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements and Schedules and the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 by us. In our opinion, the Combining and Individual Nonmajor Fund Financial Statements and Schedules and the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By *Government Auditing Standards*

In accordance with other reporting required by *Government Auditing Standards*, we have also issued our report dated March 27, 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 Talbot County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
March 27, 2026

BASIC FINANCIAL STATEMENTS

TALBOT COUNTY, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority
ASSETS					
Cash and cash equivalents	$ 11,657,735	$ 15,281	$ 11,673,016	$ 320,189	$ 335,923
Receivables, net of allowances:					
Taxes	693,933	-	693,933	-	-
Accounts	140,889	172,820	313,709	93	-
Due from other governments	113,270	11,338	124,608	241	-
Internal balances	107,047	(107,047)	-	-	-
Inventories	-	11,320	11,320	-	-
Restricted cash	-	13,002	13,002	-	-
Prepaid items	136,423	-	136,423	-	-
Lease asset net of accumulated amortization	-	-	-	945	-
Capital assets, non-depreciable	3,569,456	343,050	3,912,506	-	116,336
Capital assets, depreciable, net of accumulated depreciation	4,845,702	2,585,554	7,431,256	69,627	19,457
Total assets	21,264,455	3,045,318	24,309,773	391,095	471,716
LIABILITIES					
Accounts payable	526,193	215,349	741,542	-	-
Accrued liabilities	101,940	5,952	107,892	-	-
Customer deposits	-	103,512	103,512	-	-
Unearned revenue	77,436	-	77,436	-	-
Due to other governments	-	-	-	256	-
Due within one year:					
Compensated absences	62,084	7,598	69,682	-	-
Leases	-	-	-	945	-
Revenue bonds payable	-	92,545	92,545	-	-
Due in more than one year:					
Compensated absences	62,084	7,597	69,681	-	-
Notes payable	-	481,348	481,348	-	-
Revenue bonds payable	-	1,812,853	1,812,853	-	-
Landfill post-closure costs	499,959	-	499,959	-	-
Total liabilities	1,329,696	2,726,754	4,056,450	1,201	-

TALBOT COUNTY, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government			Component Units	
NET POSITION	Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority
Net investment in capital assets	$ 8,415,158	$ 1,487,210	$ 9,902,368	$ 69,627	$ 135,793
Restricted for:					
Judicial	50,585	-	50,585	-	-
Public safety	103,776	-	103,776	-	-
Capital projects	2,879,965	-	2,879,965	-	-
Other purposes	-	-	-	17,036	-
Unrestricted	8,485,275	(1,168,646)	7,316,629	303,231	335,923
Total net position	$ 19,934,759	$ 318,564	$ 20,253,323	$ 389,894	$ 471,716

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

TALBOT COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 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	$ 898,764	$ 1,160,083	$ 2,718,481	$ -
Judicial	600,778	254,661	-	-
Public safety	3,483,723	171,809	19	-
Public works	3,499,854	-	-	214
Health and welfare	539,291	-	-	-
Culture and recreation	1,764,748	-	-	-
Planning and community development	113,760	-	-	-
Interest on long-term debt	4,766	-	-	-
Total governmental activities	10,905,684	1,586,553	2,718,500	214
Business-type activities:				
Water system	1,304,006	1,200,475	-	2,500
Total business-type activities	1,304,006	1,200,475	-	2,500
Total primary government	$ 12,209,690	$ 2,787,028	$ 2,718,500	$ 2,714
Component units				
Department of Public Health	$ 325,253	$ 110,149	$ 223,585	$ -
Development Authority	12,058	-	20,000	-
Total component units	$ 337,311	$ 110,149	$ 243,585	$ -
General revenues:				
Property taxes				
Sales taxes				
Insurance premium taxes				
Motor vehicle and mobile home taxes				
Other taxes				
Interest revenue				
Miscellaneous				
Transfers				
Total general revenues				
Change in net position				
Net position (deficit), beginning of year, as previously reported				
Prior period restatement-- correction of an error				
Prior period restatement-- change in accounting principle				
Net position (deficit), beginning of year, as restated				
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				Component Units	
Governmental Activities	Business-type Activities	Total		Department of Public Health	Development Authority
$ 2,979,800	$ -	$ 2,979,800		$ -	$ -
(346,117)	-	(346,117)		-	-
(3,311,895)	-	(3,311,895)		-	-
(3,499,640)	-	(3,499,640)		-	-
(539,291)	-	(539,291)		-	-
(1,764,748)	-	(1,764,748)		-	-
(113,760)	-	(113,760)		-	-
(4,766)	-	(4,766)		-	-
(6,600,417)	-	(6,600,417)		-	-
-	(101,031)	(101,031)		-	-
-	(101,031)	(101,031)		-	-
(6,600,417)	(101,031)	(6,701,448)		-	-
-	-	-		8,481	-
-	-	-		-	7,942
-	-	-		8,481	7,942
5,619,041	-	5,619,041		-	-
2,447,978	-	2,447,978		-	-
384,423	-	384,423		-	-
405,383	-	405,383		-	-
170,214	-	170,214		-	-
73,710	-	73,710		-	196
-	362,583	362,583		-	-
(583,097)	583,097	-		-	-
8,517,652	945,680	9,463,332		-	196
1,917,235	844,649	2,761,884		8,481	8,138
18,126,763	(329,556)	17,797,207		381,413	463,578
-	(185,217)	(185,217)		-	-
(109,239)	(11,312)	(120,551)		-	-
18,017,524	(526,085)	17,491,439		381,413	463,578
$ 19,934,759	$ 318,564	$ 20,253,323		$ 389,894	$ 471,716

TALBOT COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	TIA Fund	SPLOST Fund	Capital Improvements Fund	ARPA Fund
ASSETS					
Cash and cash equivalents	$ 8,303,064	$ 1,116,152	$ 1,263,871	$ 690,897	$ 129,115
Receivables, net:					
Taxes receivable	463,792	61,247	168,894	-	-
Accounts receivable	140,889	-	-	-	-
Due from other governments	113,270	-	-	-	-
Due from other funds	107,322	-	-	-	10,566
Prepaid items	136,423	-	-	-	-
Total assets	$ 9,264,760	$ 1,177,399	$ 1,432,765	$ 690,897	$ 139,681
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 42,852	$ -	$ 109,877	$ 311,464	$ 62,000
Accrued liabilities	101,940	-	-	-	-
Unearned revenues	-	-	-	-	77,436
Due to other funds	10,566	-	-	-	-
Total liabilities	155,358	-	109,877	311,464	139,436
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	371,081	-	-	-	-
Unavailable revenue - EMS	86,979	-	-	-	-
Total deferred inflows of resources	458,060	-	-	-	-
FUND BALANCES					
Fund balances					
Non-spendable for:					
Prepaid items	136,423	-	-	-	-
Restricted for:					
Judicial	-	-	-	-	-
Public safety	-	-	-	-	-
Capital projects	-	1,177,399	1,322,888	379,433	245
Unassigned	8,514,919	-	-	-	-
Total fund balances	8,651,342	1,177,399	1,322,888	379,433	245
Total liabilities, deferred inflows of resources and fund balances	$ 9,264,760	$ 1,177,399	$ 1,432,765	$ 690,897	$ 139,681

Amounts reported for governmental activities in the Statement of Net Position are different because:
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.
Compensated absences payable
Landfill post-closure costs

Net position of governmental activities

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

Nonmajor Governmental Funds	Total Governmental Funds
$ 154,636	$ 11,657,735
-	693,933
-	140,889
-	113,270
-	117,888
-	136,423
$ 154,636	$ 12,860,138
$ -	$ 526,193
-	101,940
-	77,436
275	10,841
275	716,410
-	371,081
-	86,979
-	458,060
-	136,423
50,585	50,585
103,776	103,776
-	2,879,965
-	8,514,919
154,361	11,685,668
$ 154,636	
	8,415,158
	458,060
	(124,168)
	(499,959)
	$ 19,934,759

TALBOT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	General Fund	TIA Fund	SPLOST Fund	Capital Improvements Fund	ARPA Fund
Revenues					
Property taxes	$ 5,545,350	$ -	$ -	$ -	$ -
Sales taxes	734,878	742,328	970,772	-	-
Insurance premium taxes	384,423	-	-	-	-
Motor vehicle and mobile home tax	405,383	-	-	-	-
Other taxes	170,214	-	-	-	-
Licenses and permits	64,954	-	-	-	-
Charges for services	1,095,129	-	-	-	-
Fines and forfeitures	302,237	-	-	-	-
Intergovernmental	1,753,042	-	-	-	810,484
Interest	73,465	-	37	177	245
Miscellaneous	154,955	-	-	-	-
Total revenues	10,684,030	742,328	970,809	177	810,729
Expenditures					
Current:					
General government	2,530,544	-	-	-	-
Judicial	590,615	-	-	-	-
Public safety	3,092,024	-	-	-	214,688
Public works	2,017,439	995,498	-	-	595,796
Health and welfare	539,291	-	-	-	-
Culture and recreation	171,682	-	-	-	-
Planning and community development	113,760	-	-	-	-
Intergovernmental	-	-	154,134	-	-
Capital outlay	-	-	1,911,912	1,097,898	-
Debt service:					
Principal	26,702	144,585	-	-	-
Interest	4,766	-	-	-	-
Total expenditures	9,086,823	1,140,083	2,066,046	1,097,898	810,484
Excess (deficiency) of revenues over (under) expenditures	1,597,207	(397,755)	(1,095,237)	(1,097,721)	245
Other financing sources (uses)					
Transfers in	-	-	-	1,401,326	-
Transfers out	(1,401,326)	-	-	-	-
Total other financing sources (uses)	(1,401,326)	-	-	1,401,326	-
Net change in fund balances	195,881	(397,755)	(1,095,237)	303,605	245
Fund balance, beginning of year	8,455,461	1,575,154	2,418,125	75,828	-
Fund balance, end of year	$ 8,651,342	$ 1,177,399	$ 1,322,888	$ 379,433	$ 245

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

Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 5,545,350
-	2,447,978
-	384,423
-	405,383
-	170,214
-	64,954
-	1,095,129
37,254	339,491
-	2,563,526
19	73,943
-	154,955
37,273	13,245,346
-	2,530,544
4,419	595,034
5,329	3,312,041
-	3,608,733
-	539,291
-	171,682
-	113,760
-	154,134
-	3,009,810
-	171,287
-	4,766
9,748	14,211,082
27,525	(965,736)
-	1,401,326
-	(1,401,326)
-	-
27,525	(965,736)
126,836	12,651,404
$ 154,361	$ 11,685,668

TALBOT COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds		$ (965,736)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	$ 3,513,324	
Depreciation	(368,071)	3,145,253
The net effect of various miscellaneous transactions (i.e., sales, donations, and transfers) is to decrease net position.		(583,097)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		160,670
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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal repayment - financed purchases		171,287
Landfill post-closure		3,787
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.		
Compensated absences		(14,929)
Changes in net position - governmental activities		$ 1,917,235

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

TALBOT COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original	Final	Actual Amount	Variance with Final Budget
Revenues				
Property taxes	$ 5,095,070	$ 5,095,070	$ 5,545,350	$ 450,280
Sales tax	475,000	475,000	734,878	259,878
Insurance premium	360,370	360,370	384,423	24,053
Motor vehicle and mobile home tax	403,166	403,166	405,383	2,217
Other taxes	197,581	197,581	170,214	(27,367)
Licenses and permits	56,400	56,400	64,954	8,554
Charges for services	1,211,180	1,211,180	1,095,129	(116,051)
Fines and forfeitures	296,860	296,860	302,237	5,377
Intergovernmental	1,807,463	1,807,463	1,753,042	(54,421)
Interest revenue	150,000	150,000	73,465	(76,535)
Miscellaneous	127,300	127,300	154,955	27,655
Total revenues	10,180,390	10,180,390	10,684,030	503,640
Expenditures				
Current:				
General government:				
General administration	693,944	693,944	545,753	148,191
County commissioners	613,357	613,357	594,556	18,801
Tax commissioner	409,613	409,613	361,934	47,679
Tax assessor	319,565	319,565	309,191	10,374
Elections	347,646	347,646	310,444	37,202
Public buildings	527,828	527,828	408,666	119,162
Total general government	2,911,953	2,911,953	2,530,544	381,409
Judicial:				
Probate court	221,413	221,413	190,467	30,946
Clerk of superior court	282,166	282,166	257,735	24,431
Magistrate	29,006	29,006	28,933	73
Appeal administration	13,251	13,251	9,057	4,194
Other court services	92,434	92,434	104,423	(11,989)
Total judicial	638,270	638,270	590,615	47,655
Public safety:				
Ambulance service	842,809	842,809	815,362	27,447
Coroner	49,568	49,568	39,060	10,508
Fire	137,434	137,434	133,283	4,151
Sheriff and jail	1,823,661	1,823,661	1,801,237	22,424
Emergency management	92,107	92,107	224,480	(132,373)
Regional E-911	76,310	76,310	78,602	(2,292)
Total public safety	3,021,889	3,021,889	3,092,024	(70,135)
Public works:				
Landfill	594,635	594,635	511,381	83,254
Public works	2,069,399	2,069,399	1,506,058	563,341
Total public works	2,664,034	2,664,034	2,017,439	646,595

(Continued)

TALBOT COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original	Final	Actual	Variance with Final Budget
Expenditures (Continued)				
Current (Continued):				
Health and welfare:				
Transit	$ 449,947	$ 449,947	$ 415,439	$ 34,508
Nutrition	16,090	16,090	34,431	(18,341)
Health appropriations	110,509	110,509	89,421	21,088
Total health and welfare	576,546	576,546	539,291	37,255
Culture and recreation:				
Parks	132,101	132,101	127,957	4,144
Libraries	43,725	43,725	43,725	-
Total culture and recreation	175,826	175,826	171,682	4,144
Planning and community development:				
County agent	53,002	53,002	38,202	14,800
Building and zoning	77,192	77,192	54,833	22,359
Planning and community development appropriations	20,725	20,725	20,725	-
Total planning and community development	150,919	150,919	113,760	37,159
Debt service:				
Principal	43,085	43,085	26,702	16,383
Interest	-	-	4,766	(4,766)
Total debt service	43,085	43,085	31,468	11,617
Total expenditures	10,182,522	10,182,522	9,086,823	1,095,699
Excess (deficiency) of revenues over (under) expenditures	(2,132)	(2,132)	1,597,207	1,599,339
Other financing uses:				
Transfers out	-	-	(1,401,326)	(1,401,326)
Total other financing uses	-	-	(1,401,326)	(1,401,326)
Net change in fund balance	(2,132)	(2,132)	195,881	198,013
Fund balance, beginning of year	8,455,461	8,455,461	8,455,461	-
Fund balance, end of year	$ 8,453,329	$ 8,453,329	$ 8,651,342	$ 198,013

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

TALBOT COUNTY, GEORGIA

TIA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original	Final	Actual Amount	Variance with Final Budget
Revenues				
Sales taxes	$ 742,328	$ 742,328	$ 742,328	$ -
Total revenues	742,328	742,328	742,328	-
Expenditures				
Current:				
Public works	-	995,498	995,498	-
Debt service:				
Principal	-	144,585	144,585	-
Total expenditures	-	1,140,083	1,140,083	-
Net change in fund balance	742,328	(397,755)	(397,755)	-
Fund balance, beginning of year	1,575,154	1,575,154	1,575,154	-
Fund balance, end of year	$ 2,317,482	$ 1,177,399	$ 1,177,399	$ -

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

TALBOT COUNTY, GEORGIA

ARPA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original	Final	Actual Amount	Variance with Final Budget
Revenues				
Intergovernmental	$ -	$ 810,484	$ 810,484	$ -
Interest	-	245	245	-
Total revenues	-	810,729	810,729	-
Expenditures				
Current:				
Public safety	-	214,688	214,688	-
Public works	-	595,796	595,796	-
Total expenditures	-	810,484	810,484	-
Net change in fund balance	-	245	245	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ 245	$ 245	$ -

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

TALBOT COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Major Enterprise Fund Water System
ASSETS	
Current assets:	
Cash	$ 15,281
Accounts receivable, net of allowance	172,820
Due from other governments	11,338
Inventory	11,320
Restricted cash	13,002
Total current assets	223,761
Capital assets:	
Capital assets, non-depreciable	343,050
Capital assets, depreciable, net of accumulated depreciation	2,585,554
Total non-current assets	2,928,604
Total assets	3,152,365
LIABILITIES	
Current liabilities:	
Accounts payable	215,349
Customer deposits	103,512
Due to other funds	107,047
Accrued interest	2,911
Accrued liabilities	3,041
Compensated absences	7,598
Revenue bonds payable	92,545
Total current liabilities	532,003
Non-current liabilities:	
Compensated absences	7,597
Note payable	481,348
Revenue bonds payable	1,812,853
Total non-current liabilites	2,301,798
Total liabilites	2,833,801
NET POSITION	
Net investment in capital assets	1,487,210
Unrestricted	(1,168,646)
Total net position	$ 318,564

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

TALBOT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Major Enterprise Fund Water System
Operating revenues	
Charges for services	$ 1,106,596
Miscellaneous	93,879
Total operating revenues	1,200,475
Operating expenses	
Salaries and benefits	175,266
Water purchases	570,641
Services and supplies	165,386
Depreciation	128,685
Other	205,391
Total operating expenses	1,245,369
Operating loss	(44,894)
Non-operating revenues (expenses)	
Interest expense	(58,637)
Loan forgiveness	362,583
Intergovernmental	2,500
Total non-operating revenues, net	306,446
Income before capital contributions	261,552
Capital contributions	583,097
Change in net position	844,649
Net position (deficit), beginning of year, as previously reported	(329,556)
Prior period restatement- correction of an error	(185,217)
Prior period restatement- change in accounting principle	(11,312)
Net position (deficit), beginning of year, as restated	(526,085)
Net position, end of year	$ 318,564

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

TALBOT COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Major Enterprise Fund Water System
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 1,077,988
Payments to employees	(167,669)
Payments to suppliers and service providers	(767,172)
Net cash provided by operating activities	143,147
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from note payable	726,428
Intergovernmental	2,500
Principal paid on revenue bonds	(90,040)
Interest paid on capital debt	(58,821)
Purchase of capital assets	(719,608)
Net cash used in capital and related financing activities	(139,541)
Net change in cash and cash equivalents	3,606
Cash and cash equivalents:	
Beginning of year	24,677
End of year	$ 28,283
Classified as:	
Cash	$ 15,281
Restricted cash	13,002
	$ 28,283
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	$ (44,894)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	128,685
Increase in accounts receivable	(122,487)
Decrease in due from other funds	7,881
Decrease in customer deposits	(98,175)
Increase in accounts payable	169,711
Decrease in accrued salaries	3,041
Decrease in accrued vacation	(3,714)
Decrease in due from other governments	95,502
Increase in compensated absences	7,597
Net cash provided by operating activities	$ 143,147
Noncash investing, capital, and financing activities:	
Contribution of capital assets from governmental funds	$ 583,097
Forgiveness of GEFA loan	362,583
Total noncash investing, capital and financing activities	$ 945,680

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

TALBOT COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 565,706
Taxes receivable	335,864
Total assets	$ 901,570
LIABILITIES	
Due to others	$ 102,371
Uncollected taxes	335,864
Total liabilities	$ 438,235
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 463,335

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

TALBOT COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Custodial Funds
ADDITIONS	
Taxes collected	$ 6,794,043
Fines and fees collected	714,420
Total additons	7,508,463
DEDUCTIONS	
Taxes disbursed	6,818,028
Fines and fees disbursed	744,601
Total deductions	7,562,629
Change in net position	(54,166)
Net position, beginning of year	517,501
Net position, end of year	$ 463,335

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The County was incorporated December 14, 1827. The County operates under a board of five commissioners and provides the following services in addition to general government responsibilities: judicial, public safety, public works, health and welfare, culture and recreation, planning and community development, and water services. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the County (the "primary government") 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 relationships with the County. In conformity with GAAP, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39 and 61, the financial statements of the component units are discretely presented in the financial statements.

Discretely Presented Component Units

Talbot County Department of Public Health ("Department of Public Health")

Provides medical services and health education to the citizens of the County. The County Board of Commissioners has the authority to modify and approve the Department of Public Health's budget and have committed to provide significant financial support to the Department of Public Health. The Department of Public Health has a June 30th year end. The Department of Public Health's financial statements have been presented separately and can be obtained by writing to:

Talbot County Department of Public Health
1073 Woodland Hwy
Talbotton, Georgia 31827

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

Development Authority of Talbot County ("Development Authority")

Identifies, attracts and locates new business, industry and tourism in the County for the purposes of increasing trade, commerce, industry, tourism and employment opportunities. The County Board of Commissioners appoints a majority of the Board of Directors. The Department of Public Health has a June 30th year end. The Development Authority of the County's financial statements have been presented separately and can be obtained by writing to:

Talbot County Industrial Development Authority
P.O. Box 98
12 East Madison Street
Talbotton, Georgia 31827

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *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 those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The format of the fund financial statements has been modified by GASB Statement No. 34. Major individual governmental funds are reported as separate columns in the fund financial statements. The County reports the following major governmental funds:

The ***General Fund*** is established to account for resources devoted to financing the general services that the County performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the County are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

The ***Transportation Investment Act ("TIA") Fund*** is a Special Revenue Fund established to account for the County's share of the TIA sales tax receipts.

The ***Special Purpose Local Option Sales Tax ("SPLOST") Fund*** is a Capital Projects Fund established to account for major capital expenditures financed by SPLOST receipts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***Capital Improvements Fund*** is a Capital Projects Fund established to account for the major capital expenditures for several capital projects across the County.

The ***American Rescue Plan Act ("ARPA") Fund*** is a Special Revenue Fund used to account for grant funds awarded to the County as part of the State and Local Fiscal Recovery Fund under the ARPA.

The County reports the following major proprietary fund:

The ***Water System Fund*** accounts for the water activities of the government.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Custodial Funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. These include the Tax Commissioner, Superior Court, Probate Court, Magistrate Court, and Sheriff.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule can be payments in lieu of taxes and other charges between the government's water system and other functions of the County.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds 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 non-operating revenues and expenses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County's net position is reported in three parts: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County, and non-negotiable certificates of deposits regardless of original maturity.

For purposes of the Statement of Cash Flows, the Water System Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments are reported at fair value. At September 30, 2025, the County has no investments.

E. Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivable/payables" (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances between governmental activities and the business-type activities are reported on the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowances for uncollectibles on receivable balances represent estimates based on historical collection rates and account balance aging reports.

All property taxes levied for the current and any previous years, but not received as of September 30, 2025, are shown as property taxes receivable at that date. Any of the taxes, which are determined to be unavailable to pay liabilities of the current period, have been deferred. The Tax Commissioner bills and collects those property taxes levied by the County, the Talbot County Board of Education, the municipalities located within the County and the State of Georgia. Collections and remittances to the County and other governmental agencies are accounted for in a Custodial Fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method. The costs of proprietary fund-type inventories are recorded as expenditures when consumed rather than when purchased.

G. Prepaid Items

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.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and structures	20 – 40
Improvements	10 – 30
Infrastructure	40
Water System	40
Transportation equipment	5
Machinery and equipment	5 – 15

I. Compensated Absences

The County has adopted a Paid Time Off ("PTO") Policy. The PTO is an all-purpose time-off policy and benefit for eligible employees to use for vacation, illness or injury, and personal business. It combines traditional vacation and sick leave plans into one flexible, paid time-off policy. Regular full-time employees are eligible to earn and use PTO as described in this policy. PTO is based on years of service and earned per pay period. Regular full-time employees will be allowed to carry over unused PTO leave from one calendar year to the next, up to a maximum of 480 hours. Any excess hours will be transferred to the employee's Catastrophic Illness Leave Account.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences (Continued)

Upon separation from the service of the County, an employee must have 10 years of service to be compensated for any unused PTO Leave. The PTO Leave will be paid at 25 cents on the dollar, at the employee's current hourly rate. Employees with less than 10 years of service will not be compensated for any unused PTO leave. Unused accrued catastrophic leave shall be forfeited upon termination of employment. Accumulated unpaid PTO leave is accrued when incurred in the government-wide and proprietary financial statements at year end. 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, 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 straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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 the debt issued is reported as other financing sources. Premiums received on debt issuances are 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.

K. Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and EMS services not received within 60 days after year-end. These amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. *Deferred outflows of resources* represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The County has no items that qualify for reporting in this category.

M. Fund Balance/Net Position

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

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

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

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

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. Through policy, authorization to assign fund balance remains with the Board.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

N. Use of Estimates

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

NOTE 2. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The County prepares and adopts its budget and complies with the auditing requirements for local governments so as to provide local taxpayers with an opportunity to gain information concerning the purpose for which local revenues are proposed to be spent and are actually spent and to assist local governments in generally improving local financial management practices while maintaining, preserving, and encouraging the principle of home rule over local matters. The procedures are as follows:

1. The County Manager submits to the Board of Commissioners a proposed operating budget for the following fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. The budget is legally enacted through passage of an ordinance.

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

4. The budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with GAAP.

5. The Capital Projects Fund is budgeted on a project basis, which may be one or more years in length.

6. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

Each fund's appropriated budget is prepared on a department level. Revenues are budgeted by source. Expenditures are budgeted by departments, which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the County Commission. Within these control levels, management may transfer appropriations without Commission approval. Budget appropriations lapse at year-end.

The budget amounts shown in these financial statements include any amendments approved by the County.

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess Expenditures Over Appropriations

For the fiscal year ended September 30, 2025, the following fund had expenditures which exceeded the appropriations, which were funded by fund balance and transfers from other funds:

General Fund:	
Other court services	11,989
Emergency management	132,373
Regional E-911	2,292
Nutrition	18,341
Debt service - interest expense	4,766

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of September 30, 2025 are summarized as follows:

Balances per Statement of Net Position:	
Cash and cash equivalents - primary government	$ 11,673,016
Restricted cash - primary government	13,002
Cash - Custodial Funds	565,706
	$ 12,251,724
Balances by type:	
Cash deposited with financial institutions	$ 12,251,724
	$ 12,251,724

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County had no investments as of September 30, 2025.

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.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of September 30, 2025, all of the deposits maintained by the County were properly insured and collateralized as required by the Official Code of Georgia Annotated ("O.C.G.A.") §45-8-12(c) and as defined by GASB pronouncements.

NOTE 4. RECEIVABLES

Taxes were levied on August 29, 2024, and payable on or before December 20, 2024. The County bills and collects its own property taxes. Property taxes levied for 2024 are recorded as receivables, net of estimated uncollectibles. At December 21, the bill becomes delinquent, the applicable property is subject to lien, and penalties and interest may be assessed by the County.

The net receivables collected during the fiscal year ended September 30, 2025, and expected to be collected by November 30, 2025, are recognized as revenues in the fiscal year ended September 30, 2025. Net receivables estimated to be collectible subsequent to November 30, 2025, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Receivables consisted of the following at September 30, 2025:

	General	TIA	SPLOST	Water System Fund	Total
Receivables:					
Taxes	$ 463,792	$ 61,247	$ 168,894	$ -	$ 693,933
Accounts	285,618	-	-	231,943	517,561
Due from other governments	113,270	-	-	11,338	124,608
Gross receivables	862,680	61,247	168,894	243,281	1,336,102
Less allowance	144,729	-	-	59,123	203,852
Net total receivables	$ 717,951	$ 61,247	$ 168,894	$ 184,158	$ 1,132,250

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 295,534	$ -	$ -	$ -	$ 295,534
Construction in progress	1,089,756	2,699,676	-	(515,510)	3,273,922
Total	1,385,290	2,699,676	-	(515,510)	3,569,456
Capital assets, being depreciated:					
Building and structures	5,587,861	-	-	110,453	5,698,314
Improvements	599,269	-	-	-	599,269
Machinery and equipment	5,313,163	635,608	-	-	5,948,771
Infrastructure	572,841	178,040	-	(178,040)	572,841
Total	12,073,134	813,648	-	(67,587)	12,819,195
Less accumulated depreciation for:					
Building and structures	2,355,422	72,289	-	-	2,427,711
Improvements	433,194	26,294	-	-	459,488
Machinery and equipment	4,647,151	255,886	-	-	4,903,037
Infrastructure	169,655	13,602	-	-	183,257
Total	7,605,422	368,071	-	-	7,973,493
Total capital assets, being depreciated, net	4,467,712	445,577	-	(67,587)	4,845,702
Governmental activities capital assets, net	$ 5,853,002	$ 3,145,253	$ -	$ (583,097)	$ 8,415,158

NOTE 5. CAPITAL ASSETS (CONTINUED)

	(As Restated) Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 19,600	$ -	$ -	$ -	$ 19,600
Construction in progress	195,952	714,993	-	(587,495)	323,450
Total	215,552	714,993	-	(587,495)	343,050
Capital assets, being depreciated:					
Machinery and equipment	173,717	-	-	-	173,717
Transportation equipment	144,469	-	-	-	144,469
Water system	5,949,344	4,615	-	1,170,592	7,124,551
Total	6,267,530	4,615	-	1,170,592	7,442,737
Less accumulated depreciation for:					
Machinery and equipment	151,240	661	-	20,031	171,932
Transportation equipment	144,923	9,572	-	(20,031)	134,464
Water system	4,432,335	118,452	-	-	4,550,787
Total	4,543,281	128,685	-	-	4,857,183
Total capital assets, being depreciated, net	1,724,249	(124,070)	-	1,170,592	2,585,554
Business-type activities capital assets, net	$ 1,939,801	$ 590,923	$ -	$ 583,097	$ 2,928,604

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

Governmental activities:	
General government	$ 95,121
Judicial	1,114
Public safety	125,902
Public works	82,969
Culture and recreation	62,965
Total depreciation expense - governmental activities	$ 368,071
Business-type activities:	
Water system	$ 128,685
Total depreciation expense - business-type activities	$ 128,685

NOTE 6. LONG-TERM DEBT

The following is a summary of long-term debt activity for the primary government for the fiscal year ended September 30, 2025:

	(As Restated) Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Financed purchases	$ 171,287	$ -	$ 171,287	$ -	$ -
Landfill post-closure	503,746	-	3,787	499,959	-
Compensated absences	109,239	14,929	-	124,168	62,084
Totals	$ 675,033	$ 14,929	$ 175,074	$ 624,127	$ 62,084
Business-type activities:					
Direct placement-revenue bonds	$ 1,995,438	$ -	$ 90,040	$ 1,905,398	$ 92,545
Notes payable	117,500	726,428	362,580	481,348	-
Compensated absences	11,312	3,883	-	15,195	7,598
Totals	$ 2,112,938	$ 730,311	$ 452,620	$ 2,401,941	$ 100,143

For governmental activities, landfill post-closure costs are ordinarily liquidated by the General Fund.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Revenue bonds. In March 2022, the County issued $2,210,000 in Water Revenue Bond, Series 2022 with an interest rate of 2.75%. The proceeds were used for: (a) refunding the County's Water Revenue Fund, Series 1994A, Series 1994B, and Series 2001, (b) funding capital costs associated with the maintenance of a reservoir, and (c) paying issuance costs.

The County issues bonds where the County pledges revenues derived from the acquired or constructed assets to pay debt service. Business-type revenue bonds outstanding at September 30, 2025 are as follows:

Purpose	Interest Rate	Due Date	Original Amount	Outstanding Amount
Water revenue refunding and improvements	5.000%	2042	$ 2,210,000	$ 1,905,398
				$ 1,905,398

The revenue bonds have debt service requirements as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2026	$ 92,545	$ 51,238	$ 143,783
2027	95,122	48,661	143,783
2028	97,771	46,011	143,782
2029	100,494	43,289	143,783
2030	103,293	40,490	143,783
2031 – 2035	561,249	157,664	718,913
2036 – 2040	643,876	73,839	717,715
2041 and 2042	211,048	4,625	215,673
Total	$ 1,905,398	$ 465,817	$ 2,371,215

Notes Payable. In July of 2023, the County entered into a contract with GEFA for Drinking Water State Revolving Loan Fund grant/loan to finance upgrades to the County's water distribution system. The County may draw down $1,000,000 of which $201,580 has been drawn down and $80,632 has been forgiven as of September 30, 2025. The outstanding loan amount is $120,948 as of September 30, 2025. Interest is at 2.01%. The loan is still in the draw down phase. Repayment will be determined when construction is complete, and all draws have been made.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued). In 2024 the County entered into a contract with GEFA for Drinking Water State Revolving Loan Fund grant/loan to finance upgrades the replacement equipment for the water system. The County may draw down $720,800 of which $720,800 has been drawn and $360,400 has been forgiven as of September 30, 2025. The outstanding loan amount is $360,400 as of September 30, 2025. Interest is at 1.52%. The loan is still in the draw down phase. Repayment will be determined when construction is complete, and all draws have been made.

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2025 is as follows:

	Due From			
Due To	General Fund	Water System Fund	Nonmajor Funds	Total
General Fund	$ -	$ 107,047	$ 275	$ 107,322
ARPA Fund	10,566	-	-	10,566
Total	$ 10,566	$ 107,047	$ 275	$ 117,888

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. Primarily, balances are attributed to expenditures paid by the General Fund to be reimbursed by the funds for which the expenditures benefit.

The interfund transfers consisted of the General Fund transferring out $1,401,326 to the Capital Improvements Fund for the fiscal year ended September 30, 2025. Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) close out funds no longer used by the City, and 3) use unrestrictive revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8. JOINT USE AGREEMENT

On August 4, 1992, the County entered into a joint services contract with the City of Manchester, Georgia (the “City”) regarding the City's water treatment facility. The contract entitles the County to 29% of the City's total water treatment plant capacity, 29% of the reservoir capacity and 29% of total water line capacity. The County, in turn, shares in the cost of operating and maintaining the water treatment facility based upon actual consumption by the County in relation to the total production of the water treatment plant. Payments to the City are reported as water purchases in the Statement of Revenues, Expenses and Changes in Fund Net Position for proprietary funds.

NOTE 9. DEFINED CONTRIBUTION PENSION PLAN

Plan Description

Effective July 1, 2016, County employees are covered by the Association County Commissioners of Georgia Defined Contribution Plan Program, ACCG 401(a) Defined Contribution Plan for Talbot County employees. This plan covers full-time employees whom work at least 30 hours of service per week for compensation. Under the plan, the County contributes 6% of participating employee's compensation. Plan provisions and contribution requirements are established and may be amended by a resolution of the Talbot County Commission. Employees will also have the option to participate in a 457(b) Eligible Deferred Compensation Plan with no matching contributions from the County. The County's contribution for the fiscal year ended September 30, 2025 was $256,298. Total payroll for the fiscal year ended September 30, 2025 was $3,418,290.

NOTE 10. LANDFILL POST-CLOSURE COSTS

Effective April 1994, the County closed its landfill 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 September 30, 2025, the County has a remaining 30 years of monitoring. Engineering studies estimate post-closure costs of approximately $499,959 over that period. These costs are based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of September 30, 2025. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchases commercial insurance to cover property and liability and professional liability claims.

The County participates in 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 this 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 fund; and to report as promptly as possible, 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.

NOTE 11. RISK MANAGEMENT (CONTINUED)

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The fund is 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.

There have been no significant reductions of insurance coverage from coverage in the prior year, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 12. JOINT VENTURE

River Valley Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in the 16-county west central Georgia area, is a member of the River Valley Regional Commission (“RC”) and is required to pay annual dues thereto. During its fiscal year ended September 30, 2025, the County paid $10,488 in such dues. Membership in an RC is required by O.C.G.A. §50-8-34 which provides for the organizational structure of the RC in Georgia.

The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

River Valley Regional Commission
228 West Lamar Street
Americus, Georgia 31709.

Middle Flint Regional E-911 Authority

The Middle Flint Regional E-911 Authority (the “E-911 Authority”) is comprised of eight board members: two appointed by the County and the remaining six appointed by the other representative counties. The County allocated to the E-911 Authority $78,602 during the fiscal year to assist with general operating expenses. The County’s governing body does not approve the budget nor does it have any oversight of the day-to-day operations of the E-911 Authority. The E-911 Authority was established to provide emergency communications services to Dooly, Macon, Marion, Schley, Sumter, Talbot, Taylor, and Webster counties. Separate financial statements may be obtained from:

Middle Flint Regional E-911 Authority
222 Hayes Avenue
Ellaville, Georgia 31806.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition 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, management of the County believes such disallowances, if any, will not be significant.

NOTE 14. ACCOUNTING CHANGES AND ERROR CORRECTIONS

The County determined that restatements to certain October 1, 2024, beginning net position accounts were required for prior year reporting to correct certain errors and for the change in accounting principle. The restatements are as follows. In conjunction with the implementation of GASB Statement No. 101, Compensated Absences, the County is required to reevaluate the accounting treatment of compensated absences. Therefore, in conjunction with the implementation of GASB Statement No. 101, the following adjustment was required to adjust the beginning net position of the governmental activities as of October 1, 2024.

	Government-wide Level	
	Governmental Activities	Business-type Activities
Net position, as previously reported	$ 18,126,763	$ (329,556)
Adjustment to beginning net position to reflect:		
Correction of an error - capital assets	-	(185,217)
Change in accounting principle - compensated absences	(109,239)	(11,312)
Net position, as restated	$ 18,017,524	$ (526,085)

	Fund Level
	Water System Fund
Net position, as previously reported	$ (329,556)
Adjustment to beginning net position to reflect:	
Correction of an error - capital assets	(185,217)
Change in accounting principle - compensated absences	(11,312)
Net position, as restated	$ (526,085)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Law Library Fund – To account for costs of operating and maintaining the County Law Library. Financing is provided from a charge added to and collected on all costs in civil and criminal cases.

Jail Fund – To account for the expenditures made towards maintenance and operations of the County jail.

Drug Abuse Treatment and Education ("DATE") Fund – To account for collection of additional penalties for certain drug related crimes and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs.

Sheriff Drug Fund – To account for monies deemed as forfeited property by courts to the County from cases related to illegal drug activity.

TALBOT COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds				
	Law Library Fund	Jail Fund	DATE Fund	Sheriff Drug Fund	Totals
ASSETS					
Cash and cash equivalents	$ 50,585	$ 21,150	$ 70,441	$ 12,460	$ 154,636
Total assets	$ 50,585	$ 21,150	$ 70,441	$ 12,460	$ 154,636
LIABILITIES					
Due to other funds	$ -	$ -	$ 275	$ -	$ 275
Total liabilities	$ -	$ -	$ 275	$ -	$ 275
FUND BALANCES					
Restricted for:					
Judicial	$ 50,585	$ -	$ -	$ -	$ 50,585
Public safety	-	21,150	70,166	12,460	103,776
Total fund balances	$ 50,585	$ 21,150	$ 70,166	$ 12,460	$ 154,361

TALBOT COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds				
	Law Library Fund	Jail Fund	DATE Fund	Sheriff Drug Fund	Totals
Revenues					
Fines and forfeitures	$ 9,037	$ 15,787	$ 3,230	$ 9,200	$ 37,254
Interest revenue	-	3	14	2	19
Total revenues	9,037	15,790	3,244	9,202	37,273
Expenditures					
Current:					
Judicial	4,419	-	-	-	4,419
Public safety	-	1,439	-	3,890	5,329
Total expenditures	4,419	1,439	-	3,890	9,748
Net change in fund balances	4,618	14,351	3,244	5,312	27,525
Fund balances, beginning of year	45,967	6,799	66,922	7,148	126,836
Fund balances, end of year	$ 50,585	$ 21,150	$ 70,166	$ 12,460	$ 154,361

TALBOT COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Resolution #070102:					
Recreational facilities and equipment	$ 2,000,000	$ 2,000,000	$ 538,382	$ -	$ 538,382
Public safety facilities	2,000,000	2,000,000	608,329	-	608,329
Roads, streets and bridge purposes	3,500,000	3,500,000	1,117,661	-	1,117,661
Courthouse	1,500,000	1,500,000	404,784	-	404,784
County Commissioners annex	1,000,000	1,000,000	219,650	-	219,650
Resolution #070107:					
Roads, streets and bridge purposes	1,200,000	1,200,000	916,193	-	916,193
Public safety facilities	400,000	400,000	260,208	-	260,208
Recreational facilities and equipment	400,000	400,000	176,954	-	176,954
Courthouse	1,600,000	1,600,000	1,109,737	-	1,109,737
Town of Geneva	100,000	100,000	77,866	-	77,866
Town of Junction City	100,000	100,000	77,866	-	77,866
City of Talbotton	100,000	100,000	77,866	-	77,866
City of Woodland	100,000	100,000	77,866	-	77,866
Debt service	Debt service	Debt service	1,046,054	-	1,046,054
Resolution #070114:					
Jail construction	1,200,000	1,200,000	939,582	-	939,582
Roads, streets and bridge purposes	800,000	800,000	432,999	-	432,999
Recreational facilities and equipment	1,200,000	1,200,000	146,508	-	146,508
Public safety facilities and equipment	400,000	400,000	137,019	-	137,019
Town of Geneva	100,000	100,000	78,210	-	78,210
Town of Junction City	100,000	100,000	78,209	-	78,209
City of Talbotton	100,000	100,000	78,210	-	78,210
City of Woodland	100,000	100,000	78,209	-	78,209
Resolution #070120:					
Community building	1,020,000	1,020,000	641,867	1,527,764	2,169,631
Roads, streets and bridge purposes	1,360,000	1,360,000	1,075,690	160,409	1,236,099
Public safety facilities and equipment	680,000	680,000	232,468	223,739	456,207
Town of Geneva	34,157	34,157	32,311	9,211	41,522
Town of Junction City	57,576	57,576	54,114	15,526	69,640
City of Talbotton	315,544	315,544	297,967	93,608	391,575
City of Woodland	132,723	132,723	125,924	35,789	161,713
	$ 21,600,000	$ 21,600,000	$ 11,138,703	$ 2,066,046	$ 13,204,749

CUSTODIAL FUNDS

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

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

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

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

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

TALBOT COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Clerk of Superior Court	Probate Court	Sheriff
ASSETS			
Cash and cash equivalents	$ 328,655	$ 24,179	$ 1,197
Taxes receivable	-	-	-
Total assets	$ 328,655	$ 24,179	$ 1,197
LIABILITIES			
Due to others	$ 4,917	$ 4,747	$ 326
Uncollected taxes	-	-	-
Total liabilities	$ 4,917	$ 4,747	$ 326
NET POSITION			
Restricted for individuals, organizations, and other governments	$ 323,738	$ 19,432	$ 871

Tax Commissioner	Magistrate Court	Total
$ 207,372	$ 4,303	$ 565,706
335,864	-	335,864
$ 543,236	$ 4,303	$ 901,570
$ 89,678	$ 2,703	$ 102,371
335,864	-	335,864
$ 425,542	$ 2,703	$ 438,235
$ 117,694	$ 1,600	$ 463,335

TALBOT COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Clerk of Superior Court	Probate Court	Sheriff
ADDITIONS			
Taxes collected	$ -	$ -	$ -
Fines and fees collected	213,988	334,725	116,993
Total additions	213,988	334,725	116,993
DEDUCTIONS			
Taxes disbursed	-	-	-
Fines and fees disbursed	206,674	331,408	158,975
Total deductions	206,674	331,408	158,975
Change in net position	7,314	3,317	(41,982)
Net position, beginning of year	316,424	16,115	42,853
Net position, end of year	$ 323,738	$ 19,432	$ 871

Tax Commissioner	Magistrate Court	Total
$ 6,794,043	$ -	$ 6,794,043
-	48,714	714,420
6,794,043	48,714	7,508,463
6,818,028	-	6,818,028
-	47,544	744,601
6,818,028	47,544	7,562,629
(23,985)	1,170	(54,166)
141,679	430	517,501
$ 117,694	$ 1,600	$ 463,335

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 Talbot County, Georgia
Talbotton, 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 Talbot County, Georgia (the "County"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 27, 2026. Our report includes a reference to other auditors who audited the financial statements of the Talbot County Department of Public Health, as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting on compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2025-001 through 2025-003 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*.

Talbot County, Georgia's Responses to Findings

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

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 County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Talbot County, Georgia's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
March 27, 2026

TALBOT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP.	Unmodified
Internal control over financial reporting: Material weaknesses identified?	_X_ Yes ___ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes _X_ No
Noncompliance material to financial statements noted?	___ Yes _X_ No

Federal Awards

The Uniform Guidance allows for an alternative to the Single Audit (in the form of a compliance attestation engagement) for those governments who meet two criteria: 1) a total Coronavirus State and Local Fiscal Recovery Funds award of $10 million or less, and 2) other expenditures from other programs of less than $1,000,000 in total. Talbot County, Georgia meets both criteria and has elected to do a compliance attestation engagement for the year ended September 30, 2025.

TALBOT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2025-001 – General Accounting Matters/Close-Out Procedures

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is also a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operations objectives. Generally accepted accounting principles require assets, liabilities, revenues and expenditures to be recognized in the accounting period in which they become both measurable and available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: During our audit, we noted several occasions of accounting and reporting not being properly performed and/or reviewed during the fiscal year which required a significant effort to close the County's 2025 fiscal year. Significant adjustments were determined and required to be recorded in the months that followed September 30, 2025. Specifically, we noted the following issues related to financial and non-financial information:

- to properly maintain the governmental receivables and related deferred inflows of resources throughout as needed throughout the year;
- to properly maintain the governmental accounts payable and accrued liabilities as needed throughout the year;
- to properly maintain governmental prepaids;
- to properly maintain and record the County's general capital assets;
- to properly maintain and record the County's general debt;
- to properly maintain interfund activity as needed throughout the year; and
- to close-out and report activities, events and transactions on a periodic basis.

Context: We addressed the matter with the County officials who were able to provide all respective details and reconciliations as of and for the fiscal year ended September 30, 2025.

Effects: The ultimate effect of the above condition is the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

Cause: There was a lack of appropriate controls implemented at the County during the fiscal year to properly maintain financial and non-financial information and to properly close out the year-end.

Recommendation: We recommend the County consider a variety of options in addressing the above condition. The County should consider evaluating its strengths and weaknesses relative to the accounting function and take measures to address the concerns noted above with a goal of providing adequate reporting of County operations and financial and non-financial activities.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-001 – General Accounting Matters/Close-Out Procedures (Continued)

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate error and identify deficiencies from both operational and financial perspectives. The County has also contracted with an outside financial consultant to assist in alleviating the finding.

2025-002 – Segregation of Duties

Condition: Appropriate segregation of duties does not exist among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds possessed by the County and the elected officials.

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures. This was noted in the following offices/departments:

- Finance – We noted one individual who opens the mail also has the authority to prepare deposits and deposit cash receipts at the bank. In addition, we noted another individual who reconciles bank statements also has the authority to post transactions to the general ledger.
- Clerk of Court – We noted one employee who opens the mail also has the authority to prepare checks, reconcile bank statements, prepare deposits, and take deposits to the bank. We also noted another employee who opens the mail also has the authority to perform posting transactions to the system, deposit cash receipts and review bank reconciliations.
- Probate/Magistrate Court – We noted another employee who reconciles the bank statements also has the authority to sign checks, prepare the checks, prepare the deposits and deposit cash receipts at the bank.
- Sheriff's Office – We noted one employee who reconciles the bank statements also has the authority to post transactions to the general ledger, prepare checks, sign checks, prepare deposits and has access to cash. We noted the Sheriff's Office was not reconciling bank statements for all bank accounts throughout the year. In addition, we also noted the Sheriff's Office was not depositing cash receipts in a timely manner.
- Tax Commissioner – We noted one employee who reconciles bank statements also has the authority to prepare checks, deposit cash receipts at the bank and has access to cash. We also noted another employee who opens the mail also has the authority to sign checks.

Effect: Failure to properly segregate duties among recording, distribution and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2025-001 – Segregation of Duties (Continued)

Recommendation: The duties of recording, distribution, and reconciliation of accounts should be segregated among employees. There should be a process in which an individual reviews the bank reconciliations and documents their approval of them. In addition, we recommend all cash receipts are deposited in a timely manner.

Views of Responsible Officials and Planned Corrective Action: We concur. The offices are in the process of reviewing their respective systems to evaluate and determine the most efficient and effective solution to properly segregate duties among recording, distribution, and reconciliation of accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

2025-003. Prior Period Restatement - Management of Capital Assets (Water System Fund)

Criteria: Internal controls should be in place to ensure amounts reported for capital assets and related items are appropriate and properly valued and recorded in accordance with GAAP.

Condition: During our testing of the County's capital assets, we noted the County did not properly recognize capital assets at both the government-wide level (business-type activities) and the fund level (Water System Fund) during the fiscal year ended September 30, 2024.

Context: We addressed the matter with the Authority to determine the appropriate amounts to record as of and for the fiscal year ended September 30, 2024.

Effect: A prior period adjustment at both the government-wide level (business-type activities) and the fund level (Water System Fund) to decrease capital assets and net position in the amount of $185,217 was required for the fiscal year ended September 30, 2024, which was for the correction of an error.

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

Recommendation: We recommend the County carefully review all capital asset accounts to ensure transactions are reported in accordance with GAAP.

View of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate error and identify deficiencies from both operational and financial perspectives.

TALBOT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

TALBOT COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

2024-001 – General Accounting Matters/Close-Out Procedures

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is also a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operations objectives. Generally accepted accounting principles require assets, liabilities, revenues and expenditures to be recognized in the accounting period in which they become both measurable and available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: During our audit, we noted several occasions of accounting, reporting and reconciling not being properly performed and/or reviewed during the fiscal year which required a significant effort to close the County's 2024 fiscal year. Significant adjustments were determined and required to be recorded in the months that followed September 30, 2024. Specifically, we noted the following issues related to financial and non-financial information:

- to properly maintain the receivables on a periodic basis throughout the year;
- to properly maintain the accounts payable and accrued liabilities on a periodic basis throughout the year;
- to accurately maintain and record the County's capital assets;
- to accurately maintain and record the County's debt; and
- to close-out and report activities, events and transactions on a periodic basis.

Auditee Response/Status: Unresolved. See finding 2025-001.

2024-002 – Segregation of Duties

Condition: Appropriate segregation of duties does not exist among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds possessed by the County.

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Auditee Response/Status: Unresolved. See finding 2025-002.