UNION COUNTY, GEORGIA

Annual Financial Report

For the year ended December 31, 2023

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UNION COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
For the year ended December 31, 2023

TABLE OF CONTENTS

EXHIBIT		PAGE
	FINANCIAL SECTION	
	Independent Auditor's Report	1-3
	Management's Discussion and Analysis	4-15
	Basic Financial Statements:	
	Government-wide Financial Statements:	
A-1	Statement of Net Position	16-17
A-2	Statement of Activities	18
	Fund Financial Statements:	
	Governmental Funds:	
A-3	Balance Sheet	19
A-4	Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	20
A-5	Statement of Revenues, Expenditures and Changes in Fund Balances	21
A-6	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
A-7	General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	23-24
A-8	American Rescue Plan Act Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	25
A-9	Multiple Grant Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	26
	Proprietary Funds:	
A-10	Statement of Net Position	27
A-11	Statement of Revenues, Expenses, and Changes in Net Position	28
A-12	Statement of Cash Flows	29
	Fiduciary Funds:	
A-13	Statement of Fiduciary Net Position	30
A-14	Statement of Changes in Fiduciary Net Position	31
	Component Units:	
A-15	Combining Statement of Net Position	32
A-16	Combining Statement of Activities	33
A-17	Notes to the Financial Statements	34-69
	Combining and Individual Fund Statements and Schedules:	
B-1	Combining Balance Sheet - Nonmajor Governmental Funds	70
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	71
B-3	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Law Library Special Revenue Fund	72
B-4	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Seizures Special Revenue Fund	73
B-5	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Sheriff Donation Special Revenue Fund	74

UNION COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
For the year ended December 31, 2023

TABLE OF CONTENTS

EXHIBIT		PAGE
	FINANCIAL SECTION (continued)	
	Combining and Individual Fund Statements and Schedules (continued)	
B-6	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Emergency 911 Special Revenue Fund	75
B-7	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Opioid Settlement Special Revenue Fund	76
B-8	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Local Victims Assistance Special Revenue Fund	77
B-9	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Jail Operations Special Revenue Fund	78
B-10	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Inmate Welfare Special Revenue Fund	79
B-11	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Drug Abuse Special Revenue Fund	80
B-12	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Juvenile Court Special Revenue Fund	81
B-13	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Hotel/Motel Tax Special Revenue Fund	82
C-1	Statement of Fiduciary Net Position - Custodial Funds	83
C-2	Statement of Changes in Fiduciary Net Position - Custodial Funds	84
	OTHER REPORTING SECTION	
	Single Audit Section	
	Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	85-86
	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	87-89
D-1	Schedule of Expenditures of Federal Awards	90-91
D-2	Notes to the Schedule of Expenditures of Federal Awards	92
D-3	Schedule of Findings and Questioned Costs	93-99
	State Reporting Section	
E-1	Schedule of Projects Financed with Special Purpose Local Option Sales Tax	100-101

Independent Auditor's Report

Honorable Commissioner
Union County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Georgia, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Union County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the 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 Union County, Georgia, as of December 31, 2023, and the respective changes in the financial position and the budgetary comparisons of the General Fund, American Rescue Plan Act Fund, and Multiple Grant Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Union County Health Department, a discretely presented component unit of Union County, Georgia, which represents 33.9% of the assets, 17.8% of the net position, and 85.3% of the revenues of the aggregate discretely presented component units for the year ended December 31, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Union County Health Department, is based solely on the reports of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Union County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2024, on our consideration of Union County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Union County, Georgia's internal control over financial reporting and compliance.

Rushton, LLC

Gainesville, Georgia
June 14, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Union County management is proud to present this narrative discussion and analysis of Union County's financial performance, making available an overview of the activities for the year ended December 31, 2023. This report is drafted annually to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about Union County. As required by the Governmental Accounting Standards Board (GASB) Statement No. 34, this discussion and analysis affords comparisons with the previous fiscal year.

Financial Highlights

- Union County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2023 by $80,864,732 (*net position*). Of this amount, $10,716,489 is reported as unrestricted net position. This is an increase of $867,471 from the previous year for unrestricted. Total net position increased by $9,507,237 from the previous year.

- As of December 31, 2023, Union County's governmental funds reported combined ending fund balances of $21,800,828. Approximately 42% of this total amount, or $9,136,153, is reported as unassigned and available for spending at the County's discretion. Approximately 42%, or $9,210,485, is reported as restricted for capital outlay. Information about Union County's policy on fund balance can be found in Note 2S in the *Notes to the Financial Statements* beginning on page 46.

More detailed information regarding these activities and funds begins on page 16.

Overview of the Financial Statements

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

Government-wide Financial Statements (Reporting the County as a whole). The focus of the government-wide financial statements is on the overall financial position and activities of Union County and is designed to provide a broad overview of the County's financial activities in a manner similar to a private business enterprise.

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

The purpose of the ***Statement of Net Position*** (pages 16-17) is to report all of the assets held and liabilities owed by the County. The County reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the total assets and total liabilities is labeled *net position*. While the purpose of County Government is not to accumulate net position, as this amount increases it can indicate the strength of the County's financial position as a whole. When this amount decreases it can indicate a weakening of the County's financial position.

The ***Statement of Activities*** (page 18) presents the revenues and expenses of the County. Under the accrual basis of accounting, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net position*. The Statement of Activities primary focus is on the *net cost* of various activities provided by the County and identifies the extent to which each function of the County draws from general revenues or is self-financing through user fees, special revenues, grants, or other sources.

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

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

- ***Business-type activities*** – The County charges fees to customers to assist in recovering the cost for providing certain services. The County's Golf Course, Meeks Park, and Solid Waste are reported in this category.

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

The County's government-wide financial statements are presented on pages 16-18.

Fund Financial Statements (Reporting the County's Major Funds).
The focus of fund financial statements is directed at specific activities of the County and its most significant funds, not the County as a whole. A fund is an entity with a self-balancing set of accounts that the County uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the County's non-major funds can be found beginning on page 70. The County's funds are divided into three broad categories: governmental, proprietary, and fiduciary. They use different prescribed accounting methodologies.

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

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

  Union County maintains seventeen individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, American Rescue Plan Act Special Revenue Fund, Multiple Grants Special Revenue Fund, and SPLOST V Capital Projects Fund, which are considered major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 70-71 of this report.

  Union County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been included for the General Fund, American Rescue Plan Act Special Revenue Fund, and Multiple Grant Special Revenue Fund to show the final result of actual revenues and expenditures as compared to the initial projections.

  The County's basic governmental fund financial statements are presented on pages 19-26 of this report.

- ***Proprietary Funds*** – When the County charges customers for the services it provides, whether to outside customers or internally to departments of the County, these services are generally reported in proprietary funds. The County maintains one type of proprietary funds: Enterprise Funds. These proprietary funds are prepared using the same accrual basis of accounting as the government-wide financial statements.

  Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. Union County uses enterprise funds to account for its Golf Course, Meeks Park, and Solid Waste functions.

  The County's proprietary fund financial statements are presented on pages 27-29.

  Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs and services. The accounting used for fiduciary funds is similar to that used for proprietary funds. Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements. The fiduciary fund financial statements are presented on pages 30-31.

Notes to the financial statements.
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-69 of this report.

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

This report includes two schedules (pages 20 and 22) which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

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

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

Overview of the County's Financial Position and Operations

The County's overall financial position and operations for this fiscal year is summarized as follows based on the information included in the government-wide financial statements (see pages 16-18):

Union County
Net Position
Fiscal Years 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current	$ 37,070,369	$ 34,977,447	$ 1,311,421	$ 967,538	$ 38,381,790	$ 35,944,985
Noncurrent	50,124,742	43,848,497	8,194,052	7,928,788	58,318,794	51,777,285
Total assets	87,195,111	78,825,944	9,505,473	8,896,326	96,700,584	87,722,270
Liabilities:						
Current	4,681,786	4,978,769	288,479	377,937	4,970,265	5,356,706
Noncurrent	310,967	313,782	23,261	105,366	334,228	419,148
Total liabilities	4,992,753	5,292,551	311,740	483,303	5,304,493	5,775,854
Deferred inflows of resources	10,531,359	10,588,921	0	0	10,531,359	10,588,921
Net position:						
Net investment in capital assets	48,466,503	43,564,425	8,088,686	7,694,615	56,555,189	51,259,040
Restricted	13,604,484	10,249,437	0	0	13,604,484	10,249,437
Unrestricted	9,600,012	9,130,610	1,105,047	718,408	10,705,059	9,849,018
Total net position	$ 71,670,999	$ 62,944,472	$ 9,193,733	$ 8,413,023	$ 80,864,732	$ 71,357,495

Net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources for Union County exceeded liabilities and deferred inflows of resources by $80,864,732 at the close of 2023. Approximately 70% of Union County's net position is reflected in its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire them. This is a decrease from 77% at December 31, 2022. The County uses capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position comprises 17% of total net position. This amount represents resources that are subject to external restrictions or enabling legislation on how they may be used. Unrestricted net position makes up the remaining 13%.

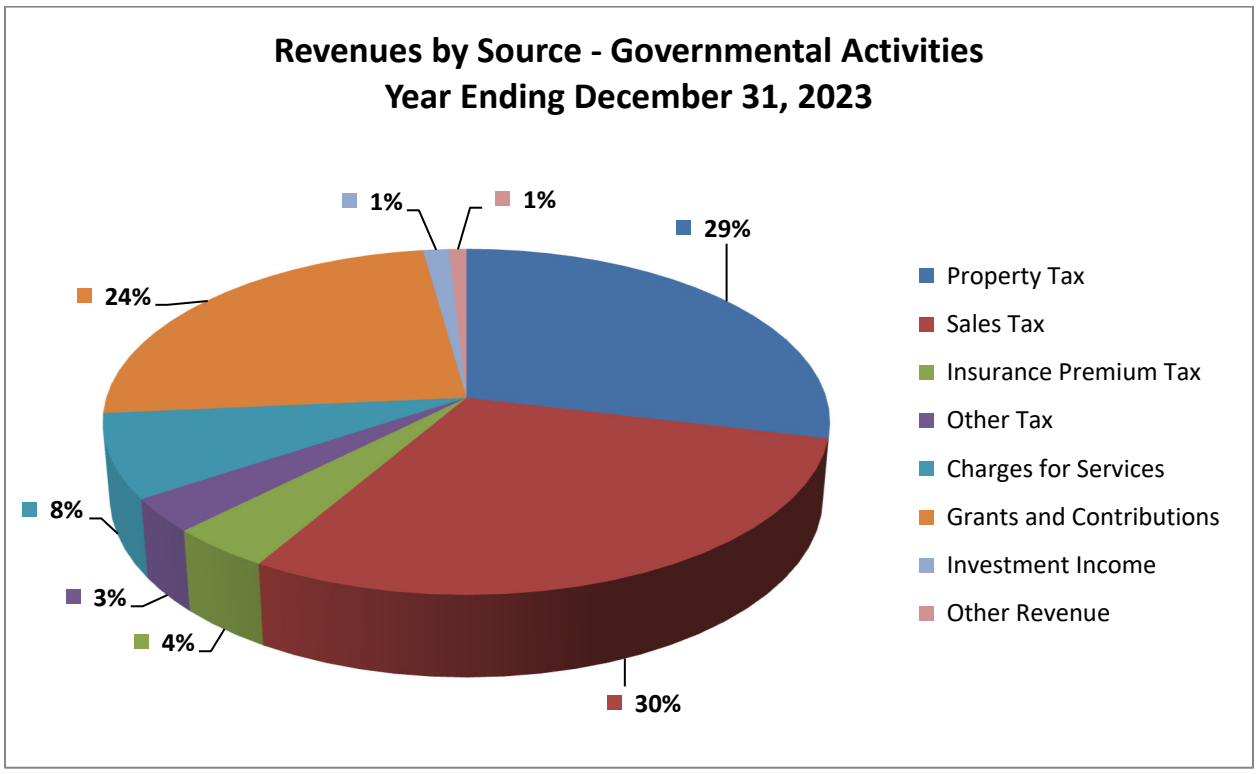
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Union County's net position changed during the year.

Union County
Changes in Net Position
Fiscal Years 2023 and 2022

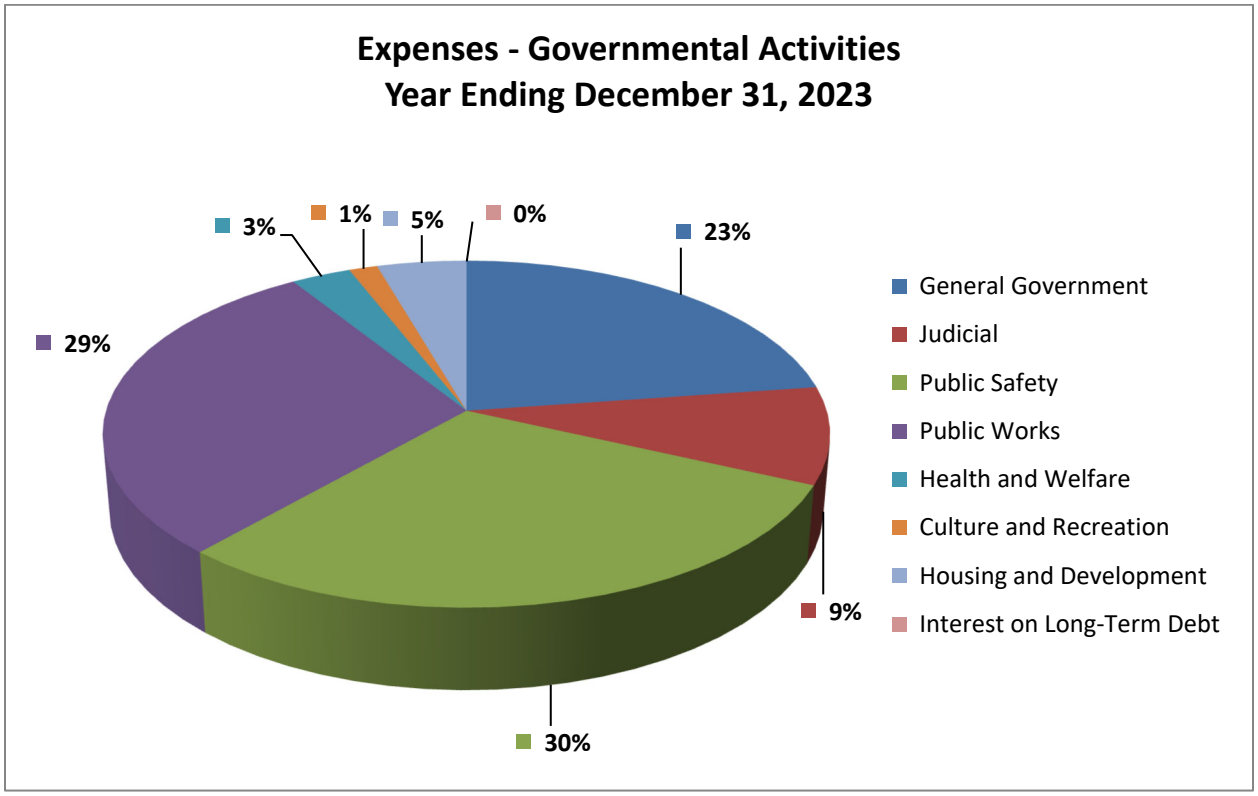
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	$ 3,866,016	$ 3,504,540	$ 4,099,754	$ 3,421,616	$ 7,965,770	$ 6,926,156
Operating grants and contributions	4,508,377	3,049,120	0	0	4,508,377	3,049,120
Capital grants and contributions	7,359,732	824,831	0	0	7,359,732	824,831
General revenues:						
Property tax	14,072,399	12,860,002	0	0	14,072,399	12,860,002
Sales tax	14,091,246	13,576,670	0	0	14,091,246	13,576,670
Insurance premium tax	1,971,401	1,890,406	0	0	1,971,401	1,890,406
Other taxes	1,560,254	1,682,513	0	0	1,560,254	1,682,513
Interest & investment earnings	641,076	137,732	10,166	0	651,242	137,732
Other revenue	441,933	429,647	225,533	193,543	667,466	623,190
Total revenues	48,512,434	37,955,461	4,335,453	3,615,159	52,847,887	41,570,620
Expenses						
General Government	8,254,847	7,269,401	0	0	8,254,847	7,269,401
Judicial	3,281,160	2,778,074	0	0	3,281,160	2,778,074
Public Safety	10,807,628	9,287,017	0	0	10,807,628	9,287,017
Public Works	10,677,812	5,212,430	0	0	10,677,812	5,212,430
Health and Welfare	1,098,112	999,326	0	0	1,098,112	999,326
Culture and Recreation	522,672	442,537	0	0	522,672	442,537
Housing and Development	1,641,307	1,588,092	0	0	1,641,307	1,588,092
Interest on long-term debt	1,731	5,390	0	0	1,731	5,390
Golf Course	0	0	1,821,023	1,666,022	1,821,023	1,666,022
Meeks Park	0	0	3,408,908	3,039,346	3,408,908	3,039,346
Solid Waste	0	0	1,825,450	1,533,818	1,825,450	1,533,818
Total expenses	36,285,269	27,582,267	7,055,381	6,239,186	43,340,650	33,821,453
Increase (decrease) in net position before transfers	12,227,165	10,373,194	(2,719,928)	(2,624,027)	9,507,237	7,749,167
Transfers	(3,500,638)	(3,154,398)	3,500,638	3,154,398	0	0
Increase (decrease) in net position	8,726,527	7,218,796	780,710	530,371	9,507,237	7,749,167
Net position - beginning	62,944,472	55,725,676	8,413,023	7,882,652	71,357,495	63,608,328
Net position - ending	$ 71,670,999	$ 62,944,472	$ 9,193,733	$ 8,413,023	$ 80,864,732	$ 71,357,495

Governmental Activities –

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



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



Business-Type Activities –

Aside from transfers from other funds, business-type activities did not contribute to an increase in Union County's net position. Before contributions of capital assets from governmental activities of $228,800, transfers out of $126,896, and transfers in of $3,398,734, the decrease in net position was $2,719,928. Total change in net position was an increase of $780,710, or 9%.

Financial Analysis of the County's Funds

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

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

1) As the County completed this year, its governmental funds reported a combined ending fund balance of $21,800,828. Of this amount, $9,136,153 (42%) constitutes unassigned fund balance, which is available for appropriation for the general purposes of the funds in accordance with the Union County policy on fund balance.

The General Fund is the chief operating fund of the County. At the end of the current year, fund balance of the General Fund was $9,454,476. Unassigned fund balance represents approximately 97% of total fund balance in the General Fund. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 37% of total General Fund expenditures, while total fund balance represents approximately 38% of that same amount. The County ended the year realizing an increase in the overall fund balance in the General Fund by $659,930, or approximately 8%. The County increased unassigned fund balance in the General Fund by $681,931, or 8%. This increase decreased compared to the increase in the prior year. Total revenues and total expenditures increased in the current year but the increase was caused predominantly by increased revenues. Taxes and intergovernmental revenues were up substantially. Public safety expenditures increased substantially due to Sheriff capital outlay and public works expenditures increased substantially due to personal services. Proceeds from sale of capital assets increased substantially due to more vehicle trades.

For the current year, the American Rescue Plan Act Special Revenue Fund did not report significant fund balance. Increased interest rates account for the increased fund balance over the prior year. This fund accounts for significant revenues and expenditures for the American Rescue Plan funding.

For the current year, the Multiple Grant Special Revenue Fund did not report fund balance. Increased intergovernmental revenues and expenditures were due to the continuing gun range project.

At the end of the current year, the SPLOST V Capital Projects Fund had total fund balance of $10,051,857, of which $9,210,485 is restricted for capital outlay. Fund balance of the SPLOST V Capital Projects Fund increased $1,435,088 during the current year. The cause for the increase in fund balance was receipts of SPLOST V revenues from the current referendum at a faster pace than continued spending on capital projects.

General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the year. Budgeted revenues and other financing sources in total increased $3,019,464 and expenditures and other financing uses in total increased $3,019,464 from original to final budgets. The County experienced an increase in revenues from the prior fiscal year but experienced a more significant increase in expenditures from the prior fiscal year. The County ended the fiscal year with an increase in fund balance.

Proprietary Funds. Union County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Total net position of the County's proprietary funds totaled as follows:

- Golf Course $ 3,203,184
- Meeks Park $ 4,257,123
- Solid Waste $ 1,733,426

The Golf Course Fund had an increase in net position of $51,582. Operating loss totaled $572,370. The Meeks Park Fund had a decrease in net position $5,606. Operating loss totaled $2,581,094. The Solid Waste Fund had an increase in net position $734,734. Operating income totaled $412,374.

Capital Assets and Debt Administration

Capital Assets. Union County has invested $58,318,794 in capital assets (net of accumulated depreciation) compared to $51,546,716 in the previous year. This represents a significant change. Approximately 86% of this investment is related to governmental activities and includes infrastructure, land, buildings, equipment, and vehicles. Capital assets held by the County at year-end are summarized below.

Union County
Capital Assets (net of accumulated depreciation)
Fiscal Years 2023 and 2022

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	$ 6,208,222	$ 6,956,583	$ 2,657,801	$ 2,657,801	$ 8,866,023	$ 9,614,384
Construction in progress	4,373,227	1,739,526	69,843	23,063	4,443,070	1,762,589
Land improvements	0	0	1,918,813	1,594,087	1,918,813	1,594,087
Buildings and improvements	42,262,957	37,649,270	5,305,256	5,180,148	47,568,213	42,829,418
Machinery and equipment	6,397,335	5,947,595	3,136,279	2,644,289	9,533,614	8,591,884
Vehicles	7,899,311	7,064,747	438,961	407,106	8,338,272	7,471,853
Infrastructure	21,799,153	21,799,153	0	0	21,799,153	21,799,153
Intangible right-to-use assets						
Machinery and equipment	0	0	360,254	360,254	360,254	360,254
Software	306,506	165,458	0	0	306,506	165,458
Total	89,246,711	81,322,332	13,887,207	12,866,748	103,133,918	94,189,080
Accumulated depreciation/amortization	(39,121,969)	(37,308,377)	(5,693,155)	(4,937,960)	(44,815,124)	(42,246,337)
Net Capital Assets	$ 50,124,742	$ 44,013,955	$ 8,194,052	$ 7,928,788	$ 58,318,794	$ 51,942,743

The prior year data in the Governmental activities has been restated for the implementation of GASB Statement 96, *Subscription-Based Information Technology Arrangements*.

The prior year data in the Business-type activities has been restated for the combining of GASB Statement No. 87, *Leases*, intangible right-to-use assets schedule into the capital asset schedule.

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

- Completion of various SPLOST projects
- Continuing various ARPA projects
- Purchase of vehicles and heavy equipment for various departments
- Continued improvements to Fire Station facilities
- Continued improvements to Gun Range
- Continuing road construction, road improvements, culvert repairs and bridge repairs

Major capital asset purchases during the current year for business-type activities included the following:

- Continued improvements to Meeks Park facilities
- Purchase of vehicles and equipment for Meeks Park
- Continued improvements to Butternut Creek Golf Course
- Purchase of equipment for Butternut Creek Golf Course
- Purchase of vehicles and equipment for the transfer station

Additional information on Union County's capital assets can be found in Note 9 on pages 55-58 of this report.

Debt/Leases/Subscriptions.

On December 31, 2023, Union County presented a total debt balance outstanding of $199,249 for Governmental Activities. This increase is due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* in the current year. On December 31, 2023, Union County presented a total debt balance outstanding of $105,366 for Butternut Creek Golf Course as compared to $234,713 the previous year. This decrease is due to regular scheduled payments.

On December 31, 2023, Union County presented a total debt balance of $304,615.

Additional information on the County's long-term debt can be found in Notes 10 and 11 on pages 58-61 of this report.

Economic Condition and Outlook

Union County is determined to maintain a healthy fund balance each year while continuing to provide exceptional services to our citizens. Moving forward, the County will continue to face challenges because of past slow economic growth, but we are encouraged at the very positive direction of the current economy along with our strong fiscal county policies. Housing starts and retail sales related to residential and commercial construction are all increasing. Hotel stays and cabin rentals are strong. Most shops and restaurants continue to show an increase in business. Our average unemployment rate continues to be among the lowest in our 13-county region.

We remain cautiously optimistic that the growth in revenues and business in Union County will continue. This stronger economy helps verify that the economic development policies Union County Government has pursued over the years have proved to be successful. These and many key factors were considered in preparation of the budget for 2023 and 2024. Our strong financial position and continued strong credit rating helps ensure that Union County is ready to meet any future challenges:

- Continued reliance on residential taxes as an overall part of the tax base
- Strong recovery in countywide retail sales
- Reliance on Special Purpose Local Option Sales Tax for capital improvements to continue improving our quality of life and limit requirements for more property tax dollars
- Union County's unemployment rate remaining low, exceeding state and national averages in most months
- With continued growth there will eventually be a need for additional personnel, development, and training
- Rising cost of healthcare and other insurance benefits must always be considered as to how it will impact budgets
- We continue to actively pursue construction of SPLOST projects from SPLOST V

Contacting the County

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

Union County
65 Courthouse Street
Blairsville, GA 30512
706-439-6000
unioncounty@uniongov.com
http://www.unioncountyga.gov

BASIC FINANCIAL STATEMENTS

UNION COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 30,894,234	$ 1,348,588	$ 32,242,822	$ 1,731,798
Accounts receivable (net)	712,084	60,957	773,041	18,040
Intergovernmental receivables	3,253,439	0	3,253,439	0
Taxes receivable (net)	1,740,976	0	1,740,976	0
Prepaid items	302,054	0	302,054	0
Inventories	27,654	41,804	69,458	0
Internal balances	139,928	(139,928)	0	0
Total current assets	37,070,369	1,311,421	38,381,790	1,749,838
Noncurrent assets				
Land held for resale	0	0	0	1,631,211
Capital assets				
Non-depreciable	10,581,449	2,727,644	13,309,093	0
Depreciable/amortizable (net)	39,543,293	5,466,408	45,009,701	191,733
Total noncurrent assets	50,124,742	8,194,052	58,318,794	1,822,944
Total assets	87,195,111	9,505,473	96,700,584	3,572,782
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	0	0	0	416,099
Deferred outflows of resources - OPEB	0	0	0	78,266
Total deferred outflows of resources	0	0	0	494,365
LIABILITIES				
Current liabilities				
Accounts payable	2,207,912	69,397	2,277,309	18,241
Retainages payable	332,258	0	332,258	0
Accrued salaries and payroll liabilities	312,007	45,725	357,732	9,992
Accrued expenses	0	13,841	13,841	0
Unearned revenue	908,907	0	908,907	0
Compensated absences	256,816	77,411	334,227	51,700
Lease liabilities	0	82,105	82,105	8,334
Subscription liabilities	104,434	0	104,434	0
Landfill post-closure care costs	56,065	0	56,065	0
Other current liabilities	503,387	0	503,387	0
Total current liabilities	4,681,786	288,479	4,970,265	88,267
Noncurrent liabilities				
Compensated absences	0	0	0	29,771
Proportionate share of net pension liability	0	0	0	1,006,979
Proportionate share of net OPEB liability	0	0	0	14,755
Lease liabilities	0	23,261	23,261	9,990
Subscription liabilities	94,815	0	94,815	0
Landfilll post-closure care costs	216,152	0	216,152	0
Total noncurrent liabilities	310,967	23,261	334,228	1,061,495
Total liabilities	4,992,753	311,740	5,304,493	1,149,762

UNION COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	$ 0	$ 0	$ 0	$ 9,515
Deferred inflows of resources - OPEB	0	0	0	71,755
Property taxes levied for subsequent year	10,531,359	0	10,531,359	0
Total deferred inflows of resources	10,531,359	0	10,531,359	81,270
NET POSITION				
Net investment in capital assets	48,466,503	8,088,686	56,555,189	173,409
Restricted for:				
Law library operations	72,637	0	72,637	0
Judicial activities	848,521	0	848,521	0
Public safety activities	665,972	0	665,972	0
Drug abuse treatment and education programs	447,877	0	447,877	0
LMIG projects	841,372	0	841,372	0
Grant specifications	55,256	0	55,256	0
Capital outlay	10,661,419	0	10,661,419	0
Unrestricted	9,611,442	1,105,047	10,716,489	2,662,706
Total net position	$ 71,670,999	$ 9,193,733	$ 80,864,732	$ 2,836,115

UNION COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the year ended December 31, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 8,254,847	$ 575,097	$ 234,294	$ 17,515	$ (7,427,941)
Judicial	3,281,160	71,488	1,406,556	0	(1,803,116)
Public Safety	10,807,628	2,645,611	1,950,358	2,630,873	(3,580,786)
Public Works	10,677,812	22,913	905,775	4,711,344	(5,037,780)
Health and Welfare	1,098,112	23,305	0	0	(1,074,807)
Culture and Recreation	522,672	0	0	0	(522,672)
Housing and Development	1,641,307	527,602	11,394	0	(1,102,311)
Interest on long-term debt	1,731	0	0	0	(1,731)
Total governmental activities	36,285,269	3,866,016	4,508,377	7,359,732	(20,551,144)
Business-type activities					
Golf Course	1,821,023	1,239,301	0	0	(581,722)
Meeks Park	3,408,908	626,451	0	0	(2,782,457)
Solid Waste	1,825,450	2,234,002	0	0	408,552
Total business-type activities	7,055,381	4,099,754	0	0	(2,955,627)
Total primary government	43,340,650	7,965,770	4,508,377	7,359,732	(23,506,771)
Component Units					
Union County Health Department					
Health and Welfare	1,133,021	556,832	478,113	0	(98,076)
Development Authority of Union County					
Housing and Development	218,588	20,000	0	0	(198,588)
Total component units	1,351,609	576,832	478,113	0	(296,664)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (20,551,144)	$ (2,955,627)	$ (23,506,771)	$ (296,664)
General revenues				
Taxes				
Property	14,072,399	0	14,072,399	0
Sales	14,091,246	0	14,091,246	0
Insurance premium	1,971,401	0	1,971,401	0
Other	1,560,254	0	1,560,254	0
Interest and investment earnings	641,076	10,166	651,242	8,718
Payments from Union County	0	0	0	287,512
Gain on sale of capital assets	337,675	17,400	355,075	0
Other	104,258	208,133	312,391	0
Transfers	(3,500,638)	3,500,638	0	0
Total general revenues and transfers	29,277,671	3,736,337	33,014,008	296,230
Change in net position	8,726,527	780,710	9,507,237	(434)
Net position - beginning	62,944,472	8,413,023	71,357,495	2,836,549
Net position - ending	$ 71,670,999	$ 9,193,733	$ 80,864,732	$ 2,836,115

UNION COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

	General	American Rescue Plan Act	Multiple Grants	SPLOST V	Nonmajor Governmental Funds	Totals
ASSETS						
Cash and cash equivalents	$ 17,171,072	$ 1,780,609	$ 0	$ 9,799,741	$ 2,142,812	$ 30,894,234
Receivables (net)						
Accounts	297,887	0	0	0	414,197	712,084
Intergovernmental	242,593	14,325	2,044,047	775,455	177,019	3,253,439
Taxes	1,660,858	0	0	0	80,118	1,740,976
Due from other funds	2,005,454	0	0	0	83,394	2,088,848
Prepaid items	290,669	0	0	0	11,385	302,054
Inventories	27,654	0	0	0	0	27,654
Total assets	$ 21,696,187	$ 1,794,934	$ 2,044,047	$ 10,575,196	$ 2,908,925	$ 39,019,289
LIABILITIES						
Accounts payable	$ 558,348	$ 287,908	$ 575,755	$ 495,677	$ 290,224	$ 2,207,912
Retainages payable	0	4,051	300,545	27,662	0	332,258
Accrued salaries and payroll liabilities	297,028	0	0	0	14,979	312,007
Due to other funds	242,361	538,812	1,167,747	0	0	1,948,920
Unearned revenue	0	908,907	0	0	0	908,907
Other liabilities	503,387	0	0	0	0	503,387
Total liabilities	1,601,124	1,739,678	2,044,047	523,339	305,203	6,213,391
DEFERRED INFLOWS OF RESOURCES						
Property taxes levied for subsequent year	10,531,359	0	0	0	0	10,531,359
Unavailable revenue:						
Property taxes	109,228	0	0	0	0	109,228
Fines, fees, and forfeitures	0	0	0	0	364,483	364,483
Total deferred inflows of resources	10,640,587	0	0	0	364,483	11,005,070
FUND BALANCES						
Nonspendable:						
Prepaid items	290,669	0	0	0	11,385	302,054
Inventories	27,654	0	0	0	0	27,654
Restricted for:						
Law library operations	0	0	0	0	72,637	72,637
Judicial activities	0	0	0	0	848,521	848,521
Public safety activities	0	0	0	0	665,972	665,972
Drug abuse treatment and education programs	0	0	0	0	83,394	83,394
LMIG projects	0	0	0	841,372	0	841,372
Grant specifications	0	55,256	0	0	0	55,256
Capital outlay	0	0	0	9,210,485	0	9,210,485
Assigned for:						
Emergency 911 system operations	0	0	0	0	33,258	33,258
Tourism	0	0	0	0	524,072	524,072
Unassigned	9,136,153	0	0	0	0	9,136,153
Total fund balances	9,454,476	55,256	0	10,051,857	2,239,239	21,800,828
Total liabilities, deferred inflows of resouces, and fund balances	$ 21,696,187	$ 1,794,934	$ 2,044,047	$ 10,575,196	$ 2,908,925	$ 39,019,289

See accompanying notes to the financial statements.

UNION COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2023

Total fund balance - total governmental funds			$ 21,800,828
Amounts reported for governmental activities in the statement of net position are different because:			
Some assets are not financial resources and therefore are not reported in the funds. These are:			
Capital assets, net of accumulated depreciation/amortization			50,124,742
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are unavailable in the funds. These are:			
Property taxes	$	109,228	
Fines, fees, and forfeitures		364,483	473,711
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are:			
Compensated absences	$	(256,816)	
Subscription liabiltiies		(199,249)	
Landfill post-closure care costs		(272,217)	(728,282)
Net position of governmental activities			$ 71,670,999

UNION COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended December 31, 2023

	General	American Rescue Plan Act	Multiple Grants	SPLOST V	Nonmajor Governmental Funds	Totals
REVENUES						
Taxes	$ 23,098,015	$ 0	$ 0	$ 7,826,839	$ 783,608	$ 31,708,462
Licenses and permits	610,692	0	0	0	0	610,692
Fines, fees and forfeitures	793,831	0	0	0	203,076	996,907
Charges for services	599,183	0	0	0	654,422	1,253,605
Intergovernmental	974,387	6,003,128	2,730,516	916,950	1,138,333	11,763,314
Interest	584,865	54,285	0	403,986	1,927	1,045,063
Contributions	17,515	0	0	311,145	12,479	341,139
Other	104,251	0	0	0	7	104,258
Total revenues	26,782,739	6,057,413	2,730,516	9,458,920	2,793,852	47,823,440
EXPENDITURES						
Current						
General Government	7,786,743	4,647	0	0	0	7,791,390
Judicial	1,951,655	20,194	0	0	1,333,930	3,305,779
Public Safety	10,290,070	1,823,344	2,949,776	0	881,753	15,944,943
Public Works	2,339,210	3,920,649	0	0	0	6,259,859
Health and Welfare	1,078,811	0	0	0	0	1,078,811
Culture and Recreation	406,029	0	0	0	0	406,029
Housing and Development	988,742	0	0	0	768,885	1,757,627
Capital outlay	0	0	0	6,998,853	11,205	7,010,058
Debt service	108,988	0	0	0	0	108,988
Intergovernmental	0	0	0	658,198	0	658,198
Total expenditures	24,950,248	5,768,834	2,949,776	7,657,051	2,995,773	44,321,682
Excess (deficiency) of revenues over (under) expenditures	1,832,491	288,579	(219,260)	1,801,869	(201,921)	3,501,758
Other financing sources (uses)						
Transfers in	290,360	0	219,260	0	348,124	857,744
Transfers out	(3,528,507)	(234,294)	0	(366,781)	0	(4,129,582)
Proceeds from issuance of debt	141,048	0	0	0	0	141,048
Sale of capital assets	1,924,538	0	0	0	0	1,924,538
Total other financing sources (uses)	(1,172,561)	(234,294)	219,260	(366,781)	348,124	(1,206,252)
Net change in fund balances	659,930	54,285	0	1,435,088	146,203	2,295,506
Fund balances, January 1	8,794,546	971	0	8,616,769	2,093,036	19,505,322
Fund balances, December 31	$ 9,454,476	$ 55,256	$ 0	$ 10,051,857	$ 2,239,239	$ 21,800,828

See accompanying notes to the financial statements.

UNION COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the year ended December 31, 2023

Net change in fund balances - total governmental funds		$ 2,295,506
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays	$ 10,162,571	
Depreciation/Amortization	(2,236,121)	7,926,450
In the statement of activities, gains and losses on the sale of capital assets are reported, whereas in the governmental funds, the proceeds from the sale of capital assets increases financial resources.		
Cost of assets disposed	$ (2,009,392)	
Related accumulated depreciation	422,529	(1,586,863)
Distributions of capital assets decrease net position in the statement of activities, but do not appear in the governmental funds because they do not require the use of current financial resources.		
Cost of assets distributed to business-type activities		(228,800)
The proceeds of debt issuance, net of premiums, discounts and issuance costs provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.		
Debt issuance	$ (141,048)	
Debt principal payments	107,257	(33,791)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable revenue.		351,321
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.		
Compensated absences	$ (53,361)	
Landfill post-closure care costs	56,065	2,704
Change in net position of governmental activities		$ 8,726,527

UNION COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 22,212,731	$ 23,269,695	$ 23,098,015	$ (171,680)
Licenses and permits	501,500	501,500	610,692	109,192
Fines, fees and forfeitures	760,000	760,000	793,831	33,831
Charges for services	688,550	688,550	599,183	(89,367)
Intergovernmental	660,673	660,673	974,387	313,714
Interest	61,500	61,500	584,865	523,365
Contibutions	46,000	46,000	17,515	(28,485)
Other	126,600	126,600	104,251	(22,349)
Total revenues	25,057,554	26,114,518	26,782,739	668,221
EXPENDITURES				
Current				
General Government				
Executive	579,691	596,000	595,510	490
Elections	293,184	293,184	221,343	71,841
General administration	1,068,110	1,190,000	1,189,243	757
Financial administration	306,716	398,000	397,004	996
Tax commissioner	461,201	461,201	442,542	18,659
Tax assessor	552,909	565,000	564,222	778
Risk management	3,110,000	3,887,000	3,886,470	530
General government buildings	333,869	491,000	490,409	591
Judicial				
Judicial administration	5,200	166,000	165,306	694
Superior court	104,000	104,000	18,047	85,953
Drug court	27,000	27,000	17,700	9,300
Clerk of superior court	399,745	399,745	305,161	94,584
District attorney	330,340	441,000	440,583	417
Magistrate court	274,323	274,323	260,068	14,255
Probate court	379,139	379,139	374,008	5,131
Juvenile court	220,000	220,000	166,123	53,877
Grand jury	1,200	1,200	0	1,200
Public defender	160,100	168,000	167,674	326
Community service	84,651	84,651	36,985	47,666
Public Safety				
Sheriff	3,919,478	4,699,000	4,698,372	628
Jail operations	2,388,619	2,458,000	2,457,140	860
School resource officer	7,000	7,000	5,369	1,631
Courthouse security	444,452	535,000	534,351	649
Fire and emergency management	2,283,243	2,283,243	2,131,167	152,076
Fire stations and buildings	160,600	160,600	137,242	23,358
Coroner	41,800	54,000	53,415	585
Animal control	244,160	274,000	273,014	986
Public Works				
Highways and streets	1,693,009	1,927,000	1,926,835	165
Solid waste	0	64,000	63,865	135
Public education	15,000	15,000	6,529	8,471
Maintenance and shop	332,239	342,000	341,981	19

UNION COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES (continued)				
Current				
Health and Welfare				
Public health administration	$ 334,200	$ 395,000	$ 394,518	$ 482
Health department	1,000	1,000	87	913
Ambulance contract	310,000	310,000	200,000	110,000
Intergovernmental welfare	50,544	53,000	52,896	104
Senior citizens	187,224	215,000	214,144	856
Community center	73,323	73,323	64,458	8,865
Transportation services	165,416	165,416	152,708	12,708
Culture and Recreation				
Participant recreation	39,100	39,100	34,999	4,101
Library admission	339,000	372,000	371,030	970
Housing and Development				
Conservation	73,376	79,000	78,376	624
Agricultural	49,372	49,372	24,618	24,754
Building inspection	425,965	425,965	420,494	5,471
Planning and zoning	215,556	215,556	199,426	16,130
Economic development	229,500	266,000	265,828	172
Debt service	0	109,000	108,988	12
Total expenditures	22,714,554	25,734,018	24,950,248	783,770
Excess (deficiency) of revenues over expenditures	2,343,000	380,500	1,832,491	1,451,991
Other financing sources (uses)				
Transfers in	20,500	296,000	290,360	(5,640)
Transfers out	(2,693,500)	(2,693,500)	(3,528,507)	(835,007)
Contingency	(50,000)	(50,000)	0	50,000
Proceeds from issuance of debt	0	142,000	141,048	(952)
Sale of capital assets	380,000	1,925,000	1,924,538	(462)
Total other financing sources (uses)	(2,343,000)	(380,500)	(1,172,561)	(792,061)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	659,930	659,930
Fund balance, January 1	0	0	8,794,546	8,794,546
Fund balance, December 31	$ 0	$ 0	$ 9,454,476	$ 9,454,476

UNION COUNTY, GEORGIA
AMERICAN RESCUE PLAN ACT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 8,660,410	$ 8,660,410	$ 6,003,128	$ (2,657,282)
Interest	0	0	54,285	54,285
Total revenues	8,660,410	8,660,410	6,057,413	(2,602,997)
EXPENDITURES				
Current				
General Government	0	4,700	4,647	53
Judicial	0	21,000	20,194	806
Public Safety	2,750,000	2,750,000	1,823,344	926,656
Public Works	6,926,116	6,926,116	3,920,649	3,005,467
Total expenditures	9,676,116	9,701,816	5,768,834	3,932,982
Excess (deficiency) of revenues over expenditures	(1,015,706)	(1,041,406)	288,579	1,329,985
Other financing sources (uses)				
Transfers out	(2,234,294)	(2,208,594)	(234,294)	1,974,300
Total other financing sources (uses)	(2,234,294)	(2,208,594)	(234,294)	1,974,300
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,250,000)	(3,250,000)	54,285	3,304,285
Fund balance, January 1	3,250,000	3,250,000	971	(3,249,029)
Fund balance, December 31	$ 0	$ 0	$ 55,256	$ 55,256

UNION COUNTY, GEORGIA
MULTIPLE GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 73,000	$ 2,445,000	$ 2,730,516	$ 285,516
Total revenues	73,000	2,445,000	2,730,516	285,516
EXPENDITURES				
Current				
Public Safety	578,000	2,950,000	2,949,776	224
Total expenditures	578,000	2,950,000	2,949,776	224
Excess (deficiency) of revenues over expenditures	(505,000)	(505,000)	(219,260)	285,740
Other financing sources (uses)				
Transfers in	500,000	500,000	219,260	(280,740)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(5,000)	(5,000)	0	5,000
Fund balance, January 1	5,000	5,000	0	(5,000)
Fund balance, December 31	$ 0	$ 0	$ 0	$ 0

UNION COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2023

	Business-Type Activities			
	Golf Course	Meeks Park	Solid Waste	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 739,704	$ 137,300	$ 471,584	$ 1,348,588
Accounts receivable (net)	0	473	60,484	60,957
Inventories	41,235	569	0	41,804
Due from other funds	0	158,967	0	158,967
Total current assets	780,939	297,309	532,068	1,610,316
Noncurrent assets				
Capital assets				
Non-depreciable	1,817,524	814,995	95,125	2,727,644
Depreciable/amortizable (net)	768,102	3,234,960	1,463,346	5,466,408
Total noncurrent assets	2,585,626	4,049,955	1,558,471	8,194,052
Total assets	3,366,565	4,347,264	2,090,539	9,804,368
LIABILITIES				
Current liabilities				
Accounts payable	17,753	23,098	28,546	69,397
Accrued expenses	5,583	8,258	0	13,841
Accrued salaries and payroll liabilities	11,039	23,493	11,193	45,725
Compensated absences	23,640	35,292	18,479	77,411
Due to other funds	0	0	298,895	298,895
Lease liabilities	82,105	0	0	82,105
Total current liabilities	140,120	90,141	357,113	587,374
Noncurrent liabilities				
Lease liabilities	23,261	0	0	23,261
Total liabilities	163,381	90,141	357,113	610,635
NET POSITION				
Net investment in capital assets	2,480,260	4,049,955	1,558,471	8,088,686
Unrestricted	722,924	207,168	174,955	1,105,047
Total net position	$ 3,203,184	$ 4,257,123	$ 1,733,426	$ 9,193,733

See accompanying notes to the financial statements.

UNION COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the year ended December 31, 2023

	Business-Type Activities			
	Golf Course	Meeks Park	Solid Waste	Totals
OPERATING REVENUES				
Charges for sales and services	$ 1,239,301	$ 626,451	$ 2,234,002	$ 4,099,754
Other	2,948	201,363	3,822	208,133
Total operating revenues	1,242,249	827,814	2,237,824	4,307,887
OPERATING EXPENSES				
Costs of sales and services	797,978	1,419,762	1,098,586	3,316,326
Personal services	638,780	1,661,579	661,697	2,962,056
Depreciation and amortization	377,861	327,567	65,167	770,595
Total operating expenses	1,814,619	3,408,908	1,825,450	7,048,977
Operating income (loss)	(572,370)	(2,581,094)	412,374	(2,741,090)
Non-operating revenues (expenses)				
Interest revenue	0	0	10,166	10,166
Interest expense	(6,404)	0	0	(6,404)
Gain (loss) on sale of capital assets	0	17,400	0	17,400
Total non-operating revenues (expenses)	(6,404)	17,400	10,166	21,162
Net income (loss) before capital contributions and transfers	(578,774)	(2,563,694)	422,540	(2,719,928)
Capital contributions				
Contributions of capital assets from governmental activities	0	0	228,800	228,800
Net income (loss) before transfers	(578,774)	(2,563,694)	651,340	(2,491,128)
Transfers in (out)				
Transfers in	701,186	2,558,088	139,460	3,398,734
Transfers out	(70,830)	0	(56,066)	(126,896)
Total transfers in (out)	630,356	2,558,088	83,394	3,271,838
Change in net position	51,582	(5,606)	734,734	780,710
Net position, January 1	3,151,602	4,262,729	998,692	8,413,023
Net position, December 31	$ 3,203,184	$ 4,257,123	$ 1,733,426	$ 9,193,733

See accompanying notes to the financial statements.

UNION COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended December 31, 2023

	Business-Type Activities			
	Golf Course	Meeks Park	Solid Waste	Totals
Cash flows from operating activities:				
Receipts from customers	$ 1,239,301	$ 626,451	$ 2,211,072	$ 4,076,824
Payments to suppliers	(791,674)	(1,439,199)	(1,156,148)	(3,387,021)
Payments to employees	(627,779)	(1,658,927)	(651,549)	(2,938,255)
Other receipts	2,948	201,363	3,822	208,133
Net cash provided (used) by operating activities	(177,204)	(2,270,312)	407,197	(2,040,319)
Cash flows from non-capital financing activities:				
Payments to other funds	(70,830)	(158,968)	(67,940)	(297,738)
Receipts from other funds	565,974	2,465,979	0	3,031,953
Net cash provided (used) by non-capital financing activities	495,144	2,307,011	(67,940)	2,734,215
Cash flows from capital and related financing activities:				
Receipts from other funds	135,212	92,109	139,460	366,781
Proceeds from sales of capital assets	0	40,500	0	40,500
Payments for acquisitions of capital assets	(78,622)	(364,304)	(387,233)	(830,159)
Principal payments of lease liabilities	(128,807)	0	0	(128,807)
Interest paid	(6,404)	0	0	(6,404)
Net cash provided (used) by capital and related financing activities	(78,621)	(231,695)	(247,773)	(558,089)
Cash flows from investing activities:				
Interest received	0	0	10,166	10,166
Net increase (decrease) in cash and cash equivalents	239,319	(194,996)	101,650	145,973
Cash and cash equivalents, January 1	500,385	332,296	369,934	1,202,615
Cash and cash equivalents, December 31	$ 739,704	$ 137,300	$ 471,584	$ 1,348,588
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (572,370)	$ (2,581,094)	$ 412,374	$ (2,741,090)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	377,861	327,567	65,167	770,595
(Increase) decrease in accounts receivable	0	0	(22,930)	(22,930)
(Increase) decrease in inventories	(4,139)	0	0	(4,139)
Increase (decrease) in accounts payable	9,423	(18,994)	(57,562)	(67,133)
Increase (decrease) in accrued salaries and payroll liabilities	1,432	1,381	1,074	3,887
Increase (decrease) in accrued expenses	1,020	(443)	0	577
Increase (decrease) in compensated absences	9,569	1,271	9,074	19,914
Total adjustments	395,166	310,782	(5,177)	700,771
Net cash provided (used) by operating activities	$ (177,204)	$ (2,270,312)	$ 407,197	$ (2,040,319)

Noncash investing, capital, and financing activities:
Contributions of capital assets from governmental activities totaled $228,800.

UNION COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2023

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 2,093,005
Taxes receivable, net	1,778,748
Total assets	3,871,753
LIABILITIES	
Due to others	1,883,858
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 1,987,895

See accompanying notes to the financial statements.

UNION COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the year ended December 31, 2023

	Custodial Funds
ADDITIONS	
Taxes collected for other agencies	$ 27,683,845
Court fees collected for other agencies	946,951
Court individual cases	1,998,647
Sheriff fees collected	102,944
Sheriff inmate account deposits	124,016
Total additions	30,856,403
DEDUCTIONS	
Taxes distributed to other agencies	27,591,913
Court fees distributed to other agencies	946,951
Payments to others	977,352
Sheriff fees distributed to other agencies	102,944
Payments from inmates to others	104,126
Total deductions	29,723,286
Change in net position	1,133,117
Net position - beginning	854,778
Net position - ending	$ 1,987,895

UNION COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
December 31, 2023

	Development Authority of Union County	Union County Health Department	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 538,950	$ 1,192,848	$ 1,731,798
Accounts receivable (net)	0	18,040	18,040
Total current assets	538,950	1,210,888	1,749,838
Noncurrent assets			
Land held for resale	1,631,211	0	1,631,211
Depreciable/amortizable capital assets (net)	191,733	0	191,733
Total noncurrent assets	1,822,944	0	1,822,944
Total assets	2,361,894	1,210,888	3,572,782
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	0	416,099	416,099
Deferred outflows of resources - OPEB	0	78,266	78,266
Total deferred outflows of resources	0	494,365	494,365
LIABILITIES			
Current liabilities			
Accounts payable	0	18,241	18,241
Accrued salaries and payroll liabilities	9,992	0	9,992
Compensated absences	0	51,700	51,700
Lease liabilities	8,334	0	8,334
Total current liabilities	18,326	69,941	88,267
Noncurrent liabilities			
Compensated absences	0	29,771	29,771
Proportionate share of net pension liability	0	1,006,979	1,006,979
Proportionate share of net OPEB liability	0	14,755	14,755
Lease liabilities	9,990	0	9,990
Total noncurrent liabilities	9,990	1,051,505	1,061,495
Total liabilities	28,316	1,121,446	1,149,762
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	0	9,515	9,515
Deferred inflows of resources - OPEB	0	71,755	71,755
Total deferred inflows of resources	0	81,270	81,270
NET POSITION			
Net investment in capital assets	173,409	0	173,409
Unrestricted	2,160,169	502,537	2,662,706
Total net position	$ 2,333,578	$ 502,537	$ 2,836,115

See accompanying notes to the financial statements.

UNION COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the year ended December 31, 2023

	Development Authority of Union County	Union County Health Department	Totals
Expenses			
Health and Welfare	$ 0	$ 1,133,021	$ 1,133,021
Housing and Development	218,588	0	218,588
Total expenses	218,588	1,133,021	1,351,609
Program revenues			
Charges for services	20,000	556,832	576,832
Operating grants and contributions	0	478,113	478,113
Total program revenues	20,000	1,034,945	1,054,945
Net (expense) revenue	(198,588)	(98,076)	(296,664)
General revenues			
Interest	8,718	0	8,718
Payments from Union County	170,000	117,512	287,512
Total general revenues	178,718	117,512	296,230
Change in net position	(19,870)	19,436	(434)
Net position - beginning	2,353,448	483,101	2,836,549
Net position - ending	$ 2,333,578	$ 502,537	$ 2,836,115

See accompanying notes to the financial statements.

1. Description of Government Unit

Union County operates under a commissioner-manager form of government under which a Commissioner is elected to serve the legislative body for the County. The Commissioner is elected at large. The County provides the following services: public safety, judicial, public works, health and welfare, culture and recreation, housing and development, and general administrative services.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

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

B. Reporting Entity

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

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, the financial statements of component units have been included either as blended or discretely presented component units.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Blended Component Units – Blended component units, although legally separate entities, are, in substance, part of the Government's operations.

The Urban Redevelopment Agency of Union County – The Authority was organized solely for the purpose of acquiring debt and financing the construction of a multi-purpose building location for use by the County, is governed by a three member board appointed by the Union County Commissioner. The assets and debt of the Urban Redevelopment Agency are reported as part of the County's assets and debt, and all activity is reported in a County debt service fund. The Agency had no activity for the current year. Separate financial statements are not prepared for the Urban Redevelopment Agency. Separate financial statements are not issued.

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

The Union County Health Department – The Health Department is governed by a seven member board including the Commissioner and three members appointed by the Commissioner. The County has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. The Health Department has a June 30th year-end and is presented as a governmental-type component unit. The Health Department's financial statements can be obtained by writing to the Union County Health Department, 67 Chase Drive, Blairsville, GA 30512.

The Development Authority of Union County – The Authority is governed by a five member board appointed by the Commissioner. The Authority is responsible for promoting economic development within Union County. The Development Authority provides a financial benefit to the County. The Authority is reported as a governmental-type component unit. Separate financial statements for the Development Authority are not prepared.

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

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

The County reports the following major governmental funds:

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

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

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Multiple Grants Fund - This fund is used to account for governmental grants received and the related expenditures.

Special Purpose Local Option Sales Tax V (SPLOST V) Capital Projects Fund - This fund is used to account for the revenues and expenditures relating to the County's 2021 1% Special Purpose Local Option Sales Tax issues.

The County reports the following major proprietary funds:

Golf Course Enterprise Fund - This fund is used to account for the activities of the Butternut Creek Golf Course.

Meeks Park Enterprise Fund - This fund is used to account for the activities of the County recreation department and community center.

Solid Waste Enterprise Fund - This fund is used to account for the solid waste disposal activities for the residents of the County.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for specific revenues that are legally or donor restricted or committed to expenditure for particular purposes.

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

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

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Governmental Fund Types, continued

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

Fiduciary Fund Types

Custodial Funds - Custodial Funds are fiduciary in nature and are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held for others.

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

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting

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

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

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

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

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

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

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

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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 Solid Waste, Industrial Building, and Development Authority Enterprise Funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services 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.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses, continued

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.

G. Budgetary Information

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

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

Budget amounts are as originally adopted, or as amended by the Commissioner. The supplementary budgetary appropriations made are reflected in the final budget amounts.

2. Summary of Significant Accounting Policies (continued)

H. Cash and Investments

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

I. Intergovernmental Receivables

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

J. Inventories

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

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year are recorded as prepaid items. The costs of governmental fund-type prepaid items are recorded as expenditures when consumed rather than when purchased.

2. Summary of Significant Accounting Policies (continued)

L. 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, not including infrastructure, are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value. The County has elected to capitalize all general infrastructure assets regardless of acquisition date and has used estimated historical cost to value these assets.

Major outlays for capital assets and improvements are capitalized as projects as constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

2. Summary of Significant Accounting Policies (continued)

L. Capital Assets, continued

The County has recorded intangible right-to-use assets as a result of implementing GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The intangible right-to-use assets are initially measured at an amount equal to the initial measurement of the related subscription liability plus any subscription payments made prior to the subscription term, less subscription incentives, and plus ancillary charges necessary to place the subscription into service. The intangible right-to-use assets are amortized on a straight-line basis over the shorter of the estimated useful life of the subscription asset or life of the related subscription.

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

	Useful Life in Years
Land	N/A
Land Improvements	7-20
Buildings and Improvements	15-50
Infrastructure	7-50
Machinery and Equipment	3-20
Vehicles	2-15
Furniture and Fixtures	5-7
Intangible Right-to-Use Assets	
Machinery and Equipment	3-5
Software	3-5

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

2. Summary of Significant Accounting Policies (continued)

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualify for reporting in this category. The governmental funds balance sheet and government wide statement of net position report deferred inflow of resources for property taxes levied for the subsequent year as the amount represents resources associated with an imposed non-exchange revenue transaction reported as a receivable before the period for which the property taxes were levied. These revenues will be recognized as an inflow of resources in the period for which they were levied. Additionally, the governmental funds report unavailable revenues from property taxes and other revenues as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

N. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the County does not have a policy to pay any amounts when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

2. Summary of Significant Accounting Policies (continued)

O. Net Position Flow Assumption

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

P. Fund Balance Flow Assumption

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

Q. Restricted Assets and Restricted Net Position

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

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

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds

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

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

In the fund financial statements, governmental funds report the following classifications of fund balance:

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

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Commissioner, the County's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number.

Assigned – includes amounts that are intended to be used by the County for a specific purpose, but do not meet the definition of restricted or committed fund balance. Intent can only be expressed by the Commissioner or their designee. Assigned Fund Balance differs from Committed Fund Balance in that assignments do not require a resolution.

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In addition, any remaining deficits in the County's governmental funds which remain after all other fund balances have been exhausted are classified as unassigned.

For the purposes of fund balance classification, the County considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

S. 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.

2. Summary of Significant Accounting Policies (continued)

T. Long-Term Obligations

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

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

U. Capital Contributions

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

V. Management Estimates

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

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned. The County has no formal policy but follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

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.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, prime bankers' acceptances, repurchase agreements, direct and agency obligations of the United States, obligations of any corporation of the United States government, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices.

The County participates in the State of Georgia Local Government Investment Pool (Georgia Fund 1). Assets in this pool are invested in the Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Fitch's criteria for AAAf/S1 rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

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

3. Deposit and Investment Risk (continued)

The Georgia Fund 1 is rated AAAf/S1 by Fitch. The weighted average maturity at the end of the current year was 26 days. As of the end of the current year, the County's balance in Georgia Fund 1 was $15,731,247.

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issuer.

Foreign Currency Risk

The County has no investments denominated in a foreign currency.

Discretely Presented Component Unit – Development Authority

Interest rate risk

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

Custodial Credit Risk

As of the end of the current year, all of the Development Authority's deposits and investments were collateralized with the depository financial institution.

Discretely Presented Component Unit – Health Department

Interest rate risk

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

Custodial Credit Risk

As of the end of the current year, all of the Health Department's deposits and investments were collateralized with the depository financial institution.

4. Accounts Receivable

Net accounts receivable as of the end of the current year consist of the following:

Primary Government:		
Major Funds		
General		$ 297,887
Enterprise Funds		
Meeks Park		473
Solid Waste	$ 88,153	
Less: Allowance for uncollectibles	(27,669)	60,484
Nonmajor Funds		
Special Revenue Funds		
Emergency 911	47,250	
Opioid Settlement	364,483	
Local Victims Assistance	2,464	414,197
Total primary government		$ 773,041
Component Units:		
Union County Health Department		$ 18,040

5. Intergovernmental Receivables

Intergovernmental receivables as of the end of the current year consist of the following:

Primary Government:	
Major Funds	
General	$ 242,593
American Rescue Plan Act	14,325
Multiple Grants	2,044,047
SPLOST V Capital Projects	775,455
Nonmajor Funds	
Special Revenue Funds	
Drug Abuse	177,019
Total primary government	$ 3,253,439

6. Property Taxes

Property taxes for the 2023 digest were levied on September 7, 2023, and billed on September 20, 2023, with property values assessed as of January 1, 2023. Bills are payable on or before December 20, 2023, after which the applicable property is subject to lien and penalties and interest as assessed. Property taxes levied during 2023 are for fiscal year 2024. Amounts recorded as a receivable and amounts collected as of December 31, 2023, related to these taxes are recorded as deferred inflows of resources in both the fund and government-wide financial statements.

7. Interfund Receivables and Payables

A summary of interfund receivables and payables as of the end of the current year is as follows:

Receivable Fund	Payable Fund	Amount
Major Funds		
General	American Rescue Plan Act	$ 538,812
	Multiple Grants	1,167,747
	Solid Waste	298,895
Enterprise Funds		
Meeks Park	General	158,967
Nonmajor Funds		
Special Revenue Funds		
Opioid Settlement	General	83,394
		$ 2,247,815

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

8. Interfund Transfers

A summary of interfund transfers for the current year is as follows:

Transfer Out Fund	Transfer In Fund	Amount
Major Funds		
General	Multiple Grants	$ 219,260
	Golf Course	565,974
	Meeks Park	2,395,149
	Nonmajor Governmental	348,124
American Rescue Plan Act	General	234,294
SPLOST V	Golf Course	135,212
	Meeks Park	92,109
	Solid Waste	139,460
Enterprise Funds		
Solid Waste	General	56,066
Golf Course	Meeks Park	70,830
		4,256,478
Transfers of capital assets		
Governmental activities	Solid Waste	228,800
		$ 4,485,278

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 3) move capital assets between governmental activities and business-type activities.

Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

9. Capital Assets

Capital asset activity for the governmental activities for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Nondepreciable assets				
Land	$ 6,956,583	$ 0	$ (748,361)	$ 6,208,222
Construction in progress	1,739,526	3,670,598	(1,036,897)	4,373,227
Total nondepreciable assets	8,696,109	3,670,598	(1,785,258)	10,581,449
Depreciable/amortizable assets				
Buildings and improvements	37,649,270	4,613,687	0	42,262,957
Infrastructure	21,799,153	0	0	21,799,153
Machinery and equipment	5,845,225	574,350	(124,610)	6,294,965
Vehicles	7,064,747	1,970,985	(1,136,421)	7,899,311
Equipment	102,370	0	0	102,370
Intangible right-to-use assets				
Software	165,458	141,048	0	306,506
Total depreciable/amortizable assets	72,626,223	7,300,070	(1,261,031)	78,665,262
Less accumulated depreciation/amortization				
Buildings and improvements	(12,386,086)	(822,915)	0	(13,209,001)
Infrastructure	(16,933,182)	(456,603)	0	(17,389,785)
Machinery and equipment	(3,468,534)	(277,063)	90,976	(3,654,621)
Vehicles	(4,418,442)	(624,411)	331,553	(4,711,300)
Equipment	(102,133)	(243)	0	(102,376)
Intangible right-to-use assets				
Software	0	(54,886)	0	(54,886)
Total accumulated depreciation/amortization	(37,308,377)	(2,236,121)	422,529	(39,121,969)
Total depreciable/amortizable assets, net	35,317,846	5,063,949	(838,502)	39,543,293
Governmental activities capital assets, net	$ 44,013,955	$ 8,734,547	$ (2,623,760)	$ 50,124,742

Decreases in construction in progress for the governmental activities consist of projects placed in service in the amount of $808,097 and distributions to the business-type activities in the amount of $228,800.

Beginning balances of the Governmental activities has been restated for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The restatement totaled $165,458 costs of intangible right-to-use assets.

9. Capital Assets (continued)

Capital asset activity for the business-type activities for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Nondepreciable assets				
Land	$ 2,657,801	$ 0	$ 0	$ 2,657,801
Construction in progress	23,063	314,440	(267,660)	69,843
Total nondepreciable assets	2,680,864	314,440	(267,660)	2,727,644
Depreciable/amortizable assets				
Land improvements	1,594,087	324,726	0	1,918,813
Buildings and improvements	5,180,148	125,108	0	5,305,256
Machinery and equipment	2,644,289	491,990	0	3,136,279
Vehicles	407,106	70,355	(38,500)	438,961
Intangible right-to-use assets				
Machinery and equipment	360,254	0	0	360,254
Total depreciable/amortizable assets	10,185,884	1,012,179	(38,500)	11,159,563
Less accumulated depreciation/amortization				
Land improvements	(616,550)	(85,513)	0	(702,063)
Buildings and improvements	(2,273,955)	(215,492)	0	(2,489,447)
Machinery and equipment	(1,802,606)	(292,673)	0	(2,095,279)
Vehicles	(115,164)	(47,232)	15,400	(146,996)
Intangible right-to-use assets				
Machinery and equipment	(129,685)	(129,685)	0	(259,370)
Total accumulated depreciation/amortization	(4,937,960)	(770,595)	15,400	(5,693,155)
Total depreciable/amortizable assets, net	5,247,924	241,584	(23,100)	5,466,408
Business-type activities capital assets, net	$ 7,928,788	$ 556,024	$ (290,760)	$ 8,194,052

Beginning balances of the Business-type activities has been restated for the combining of GASB Statement No. 87, *Leases*, intangible right-to-use assets schedule into the capital asset schedule. The restatement totaled $230,569. The restatement was comprised of $360,254 costs of intangible right-to-use assets and accumulated amortization of $129,685.

9. Capital Assets (continued)

Capital asset activity for the discretely presented component units for the respective year ends was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Development Authority of Union County				
Depreciable/amortizable assets				
Buildings	$ 200,000	$ 0	$ 0	$ 200,000
Machinery and equipment	4,221	0	0	4,221
Intangible right-to-use assets				
Vehicles	0	25,163	0	25,163
Total depreciable/amortizable assets	204,221	25,163	0	229,384
Less accumulated depreciation/amortization				
Buildings	(22,011)	(5,128)	0	(27,139)
Machinery and equipment	(4,221)	0	0	(4,221)
Intangible right-to-use assets				
Vehicles	0	(6,291)	0	(6,291)
Total accumulated depreciation/amortization	(26,232)	(11,419)	0	(37,651)
Development Authority of Union County capital assets, net	$ 177,989	$ 13,744	$ 0	$ 191,733
Union County Health Department				
Depreciable assets				
Equipment	$ 11,819	$ 0	$ 0	$ 11,819
Less accumulated depreciation				
Equipment	(11,819)	0	0	(11,819)
Union County Health Department capital assets, net	$ 0	$ 0	$ 0	$ 0

9. Capital Assets (continued)

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

Primary Government		
Governmental activities		
General Government	$	644,591
Judicial		5,907
Public Safety		725,519
Public Works		655,552
Health and Welfare		53,641
Culture and Recreation		100,903
Housing and Development		50,008
Total depreciation/amortization expense for governmental activities	$	2,236,121
Business-type activities		
Golf Course	$	377,861
Meeks Park		327,567
Solid Waste		65,167
Total depreciation/amortization expense for business-type activities	$	770,595
Component units		
Development Authority of Union County	$	11,419

10. Long-Term Debt

Leases

Business-type Activities

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

- $246,984 equipment lease due in monthly installments of $8,268 through June 2024, interest at 0.327%, $49,559 outstanding.
- $113,270 equipment lease due in monthly installments of $3,000 through August 2025, interest at 8.400%, $55,807 outstanding.

10. Long-Term Debt (continued)

Leases, continued

Business-type Activities, continued

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments at the end of the current year:

Year Ending December 31,	Principal	Interest	Total
2024	$ 82,105	$ 3,501	$ 85,606
2025	23,261	739	24,000
Totals	$ 105,366	$ 4,240	$ 109,606

Development Authority of Union County

The Development Authority of County has entered into an agreement to lease certain equipment. The lease agreement qualifies as other than short-term leases under GASB Statement No. 87, *Leases*, and has been recorded at the present value of the future minimum lease payments at its inception. Lease liabilities are comprised of the following individual leases at the end of the current year:

- $25,163 equipment lease due in monthly installments of $725 through February 2026, interest at 2.506%, $18,324 outstanding.

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments at the end of the current year:

Year Ending December 31,	Principal	Interest	Total
2024	$ 8,334	$ 364	$ 8,698
2025	8,545	153	8,698
2026	1,445	5	1,450
Totals	$ 18,324	$ 522	$ 18,846

10. Long-Term Debt (continued)

Subscriptions

Governmental Activities

The County has entered into agreements to subscribe to certain software. The subscription agreements qualify as subscriptions under GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and have been recorded at the present value of the future minimum subscription payments at their inception. Subscription liabilities are comprised of the following individual subscriptions at the end of the current year:

- $142,278 compliance software due in annual installments of $48,219 through November 2025, interest at 0.831%, $95,245 outstanding.
- $23,180 permitting software due in annual installments of $12,000 through April 2024, interest at 2.323%, $11,725 outstanding.
- $141,048 accounting software due in annual installments of $48,769 through November 2025, interest at 3.712%, $92,279 outstanding.

The following is a schedule of future minimum subscription payments together with the present value of the net minimum subscription payments at the end of the current year:

Year Ending December 31,	Principal	Interest	Total
2024	$ 104,434	$ 4,554	$ 108,988
2025	94,815	2,173	96,988
Totals	$ 199,249	$ 6,727	$ 205,976

11. Long-Term Liabilities

Changes in Long - Term Liabilities

The following is a summary of changes in long-term liabilities of the County and the component units for the respective year-ends:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
Subscription liabilities	$ 165,458	$ 141,048	$ 107,257	$ 199,249	$ 104,434
Landfill post-closure care costs	328,282	0	56,065	272,217	56,065
Compensated absences	203,455	256,816	203,455	256,816	256,816
Total governmental activities	$ 697,195	$ 397,864	$ 366,777	$ 728,282	$ 417,315
Business-type activities					
Lease liabilities	$ 234,173	$ 0	$ 128,807	$ 105,366	$ 82,105
Compensated absences	57,497	77,411	57,497	77,411	77,411
Total business-type activities	$ 291,670	$ 77,411	$ 186,304	$ 182,777	$ 159,516
Component Units					
Development Authority of Union County					
Lease liabilities	$ 0	$ 25,163	$ 6,839	$ 18,324	$ 8,334
Union County Health Department					
Compensated absences	78,432	54,734	51,695	81,471	51,700
Total component units	$ 78,432	$ 79,897	$ 58,534	$ 99,795	$ 60,034

Beginning balances of the Governmental activities have been restated for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The restatement totaled $165,458.

Bond discounts/premiums are amortized over the life of the related debt using the straight-line method. For governmental activities, compensated absences are liquidated by the General Fund. The total interest incurred and charged to expense for the current year was $1,731 and $6,404 for governmental activities and business-type activities, respectively.

12. Landfill Post-Closure Care Costs

Effective April 8, 1994, the Union County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of the end of the current year, the County has 2 years of monitoring remaining. Engineering studies estimate post-closure care costs of approximately $272,217 over the 2-year period. These costs are based on what it would cost to perform all post-closure care in the current year, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase. For governmental activities, landfill post-closure care costs are liquidated by the General Fund.

13. Net Investment in Capital Assets

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows as of the end of the current year:

	Governmental Activities	Business-Type Activities
Capital assets, net	$ 50,124,742	$ 8,194,052
Capital-related accounts payable	(1,126,732)	0
Capital-related retainages payable	(332,258)	0
Lease liabilities	0	(105,366)
Subscription liabilities	(199,249)	0
Net investment in capital assets	$ 48,466,503	$ 8,088,686

14. Retirement Plans

County Plans

The County participates in a deferred compensation plan, administered by GEBCorp, for employees under Internal Revenue Code section 457. The plan allows any full time employees to voluntarily defer receipt of their gross compensation, not to exceed the maximum annual contribution established by the Internal Revenue Service. The County offers to match employee contributions up to 6% of the employee's salary. The County's match is deposited into the 401(a). All amounts of compensation under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants in the deferred compensation plan.

Additionally, the County provides a single employer 401(a) defined contribution plan established and administered by the County for all full time employees. As of the end of the current year, there were 142 plan members. Employees are not required to contribute to the Plan. Employees are eligible after six months of employment and are fully vested after three years. Plan provisions and contribution requirements are established and may be amended by resolution of the County Commissioner. Separate financial statements are note issued for the Plan.

For the current year, the County's contributions to the 401(a) Plan were $682,692 and the employees contributed $602,763 to the 457 Plan.

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

14. Retirement Plans (continued)

Union County Health Department Retirement Plan

Eligible employees of the Union County Health Department participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the fiscal year ended June 30, 2023, the Department contributed $122,513. As of June 30, 2023, the Department reported a liability in the amount of $1,006,979 for its proportionate share (0.015078%) of the net pension liability. The Department recognized pension expense of $146,319 for the fiscal year ended June 30, 2023. Further information regarding the plan can be obtained from Department's annual audit report by contacting Union County Health Department, 67 Chase Drive, Blairsville, Georgia 30512.

15. Post-Employment Benefits Other Than Pensions

Union County Health Department OPEB Plans

Eligible employees of the Union County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment benefit plan. During the fiscal year ended June 30, 2023, the Health Department contributed $24,921. As of June 30, 2023, the Health Department reported a net liability in the amount of $14,755 for its proportionate share (0.013732% for the State of Georgia OPEB Fund and 0.011678% for the SEAD-OPEB Fund) of the net OPEB asset. The Health Department recognized OPEB expense of ($81,166) for the fiscal year ended June 30, 2023. Further information regarding the plans can be obtained from Department's annual audit report by contacting Union County Health Department, 67 Chase Drive, Blairsville, Georgia 30512.

16. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the current year follows:

Lodging Tax Receipts	$783,608	
Disbursements for trade and tourism	$700,360	90% of tax receipts

17. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current year, the County paid $31,061 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

The County participates with Lumpkin and Towns Counties in the North Georgia Waste Management Authority. The Authority studied solid waste disposal issues, developed a plan to recycle wastepaper and has leased those facilities to private entities. Union County has an ongoing financial interest and obligation for funding debt service requirements. The participating counties are annually assessed varying amounts to cover the Authority's inability to service its debt. During the current year, the County made no payments to the Authority. As of the end of the current year, the Authority does not have any debt outstanding. A copy of the Authority's financial statements can be obtained from North Georgia Waste Management Authority, 170 Scoggins Drive, Demorest, Georgia 30535.

18. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents.

Medical Self-Insurance

The County provides health coverage for its employees under a plan of partial self-insurance. Under this plan, the County covers claim settlements and judgments out of its General Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The County purchases commercial insurance for claims in excess of coverage provided by the County. During the current year, excess coverage was obtained for any individual claim in excess of $30,000. The County pays most of the coverage for eligible employees and their dependents. Employee contributions are used to pay claims and expenses of the plan incurred during the year. The claims liability is reported in other current liabilities.

The following describes the activity for the past three years:

Year	Beginning of Year Claims Liability	Current Year Claims and Changes In Estimates	Claims Paid	End of Year Claims Liability
2023	$ 456,443	$ 3,283,953	$ 3,237,009	$ 503,387
2022	484,909	3,093,462	3,121,928	456,443
2021	617,922	2,338,873	2,471,886	484,909

18. Risk Management (continued)

General Liability and Workers' Compensation, continued

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

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

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

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

19. Commitments and Contingencies

Commitments

As of the end of the current year, contractual commitments on uncompleted contracts totaled $2,619,394.

Contingencies

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

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

20. New Accounting Pronouncements

The County implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the County's current year. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the County's net position.

The County implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the County's current year. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the County's net position.

The County implemented GASB Statement No. 99, *Omnibus 2022*, effective for the County's current year. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the County's net position.

21. Changes in Beginning Balances

Governmental Activities

A prior period adjustment has been made to adjust the beginning balance of capital assets and subscription liabilities. This adjustment had no impact on beginning net position. See Note 10 for more information on the implementation of this standard.

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally or donor restricted or committed to expenditure for particular purposes.

Law Library Fund – This fund is used to account for the revenues and related expenditures of operating the County's Law Library. The revenues collected are from legally restricted fines, as provided by State law.

Seizures Fund – This fund is used to account for funds from seizures, which are restricted by law, to be used for law enforcement activities. Funds may be used for any public safety purpose except salaries of law enforcement personnel, as restricted by State law.

Sheriff Donation Fund – This fund is used to account for contributions received from donors that are restricted for use as specified by the donor.

Emergency 911 Fund – This fund is used to account for the monthly 911 charges to help fund the cost of providing emergency 911 services. Revenues are expended for system operations and capital assets, as restricted by State law.

Local Victims Assistance Fund – This fund is used to account for the 4% fee added to Court fines restricted by State law, for the benefit of victims of crime and their families.

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

Jail Operations Fund – This fund is used to account for collection for penalty assessments in certain court case. Penalty assessments are restricted for construction, operation, and staffing of County correctional and detention center, as required by State law.

Inmate Welfare Fund – This fund is used to account for monies collected from inmates for purchase of supplies. The profit from these sales is used for the benefit of the general inmate population.

Drug Abuse Fund – This fund is used to account for funds collected from fines and forfeitures to be used to create and maintain a Drug Abuse Fund. Proceeds are restricted by State law for drug abuse treatment and education programs.

Juvenile Court Fund – This fund is used to account for funds from fines and forfeitures to be used for law enforcement activities. The allowable expenditures of these fines are restricted under State law.

Hotel/Motel Tax Fund – This fund is used to account for monies collected from the 5% lodging tax. Revenues collected are restricted by State law for the promotion of tourism.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

2015 Special Purpose Local Option Sales Tax IV Fund – This fund is used to account for the proceeds of a 1 percent local option sales tax approved in 2015 for a period of time not to exceed six years for the purpose of financing long-term projects.

COMBINING STATEMENTS

Nonmajor Governmental Funds

UNION COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2023

	Special Revenue											Capital Projects	
	Law Library	Seizures	Sheriff Donation	Emergency 911	Opioid Settlement	Local Victims Assistance	Jail Operations	Inmate Welfare	Drug Abuse	Juvenile Court	Hotel/ Motel Tax	SPLOST IV	Total Nonmajor Governmental Funds
ASSETS													
Cash and cash equivalents	$ 72,637	$ 57,918	$ 32,681	$ 5,328	$ 0	$ 31,719	$ 541,516	$ 33,857	$ 730,106	$ 17,635	$ 619,415	$ 0	$ 2,142,812
Receivables													
Accounts	0	0	0	47,250	364,483	2,464	0	0	0	0	0	0	414,197
Intergovernmental	0	0	0	0	0	0	0	0	177,019	0	0	0	177,019
Taxes	0	0	0	0	0	0	0	0	0	0	80,118	0	80,118
Due from other funds	0	0	0	0	83,394	0	0	0	0	0	0	0	83,394
Prepaid items	0	0	0	11,385	0	0	0	0	0	0	0	0	11,385
Total assets	$ 72,637	$ 57,918	$ 32,681	$ 63,963	$ 447,877	$ 34,183	$ 541,516	$ 33,857	$ 907,125	$ 17,635	$ 699,533	$ 0	$ 2,908,925
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES													
Liabilities													
Accounts payable	$ 0	$ 0	$ 0	$ 5,328	$ 0	$ 0	$ 0	$ 0	$ 110,422	$ 0	$ 174,474	$ 0	$ 290,224
Accrued salaries	0	0	0	13,992	0	0	0	0	0	0	987	0	14,979
Total liabilities	0	0	0	19,320	0	0	0	0	110,422	0	175,461	0	305,203
Deferred inflows of resources													
Unavailable revenue:													
Fines, fees, and forfeitures	0	0	0	0	364,483	0	0	0	0	0	0	0	364,483
Fund balances													
Nonspendable:													
Prepaid items	0	0	0	11,385	0	0	0	0	0	0	0	0	11,385
Restricted for:													
Law library operations	72,637	0	0	0	0	0	0	0	0	0	0	0	72,637
Judicial activities	0	0	0	0	0	34,183	0	0	796,703	17,635	0	0	848,521
Public safety activities	0	57,918	32,681	0	0	0	541,516	33,857	0	0	0	0	665,972
Drug abuse treatment and education programs	0	0	0	0	83,394	0	0	0	0	0	0	0	83,394
Assigned for:													
Emergency 911 system operations	0	0	0	33,258	0	0	0	0	0	0	0	0	33,258
Tourism	0	0	0	0	0	0	0	0	0	0	524,072	0	524,072
Total fund balances	72,637	57,918	32,681	44,643	83,394	34,183	541,516	33,857	796,703	17,635	524,072	0	2,239,239
Total liabilities, deferred inflows of resources, and fund balances	$ 72,637	$ 57,918	$ 32,681	$ 63,963	$ 447,877	$ 34,183	$ 541,516	$ 33,857	$ 907,125	$ 17,635	$ 699,533	$ 0	$ 2,908,925

UNION COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended December 31, 2023

	Special Revenue											Capital Projects	
	Law Library	Seizures	Sheriff Donation	Emergency 911	Opioid Settlement	Local Victims Assistance	Jail Operations	Inmate Welfare	Drug Abuse	Juvenile Court	Hotel/ Motel Tax	SPLOST IV	Total Nonmajor Governmental Funds
REVENUES													
Taxes	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 783,608	$ 0	$ 783,608
Fines, fees and forfeitures	21,127	35,606	0	0	39,119	29,207	51,831	0	26,186	0	0	0	203,076
Charges for services	0	0	0	574,380	0	0	0	9,617	70,425	0	0	0	654,422
Intergovernmental	0	0	0	0	0	0	0	0	1,138,333	0	0	0	1,138,333
Interest	1,646	0	0	0	0	0	253	0	17	10	0	1	1,927
Contributions	0	1,250	11,229	0	0	0	0	0	0	0	0	0	12,479
Other	0	0	0	0	0	0	0	0	0	0	0	7	7
Total revenues	22,773	36,856	11,229	574,380	39,119	29,207	52,084	9,617	1,234,961	10	783,608	8	2,793,852
EXPENDITURES													
Current													
Judicial	25,364	0	0	0	0	28,237	0	0	1,280,329	0	0	0	1,333,930
Public Safety	0	11,795	0	829,851	40,000	0	107	0	0	0	0	0	881,753
Housing and Development	0	0	0	0	0	0	0	0	0	0	768,885	0	768,885
Capital outlay	0	0	0	0	0	0	0	0	0	0	0	11,205	11,205
Total expenditures	25,364	11,795	0	829,851	40,000	28,237	107	0	1,280,329	0	768,885	11,205	2,995,773
Excess (deficiency) of revenues over (under) expenditures	(2,591)	25,061	11,229	(255,471)	(881)	970	51,977	9,617	(45,368)	10	14,723	(11,197)	(201,921)
Other financing sources (uses)													
Transfers in	0	0	0	263,849	84,275	0	0	0	0	0	0	0	348,124
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,591)	25,061	11,229	8,378	83,394	970	51,977	9,617	(45,368)	10	14,723	(11,197)	146,203
Fund balances, January 1	75,228	32,857	21,452	36,265	0	33,213	489,539	24,240	842,071	17,625	509,349	11,197	2,093,036
Fund balances, December 31	$ 72,637	$ 57,918	$ 32,681	$ 44,643	$ 83,394	$ 34,183	$ 541,516	$ 33,857	$ 796,703	$ 17,635	$ 524,072	$ 0	$ 2,239,239

UNION COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines and forfeitures	$ 25,900	$ 21,127	$ (4,773)
Interest	100	1,646	1,546
Total revenues	26,000	22,773	(3,227)
EXPENDITURES			
Current			
Judicial			
Contract services	19,000	21,284	(2,284)
Materials and supplies	7,000	4,080	2,920
Total expenditures	26,000	25,364	636
Excess (deficiency) of revenues over (under) expenditures	0	(2,591)	(2,591)
Fund balance, January 1	0	75,228	75,228
Fund balance, December 31	$ 0	$ 72,637	$ 72,637

UNION COUNTY, GEORGIA
SEIZURES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines and forfeitures	$ 59,000	$ 35,606	$ (23,394)
Contributions	0	1,250	1,250
Interest	50	0	(50)
Total revenues	59,050	36,856	(22,194)
EXPENDITURES			
Current			
Public Safety			
Contract services	50	0	50
Materials and supplies	12,100	10,761	1,339
Capital outlay	50,000	0	50,000
Payments to others	16,900	1,034	15,866
Total expenditures	79,050	11,795	67,255
Excess (deficiency) of revenues over (under) expenditures	(20,000)	25,061	45,061
Fund balance, January 1	0	32,857	32,857
Fund balance, December 31	$ 0	$ 57,918	$ 57,918

UNION COUNTY, GEORGIA
SHERIFF DONATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Contributions	$ 7,000	$ 11,229	$ 4,229
Total revenues	7,000	11,229	4,229
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	7,000	0	7,000
Total expenditures	7,000	0	7,000
Excess (deficiency) of revenues over (under) expenditures	0	11,229	11,229
Fund balance, January 1	0	21,452	21,452
Fund balance, December 31	$ 0	$ 32,681	$ 32,681

UNION COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Charges for services	$ 589,060	$ 574,380	$ (14,680)
Total revenues	589,060	574,380	(14,680)
EXPENDITURES			
Current			
Public Safety			
Personal services	652,210	672,394	(20,184)
Contract services	154,850	129,032	25,818
Materials and supplies	25,500	28,425	(2,925)
Total expenditures	832,560	829,851	2,709
Excess (deficiency) of revenues over (under) expenditures	(243,500)	(255,471)	(11,971)
Other financing sources (uses)			
Transfers in (out)			
General Fund	243,500	263,849	20,349
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	8,378	8,378
Fund balance, January 1	0	36,265	36,265
Fund balance, December 31	$ 0	$ 44,643	$ 44,643

UNION COUNTY, GEORGIA
OPIOID SETTLEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines and forfeitures	$ 40,000	$ 39,119	$ (881)
Total revenues	40,000	39,119	(881)
EXPENDITURES			
Current			
Public Safety			
Payments to others	40,000	40,000	0
Total expenditures	40,000	40,000	0
Excess (deficiency) of revenues over (under) expenditures	0	(881)	(881)
Other financing sources (uses)			
Transfers in (out)			
General Fund	0	84,275	84,275
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	83,394	83,394
Fund balance, January 1	0	0	0
Fund balance, December 31	$ 0	$ 83,394	$ 83,394

UNION COUNTY, GEORGIA
LOCAL VICTIMS ASSISTANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines and forfeitures	$ 28,300	$ 29,207	$ 907
Total revenues	28,300	29,207	907
EXPENDITURES			
Current			
Judicial			
Payments to others	28,300	28,237	63
Total expenditures	28,300	28,237	63
Excess (deficiency) of revenues over (under) expenditures	0	970	970
Fund balance, January 1	0	33,213	33,213
Fund balance, December 31	$ 0	$ 34,183	$ 34,183

UNION COUNTY, GEORGIA
JAIL OPERATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines and forfeitures	$ 45,000	$ 51,831	$ 6,831
Interest	200	253	53
Total revenues	45,200	52,084	6,884
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	10,000	107	9,893
Total expenditures	10,000	107	9,893
Excess (deficiency) of revenues over (under) expenditures	35,200	51,977	16,777
Fund balance, January 1	(35,200)	489,539	524,739
Fund balance, December 31	$ 0	$ 541,516	$ 541,516

UNION COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Charges for services	$ 18,000	$ 9,617	$ (8,383)
Total revenues	18,000	9,617	(8,383)
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	18,000	0	18,000
Total expenditures	18,000	0	18,000
Excess (deficiency) of revenues over (under) expenditures	0	9,617	9,617
Fund balance, January 1	0	24,240	24,240
Fund balance, December 31	$ 0	$ 33,857	$ 33,857

UNION COUNTY, GEORGIA
DRUG ABUSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines, fees and forfeitures	$ 29,000	$ 26,186	$ (2,814)
Charges for services	0	70,425	70,425
Intergovernmental	1,252,000	1,138,333	(113,667)
Interest	100	17	(83)
Total revenues	1,281,100	1,234,961	(46,139)
EXPENDITURES			
Current			
Judicial			
Contract services	1,252,000	1,270,329	(18,329)
Payments to others	29,100	10,000	19,100
Total expenditures	1,281,100	1,280,329	771
Excess (deficiency) of revenues over (under) expenditures	0	(45,368)	(45,368)
Fund balance, January 1	0	842,071	842,071
Fund balance, December 31	$ 0	$ 796,703	$ 796,703

UNION COUNTY, GEORGIA
JUVENILE COURT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Interest	$ 5	$ 10	$ 5
Total revenues	500	10	(490)
EXPENDITURES			
Current			
Judicial			
Materials and supplies	500	0	500
Total expenditures	500	0	500
Excess (deficiency) of revenues over (under) expenditures	0	10	10
Fund balance, January 1	0	17,625	17,625
Fund balance, December 31	$ 0	$ 17,635	$ 17,635

UNION COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2023

	Final Budget	Actual	Variance
REVENUES			
Hotel/motel taxes	$ 800,000	$ 783,608	$ (16,392)
Total revenues	800,000	783,608	(16,392)
EXPENDITURES			
Current			
Housing and Development			
Personal services	68,000	38,680	29,320
Contract services	37,000	5,151	31,849
Materials and supplies	10,000	3,228	6,772
Capital outlay	35,000	21,466	13,534
Payments to others	650,000	700,360	(50,360)
Total expenditures	800,000	768,885	31,115
Excess (deficiency) of revenues over (under) expenditures	0	14,723	14,723
Fund balance, January 1	0	509,349	509,349
Fund balance, December 31	$ 0	$ 524,072	$ 524,072

CUSTODIAL FUNDS

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

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

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

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

UNION COUNTY, GEORGIA
CUSTODIAL FUNDS
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2023

	Tax Commissioner	Sheriff	Clerk of Courts	Probate Court	Magistrate Court	Total Custodial Funds
ASSETS						
Cash and cash equivalents	$ 415,827	$ 45,837	$ 1,565,460	$ 62,963	$ 2,918	$ 2,093,005
Taxes receivable, net	1,778,748	0	0	0	0	1,778,748
Total assets	2,194,575	45,837	1,565,460	62,963	2,918	3,871,753
LIABILITIES						
Due to others	1,792,958	0	72,662	15,320	2,918	1,883,858
NET POSITION						
Restricted for individuals, organizations, and other governments	$ 401,617	$ 45,837	$ 1,492,798	$ 47,643	$ 0	$ 1,987,895

UNION COUNTY, GEORGIA
CUSTODIAL FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the year ended December 31, 2023

	Tax Commissioner	Sheriff	Clerk of Courts	Probate Court	Magistrate Court	Total Custodial Funds
ADDITIONS						
Taxes collected for other agencies	$ 27,683,845	$ 0	$ 0	$ 0	$ 0	$ 27,683,845
Court fees collected for other agencies	0	0	556,499	303,511	86,941	946,951
Court individual cases	0	0	1,572,851	425,796	0	1,998,647
Sheriff fees collected	0	102,944	0	0	0	102,944
Sheriff inmate account deposits	0	124,016	0	0	0	124,016
Total additions	27,683,845	226,960	2,129,350	729,307	86,941	30,856,403
DEDUCTIONS						
Taxes distributed to other agencies	27,591,913	0	0	0	0	27,591,913
Court fees distributed to other agencies	0	0	556,499	303,511	86,941	946,951
Payments to others	0	0	563,986	413,366	0	977,352
Sheriff fees distributed to other agencies	0	102,944	0	0	0	102,944
Payments from inmates to others	0	104,126	0	0	0	104,126
Total deductions	27,591,913	207,070	1,120,485	716,877	86,941	29,723,286
Change in net position	91,932	19,890	1,008,865	12,430	0	1,133,117
Net position, January 1	309,685	25,947	483,933	35,213	0	854,778
Net position, December 31	$ 401,617	$ 45,837	$ 1,492,798	$ 47,643	$ 0	$ 1,987,895

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SINGLE AUDIT SECTION

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

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

Honorable Commissioner
Union County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Georgia, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Union County, Georgia's basic financial statements and have issued our report thereon dated June 14, 2024. Our report includes a reference to other auditors who audited the financial statements of the Union County Health Department, as described in our report on Union County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described below, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-002 to 2023-008 to be significant deficiencies.

Report on Compliance and Other Matters

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

Union County, Georgia's Response to Findings

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

Purpose of This Report

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

Rushton, LLC

Gainesville, Georgia
June 14, 2024

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

Honorable Commissioner
Union County, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Union County, Georgia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Union County, Georgia's major federal programs for the year ended December 31, 2023. Union County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Union County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Rushton, LLC

Gainesville, Georgia
June 14, 2024

UNION COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2023

Federal Grant/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Number	Expenditures
Department of Agriculture			
Passed through the Georgia Forestry Commission:			
Cooperative Forestry Assistance	10.664	2022	$ 5,000
Forest Service Schools and Roads Cluster			
Passed through the Georgia Office of State Treasurer:			
Schools and Roads - Grants to States	10.665	FY23	75,082
Passed through the Georgia Department of Natural Resources:			
Environmental Quality Incentives Program	10.912	GACD-02-22-007	11,394
Total Department of Agriculture			91,476
Department of the Interior			
Payments in Lieu of Taxes	15.226	N/A	223,777
Fish and Wildlife Cluster			
Passed through the Georgia Department of Natural Resources:			
Wildlife Restoration and Basic Hunter Education	15.611	F21AF01370	2,629,623
Total Department of the Interior			2,853,400
Department of Transportation			
Passed through the Georgia Department of Transportation:			
Formula Grants for Rural Areas and Tribal Transit Program	20.509	T007273	26,309
		T007357	30,318
Total Department of Transportation			56,627
Department of the Treasury			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,828,006
Passed through the Georgia Governor's Office of Planning and Budget:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	2023_ARPA_3Y012	268,223
		GA-0010822	3,906,542
		GA-0006484	14,092
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			6,016,863
COVID-19 Local Assistance and Tribal Consistency Fund	21.032	N/A	234,293
Total Department of the Treasury			6,251,156

UNION COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2023

Federal Grant/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Number	Expenditures
Department of Health and Human Services			
Passed through the Criminal Justice Coordinating Council:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	E22-8-005	$ 7,192
Department of Homeland Security			
Passed through the Georgia Emergency Management Agency:			
Emergency Management Performance Grants	97.042	OEM22-146	11,730
Total Federal Awards			$ 15,288,444

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

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Union County, Georgia, under programs for the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

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

3. De Minimis Indirect Cost Rate

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

4. Payments to Subrecipients

For the current year, Union County, Georgia did not pass federal funds through to subrecipients.

1. Summary of the Auditor's Results

A. Financial Statements

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

B. Federal Awards

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

Identification of major programs:

15.611	Wildlife Restoration and Basic Hunter Education
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish Between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	No

2. Financial Statement Findings and Responses

A. Current Year Audit Findings

2023-001

Condition: The County lacks sufficient controls and procedures regarding year-end close to ensure timely and accurate financial reporting. This included material adjustments during the audit process.

Criteria: Internal controls should be in place to ensure the County can perform timely and accurate year-end close procedures for the County to be able to produce its annual financial statements timely.

Effect: Failure to properly design and implement internal controls over year-end close procedures may lead to financial statements that are materially misstated and lead to delays in financial reporting.

Cause: Various posting and classification errors led to account balances not agreeing to subsidiary ledgers.

Recommendation: We recommend that the County's Finance Department continue to implement and/or strengthen internal controls over the year-end closeout procedures. We also recommend management reconcile account balances monthly to the subsidiary ledgers to ensure proper and timely recording.

Management Response: Management concurs with this finding. Management will ensure that proper internal controls over the year-end close procedures are designed and implemented. Also, the Finance Department will ensure that account balances are reconciled monthly to the subsidiary ledgers. This action was taken immediately upon receipt of the comment from our auditors.

2023-002

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to Union County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the Finance Department is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors.

Criteria: Effective internal control requires that the County accept responsibility and understanding of the audited financial report.

Effect: Failure to understand the financial statements may lead to material misstatements.

Cause: County personnel do not have the necessary training in the application of generally accepted accounting principles and the preparation of financial statements.

2. Financial Statement Findings and Responses (continued)

A. Current Year Audit Findings (continued)

2023-002, continued

Recommendation: County personnel should continue to receive training in the identification and application of generally accepted accounting principles and the preparation of the County's financial statements.

Management Response: Management concurs with this finding. The County has determined that the cost of training County personnel to prepare the financial statements is prohibitive. The governing body and management have determined that personnel should receive training to the extent that is economically feasible and to continue to rely on the technical assistance of the external auditor or other qualified professional when necessary. This action was taken immediately upon receipt of the comment from our auditors.

2023-003

Condition: Appropriate segregation of duties does not exist among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds maintained by the County. This is especially prominent in the offices of the Tax Commissioner, Sheriff, Clerk of Courts, Probate Court, and Magistrate Court.

Criteria: Segregation of employees' duties is a common practice in an effective internal control structure. Segregation of duties is when specific employee functions related to important accounting areas (such as cash receipting and cash disbursements) are separated among different individuals to significantly reduce the risk that any one individual could intentionally or unintentionally misappropriate assets.

Effect: Failure to maintain adequate segregation of duties exposes the assets of the County to greater risk of misappropriation.

Cause: There are several departments and constitutional offices of the County in which the segregation of duties could be improved.

Recommendation: We recommend that each County office review its policies and procedures to determine where it can adequately segregate duties to alleviate the segregation of duties issues.

Management Response: Management has provided a copy of this finding to the appropriate Elected Officials and Department Heads and they concur with this finding. Action was taken immediately upon receipt of this comment from our auditors.

2023-004

Condition: While performing audit procedures at the Golf Course and Meeks Park, we noted a lack of controls over the cash disbursement process. We noted checks written with cash as the payee and checks written with employees as the payee who were signed by the same employee.

Criteria: Proper internal controls require that cash disbursements be approved and transactions recorded in a timely manner.

Effect: Failure to properly design and implement internal controls over the cash disbursement process exposes the County to a greater risk of loss due to fraud.

2. Financial Statement Findings and Responses (continued)

A. Current Year Audit Findings (continued)

2023-004, continued

Cause: Checks were written with cash as the payee and employees as the payees.

Recommendation: Checks should not be written with cash or employees as the payee. All checks should have a vendor as the payee.

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

2023-005

Condition: While performing audit procedures at the Clerk of Courts, we were unable to sight approval for 20 of 20 (100%) voided transactions selected for testing.

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

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

Cause: Management is not approving voided transactions in a timely manner.

Recommendation: Supporting documentation with evidence of approval should be retained at the Court's office.

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

2023-006

Condition: While performing audit procedures at the Clerk of Courts, we noted instances where deposits were not made timely. We noted 9 of 38 (24%) receipts tested were held for more than seven days before depositing.

Criteria: Proper internal controls require that cash receipts be deposited and transactions recorded in a timely manner.

Effect: Failure to deposit cash receipts in a timely manner exposes the County to a greater risk of loss due to fraud.

Cause: Staff is not depositing receipts at least once per week.

Recommendation: At a minimum, deposits should be made weekly.

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

2. Financial Statement Findings and Responses (continued)

A. Current Year Audit Findings (continued)

2023-007

Condition: While performing audit procedures on alcohol license receipts, we noted instances where deposits were not made timely. We noted 13 of 26 (50%) receipts tested were held for more than seven days before depositing.

Criteria: Proper internal controls require that cash receipts be deposited and transactions recorded in a timely manner.

Effect: Failure to deposit cash receipts in a timely manner exposes the County to a greater risk of loss due to fraud.

Cause: Staff is not depositing receipts at least once per week.

Recommendation: At a minimum, deposits should be made weekly.

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

2023-008

Condition: While performing audit procedures on credit card transactions, we noted 7 of 40 (18%) of the transactions tested lacked supporting documentation.

Criteria: Proper internal controls require that supporting documentation for all credit card transactions should be maintained and be properly approved.

Effect: Failure to maintain an appropriate approval process for credit card transactions exposes the County to a greater risk of loss due to fraud.

Cause: Supporting documentation with evidence of approval is not maintained for credit card transactions.

Recommendation: Supporting documentation with evidence of approval should be maintained for all credit card transactions.

Management Response: Management concurs with this finding. The County will advise the appropriate department to implement this recommendation. This action was taken immediately upon receipt of the comment from our auditors.

2. Financial Statement Findings and Responses (continued)

B. Prior Year Audit Findings Follow-Ups

2022-001

Condition: The County lacks sufficient controls and procedures regarding year-end close to ensure timely and accurate financial reporting. This included material adjustments during the audit process.

Not corrected

2022-002

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to Union County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the Finance Department is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors.

Not corrected

2022-003

Condition: Appropriate segregation of duties does not exist among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds maintained by the County. This is especially prominent in the offices of the Tax Commissioner, Sheriff, Clerk of Courts, Probate Court, and Magistrate Court.

Not corrected

2022-004

Condition: While performing audit procedures at the Golf Course, we noted a lack of controls over the cash disbursement process. We noted checks written with cash as the payee and checks written with employees as the payee who were signed by the same employee.

Not corrected

2022-005

Condition: While performing audit procedures at the Clerk of Courts, we were unable to sight approval for 17 of 20 (85%) voided transactions selected for testing.

Not corrected

2. Financial Statement Findings and Responses (continued)

B. Prior Year Audit Findings Follow-Ups (continued)

2022-006

Condition: While performing audit procedures at the Clerk of Courts, we noted instances where deposits were not made timely. We noted 4 of 38 (11%) receipts tested were held for more than seven days before depositing.

Not corrected

2022-007

Condition: While performing audit procedures at the Clerk of Courts, we noted the monthly bank reconciliations were not performed timely.

Corrected

3. Federal Award Findings and Questioned Costs

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

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STATE REPORTING SECTION

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

UNION COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2023

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2015 SPLOST IV					
Acquisition of Union County Community Center	$ 5,500,000	$ 5,588,523	$ 5,591,416	$ 0	$ 5,591,416
Administrative Facilities Upgrades, Improvements, Equipment & Vehicles	1,000,000	1,536,792	2,051,337	0	2,051,337
Library Upgrades, Improvements, & Equipment	100,000	100,000	103,319	0	103,319
Public Safety Facilities, Vehicles & Equipment	1,000,000	2,736,383	3,476,777	0	3,476,777
Roads, Streets & Bridges	6,000,000	6,650,843	7,190,011	11,205	7,201,216
Parks and Recreation Upgrades, Improvements, Equipment & Vehicles	3,400,000	6,447,770	7,795,168	0	7,795,168
Solid Waste Upgrades, Improvements & Equipment	200,000	200,000	174,921	0	174,921
Economic Development Facilities & Land Acquisition	300,000	300,000	158,717	0	158,717
City of Blairsville	1,500,000	2,032,777	2,187,576	0	2,187,576
Total	$ 19,000,000	$ 25,593,088	$ 28,729,242	$ 11,205	$ 28,740,447

UNION COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2023

Project	Estimated Cost * Original	Estimated Cost * Current	Expenditures Prior Years**	Expenditures Current Year	Expenditures Total
2021 SPLOST V					
Administrative Facilities Upgrades, Improvements, Equipment & Vehicles	$ 3,630,000	$ 3,630,000	$ 323,629	$ 2,079,849	$ 2,403,478
Library Upgrades, Improvements, & Equipment	130,000	130,000	1,171	54	1,225
Public Safety Facilities, Vehicles & Equipment	5,000,000	5,006,500	684,331	353,042	1,037,373
Roads, Streets & Bridges	7,000,000	7,000,000	1,691,368	2,819,734	4,511,102
Parks and Recreation Upgrades, Improvements, Equipment & Vehicles	5,000,000	5,000,000	407,385	777,159	1,184,544
Solid Waste Upgrades, Improvements & Equipment	200,000	200,000	842,482	171,511	1,013,993
Economic Development Facilities & Land Acquisition	1,000,000	1,000,000	0	0	0
City of Blairsville	2,040,000	2,040,000	1,011,272	658,198	1,669,470
Total	$ 24,000,000	$ 24,006,500	$ 4,961,638	$ 6,859,547	$ 11,821,185
Expenditures financed by other revenues and transfers from other funds: Roads, Streets & Bridges				1,164,285	
Total SPLOST V Fund Expenditures and Transfers Out				$ 8,023,832	

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

** Prior years expenditures for Roads, Streets, & Bridges has been reduced by $164,422 to reflect receipt of intergovernmental revenues received in the current year for expenditures in prior years.

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