UPSON COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2025

Prepared by:
Upson County Finance Department

UPSON COUNTY, GEORGIA
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INTRODUCTORY SECTION

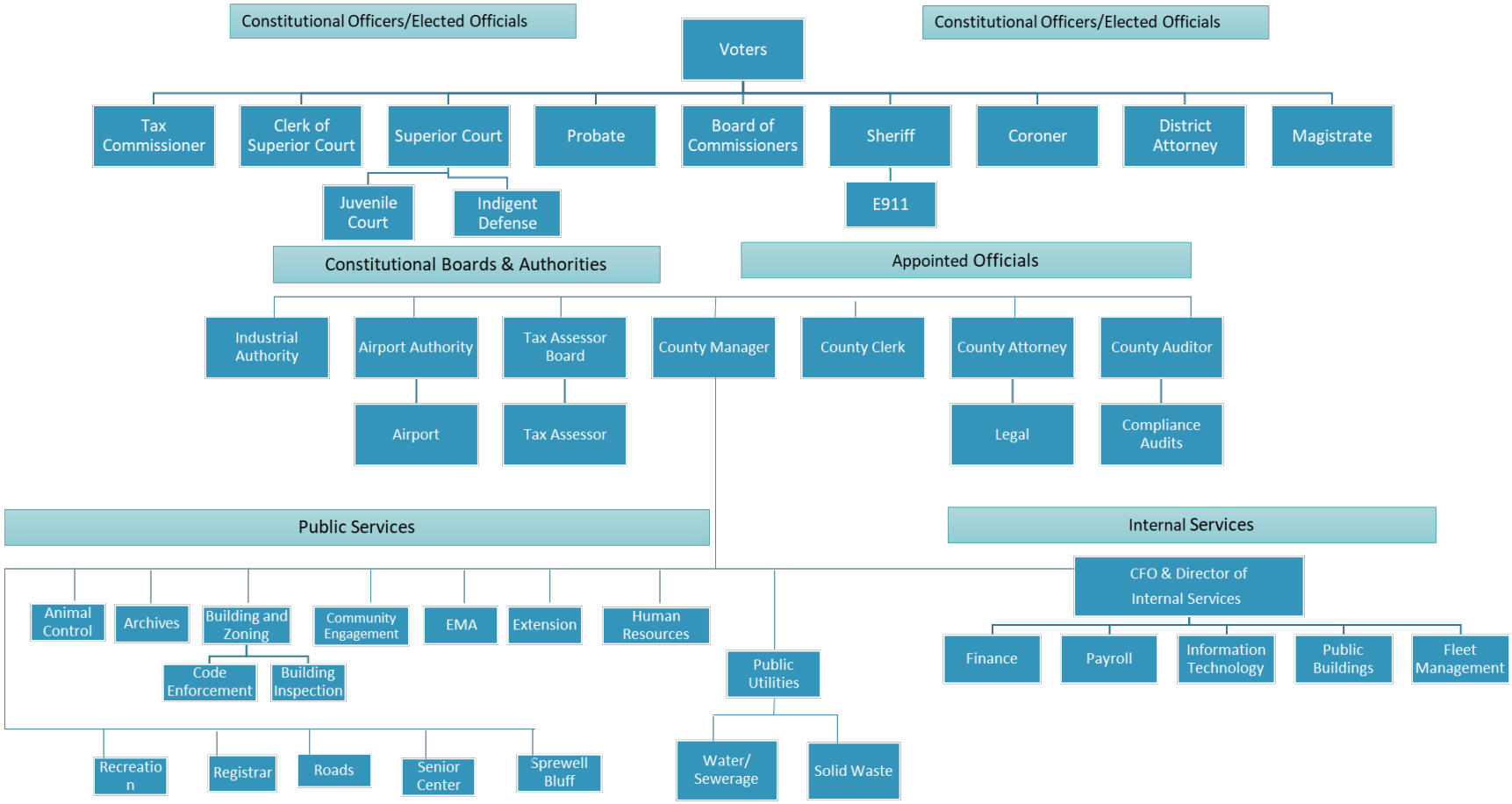
(Unaudited)

The introductory section includes a list of principal officers, and general government organization chart.

UPSON COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2025

Board of Commissioners	
Chairman	Dan R. Brue II
Board Member – District 1	Christopher Biggs
Board Member – District 2	James Ellington
Board Member – District 3	Paul Jones
Board Member – District 4	Benjamin Watson
Constitutional Officers	
Tax Commissioner	Andy Chastain
Clerk of Superior Court	Teresa Harper
Sheriff	Dan Kilgore
Probate Court Judge	Muffin Gibson
Administrative	
County Manager	Lonnie Joyce
County Clerk	Jessica Jones
County Attorney	R. Heath English
Chief Financial Officer and Director of Internal Services	H. Allen Salter

UPSON COUNTY, GEORGIA
ORGANIZATIONAL CHART
FOR THE YEAR ENDED DECEMBER 31, 2025





FINANCIAL SECTION

The financial section includes the independent auditor's report on the financial statement audit, the Management's Discussion and Analysis (MD&A), which provides a narrative introduction, overview and analysis of the financial statements, and the basic financial statements including notes, required supplementary information, and supplementary information.

Nichols, Cauley & Associates, LLC
nicholscauley.com
800-823-0117

Independent Auditor's Report

Upson County Board of Commissioners
Upson County, Georgia
Thomaston, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Upson County, Georgia (the "County"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Thomaston-Upson County Industrial Development Authority, which represents 27 percent, 27 percent, and 13 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Thomaston-Upson County Industrial Development Authority, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Schedule of Changes in the County's Net Pension Liability and Related Ratios and the Schedule of County Contributions – Pension Plan on pages 9 – 24 and 71 – 77 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, the schedule of supplemental official income and the schedules of expenditures of special purpose local sales tax proceeds, as required by the Official Code of Georgia ("O.C.G.A.") § 48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of supplemental official income and the schedules of expenditures of special purpose local sales tax proceeds are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of supplemental official income and the schedules of expenditures of special purpose local sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Report

Management is responsible for the other information included in the Annual Financial Report. The other information comprises the introductory sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **June 26, 2026** on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
June 26, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview and analysis of the basic financial statements prepared by the Finance Director.

As management of Upson County, Georgia (the "County"), we offer the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparisons to the prior fiscal year.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector businesses.

The *statement of net position* presents financial information on all the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development. The business-type activities of the County include water system and solid waste services.

The government-wide financial statements include not only the County itself (known as the primary government), but also three legally separate discretely presented component units for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 26-28 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances *of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide 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 doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains twenty individual governmental funds. Financial information for the County's major funds is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances on pages 29 and 31. Financial information for the County's nonmajor governmental funds is presented on pages 81 through 97.

The County adopts an annual appropriated budget for all its governmental funds, except for capital projects funds. Capital projects funds are funded by SPLOST and TSPLOST sales taxes and the use of those funds were stipulated on ballots for voter approval and stipulated on the intergovernmental agreement with the City of Thomaston and Yatesville. The County's 5-year capital plan also provides budgeting guidance on the specific projects and timing. These financial statements provide budget to actual comparison statements on all budgeted funds.

The basic governmental fund financial statements can be found on pages 29-32 of this report.

Proprietary Funds. The County maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for the County Water Districts and the Waste Services Fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water System and Waste System, both of which are major funds of the County.

The basic proprietary fund financial statements can be found on pages 33-35 of this report.

Fiduciary Funds. *Fiduciary Funds* are used to account for resources held for the benefit of parties principally outside the government. *Fiduciary Funds* are **not** reported in the Government-Wide Financial Statements because the resources of those funds are not available to support the county's own programs. The accounting used for *Fiduciary Funds* is much like that used for *Proprietary Funds*.

The fiduciary fund financial statements can be found on pages 37-38 of this report.

A summary of the types of fund information reported in the County's Financial Statements is provided in the following table.

	Financial Statements				
	Government-Wide	**Proprietary Fund**	**Fiduciary Fund**	**Component Unit**	**Governmental Fund**
Type of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short term and long term				Only current financial resources, such as cash, taxes receivable, and accounts payable
Types of revenues/additions	All types of revenues/additions that flow into the government during the year that relate to that year, regardless of when cash is received				Only revenues that are measurable and available to finance expenditures of that year
Types of expenses/expenditures	All types of expenses/deductions that flow out of the government during the year that relate to that year, regardless of when cash is paid				Only expenditures for which the related governmental fund liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow into and out of the government during the year that relate to a future year				Current financial resources that flow into and out of the governmental funds during the year that relate to a future year

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire 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 41-69 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the County's progress in funding its obligations to provide pension benefits to its employees. Required supplementary information can be found immediately after the notes to the financial statements on pages 71-77.

The combining statements referred to earlier in connection with nonmajor governmental funds and custodial funds are presented immediately following the required supplementary information on our pension plan. Combining and individual fund statements and schedules can be found on pages 81 through 105 of this report.

Financial Summary and Detailed Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $65.7 million at December 31, 2025.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 27,502,097	$ 35,105,718	$ 1,256,089	$ 2,584,347	$ 28,758,186	$ 37,690,065
Capital assets	64,967,100	61,104,067	6,629,099	5,899,929	71,596,199	67,003,996
Total assets	$ 92,469,197	$ 96,209,785	$ 7,885,188	$ 8,484,276	$ 100,354,385	$ 104,694,061
Deferred outflows of resources	1,087,221	1,608,335	42,149	59,562	1,129,370	1,667,897
Liabilities						
Noncurrent liabilities	26,685,647	29,778,520	1,697,128	1,996,146	28,382,775	31,774,666
Other liabilities	6,120,471	8,618,943	852,100	760,200	6,972,571	9,379,143
Total liabilities	$ 32,806,118	$ 38,397,463	$ 2,549,228	$ 2,756,346	$ 35,355,346	$ 41,153,809
Deferred inflows of resources	368,959	26,299	14,304	974	383,263	27,273
Net position						
Net investment in capital assets	39,573,260	38,637,032	4,647,076	3,681,735	44,220,336	42,318,767
Restricted	10,142,889	9,307,622	-	-	10,142,889	9,307,622
Unrestricted	10,665,192	11,449,704	716,729	2,104,783	11,381,921	13,554,487
Total net position	$ 60,381,341	$ 59,394,358	$ 5,363,805	$ 5,786,518	$ 65,745,146	$ 65,180,876

Governmental Activities

Current and other assets decreased by $7.6 million from the prior year. The decrease primarily reflects a decrease in cash balances of $7.8 million, offset partially by increases in intergovernmental receivables. The decrease in cash reflects decreases in each of the County's capital projects funds, 2016 SPLOST, 2022 SPLOST, and 2024 TSPLOST as a result of capital spending for various capital projects, including infrastructure such as roads and bridges.

Total liabilities decreased by $5.6 million. The decrease reflects a decrease of approximately $2.7 million in long-term obligations consisting of general obligation bonds and financed purchases as further described in Note 6 and a decrease of approximately $3.2 million in accounts payable within the capital projects funds for accrued construction costs payable at 2024 for the justice center and baseball fields renovation.

By far, the largest portion of the County's total net position is the investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), net of accumulated depreciation and less any related outstanding debt used to acquire those assets. The net investment in capital assets is 65.5% of total net position at December 31, 2025. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's net investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. All the County's debt for governmental activities are repaid through sales tax revenues from the 2022 SPLOST and 2024 TSPLOST.

Total capital assets for the County increased $3.9 million, net, for the year. The net increase in capital assets before depreciation was $8.8 million, which consisted of approximately $5.5 million in road resurfacing, $1.2 million toward the completion of the baseball fields' renovation, and the remaining $2.1 million in building improvements, vehicle, and equipment purchases. Capital assets changes are explained in more detail in Note 5 to the financial statements.

Business-Type Activities

Current and other assets decreased by $1.3 million from the prior year primarily due to the installation of a new well and associated equipment for the Thurston community in Upson County. Capital assets changes are explained in more detail in Note 5 to the financial statements.

Total liabilities decreased by approximately $207 thousand. The reduction reflects a decrease of approximately $299 thousand in noncurrent liabilities—largely the repayment of bonds, notes and financed purchases of $281 thousand—partially offset by an increase of approximately $92 thousand in current liabilities.

The decrease in net position of $422 thousand reflects a net increase in the Water System of $384 thousand offset by a decrease of approximately $806 thousand in Solid Waste Services. The decrease in Solid Waste Services reflects an operating loss of $290 thousand and transfers out to the Water System Fund to support the construction of the new Thurston well.

(This page is continued on the subsequent page)

The County's overall net position increased $564 thousand from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

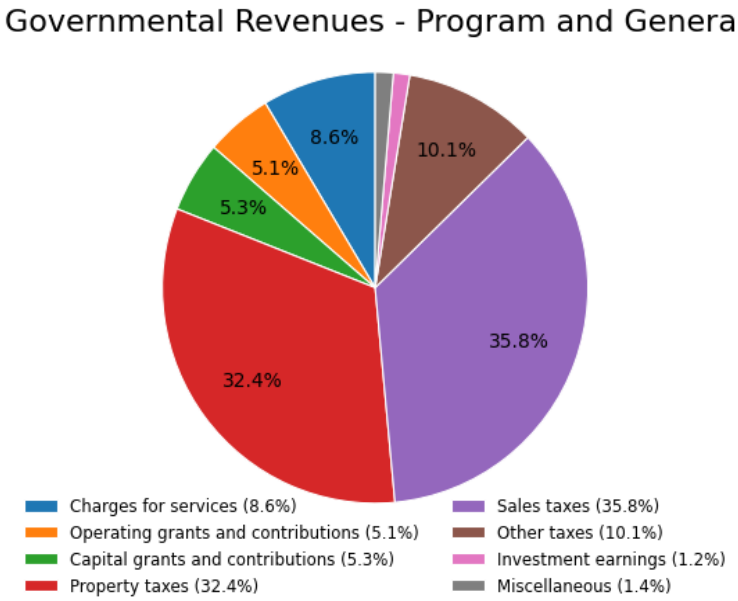
Upson County, Georgia - Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 3,170,005	$ 3,048,413	$ 3,247,571	$ 3,235,617	$ 6,417,576	$ 6,284,030
Operating grants and contributions	1,863,057	2,033,948	-	-	1,863,057	2,033,948
Capital grants and contributions	1,959,714	4,703,740	76,168	-	2,035,882	4,703,740
General revenues:						
Property taxes	11,912,958	11,074,653	-	-	11,912,958	11,074,653
Sales taxes	13,139,098	13,038,401	-	-	13,139,098	13,038,401
Other taxes	3,717,907	3,449,921	-	-	3,717,907	3,449,921
Investment earnings	456,249	614,292	39,093	105,324	495,342	719,616
Miscellaneous	501,767	259,252	5	-	501,772	259,252
Total revenues	36,720,755	38,222,620	3,362,837	3,340,941	40,083,592	41,563,561
Expenses:						
General government	10,317,478	10,636,432	-	-	10,317,478	10,636,432
Judicial	3,054,770	2,849,192	-	-	3,054,770	2,849,192
Public safety	11,831,660	11,105,454	-	-	11,831,660	11,105,454
Public works	4,331,782	7,441,688	-	-	4,331,782	7,441,688
Health and welfare	989,730	972,660	-	-	989,730	972,660
Culture and recreation	3,623,176	3,301,180	-	-	3,623,176	3,301,180
Housing and development	812,301	819,323	-	-	812,301	819,323
Interest on long-term debt	772,875	631,487	-	-	772,875	631,487
Water systems	-	-	2,209,313	2,063,397	2,209,313	2,063,397
Solid waste services	-	-	2,106,237	1,406,548	2,106,237	1,406,548
Total expenses	35,733,772	37,757,416	4,315,550	3,469,945	40,049,322	41,227,361
Change in position	986,983	465,204	(422,713)	(129,004)	564,270	336,200
Net position, beginning, as restated	59,394,358	58,929,154	5,786,518	5,915,522	65,180,876	64,844,676
Net position, ending	$ 60,381,341	$ 59,394,358	$ 5,363,805	$ 5,786,518	$ 65,745,146	$ 65,180,876

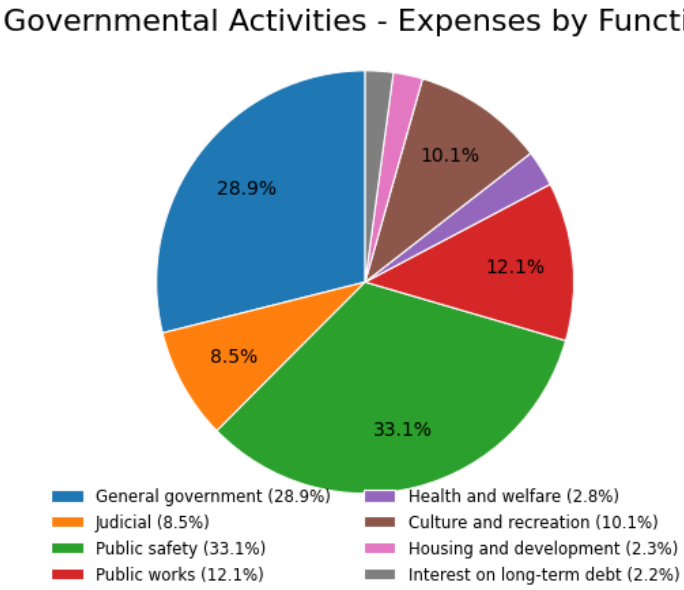
Governmental Activities.

The County's governmental activities total net position increased by $986 thousand, or 1.7%, to $60.4 million for the year ended December 31, 2025 as compared to $59.4 million for the year ended December 31, 2024. Total revenues declined by $1.5 million, or 3.9%, to $36.7 million for the year ended December 31, 2025 from $38.2 million for the year ended December 31, 2024. The primary cause for the decline in revenues was the $2.7 million decrease in capital grants & contributions, offset partially by approximately $1.3 million increase in general revenues from property taxes, sales and other taxes, and miscellaneous revenues. The decrease in capital grants & contributions resulted from the decrease in the pass through grant from the State of Georgia for expansion of the County's broadband infrastructure, which was accomplished through a public-private partnership with Highline. The project was completed in 2024.

The following chart depicts the relative percentages of each governmental revenue source to total revenues for the County as shown on the table above.



The following chart depicts the relative percentages of governmental expenses by governmental function for the County as shown on the table above.



The following table shows total cost of services and net cost of services. The net cost of services is derived from the difference between the total cost of services and charges for services as shown on the Statement of Activities on page 28.

Business-type Activities. The County did not raise water and sewerage or solid waste services rates in 2025. For the year ended 2025, total business-type activities incurred realized a net decrease in net position of $423 thousand for the year ended December 31, 2025 as compared to a net decrease in net position of $129,004 for the year ended December 31, 2024. Rate increases were implemented for solid waste billing services as of January 1, 2026. Additional rate increases will be considered for water & sewerage services mid-year 2026.

The following table shows the total cost of services and percentage for each function of governmental activities and the net cost of services, which is the total cost of services less program revenues such as charges for services, operating grants and contributions, and capital grants and contributions. Public safety represents the largest function of the County's government at $11.8 million in total cost and 33.1% of total governmental costs.

Governmental Activities

	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General government	$ 10,317,478	28.9%	$ (9,016,557)	31.2%
Judicial	3,054,770	8.5%	(1,762,172)	6.1%
Public safety	11,831,660	33.1%	(10,885,547)	37.3%
Public works	4,331,782	12.1%	(2,275,543)	8.9%
Health and welfare	989,730	2.8%	(505,266)	1.7%
Culture and recreation	3,623,176	10.1%	(2,710,735)	9.4%
Housing and development	812,301	2.3%	(812,301)	2.8%
Interest	772,875	2.2%	(772,875)	2.6%
Total	$ 35,733,772	100.0%	$ (28,740,996)	100.0%

Financial Analysis of Governmental Funds

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable 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 discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County's Board of Commissioners.

Total fund balance for all governmental funds at December 31, 2025 was $24.2 million. Of this amount, $8.6 million is unassigned. The restricted portion of this total was $13.5 million, which primarily consists of the balances in the County's capital projects funds and debt service funds and to lesser extent other special revenue funds. The remainder of the total fund balance of $2.0 million is classified as committed.

Total fund balance for all governmental funds decreased by $5.0 million for the fiscal year ended December 31, 2025. The decrease was primarily attributable to a decrease in the Capital Projects Fund, 2024 TSPLOST driven by $5.6 million of capital expenditures on road resurfacing projects.

Analysis of Individual Funds

General Fund. The general fund is the chief operating fund of the County. The total fund balance at December 31, 2025 was $10.3 million with $9.1 million of that total classified as unassigned. The unassigned fund balance decreased $292 thousand from the unassigned fund balance at December 31, 2024 of $9.4 million. The County had budgeted a deficit to be funded by fund balance of $100 thousand. The total decrease exceeded the budgeted amount by $192 thousand due to expenditures exceeding original budget estimates.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 45.8% of total general fund expenditures, while total fund balance represents 51.8% of that same amount.

Capital Projects Funds. The County has five capital projects funds, four of which are related to Special Purpose Local Option Sales Taxes (SPLOST) and Transportation Special Local Option Sales Taxes (TSPLOST) and one fund accounting for Local Area Improvement Grants (LMIG) revenues and expenditures. Of the four SPLOST funds, there are only two that are receiving sales tax dollars, the 2022 SPLOST and 2024 TSPLOST funds. Each of these funds are a continuation of the 2016 SPLOST and 2019 TSPLOST funds. All the funds in both the 2016 SPLOST and 2019 TSPLOST Funds were expended in 2025, except for $581 remaining in the 2016 SPLOST Fund that will be transferred into the General Fund in 2026.

The 2022 SPLOST Capital Projects Fund had a deficit fund balance of $488,839, representing liabilities owed by the fund at December 31, 2025. The 2022 SPLOST Debt Service Fund collects sales taxes during the year and transfers amounts in excess of that needed for debt service and payments to the City of Thomaston for its portion of the sales taxes per intergovernmental agreement into the 2022 Capital Projects Fund for various capital expenditures. The 2024 TSPLOST Fund had a fund balance of $3.9 million at December 31, 2025, which represents the unexpended portion of the General Obligation Transportation Sales Tax Bonds, Series 2024 issued in 2024 for $9 million. The LMIG Capital Projects Fund had a fund balance of $1.5 million at December 31, 2025. LMIG funds along with TSPLOST funds are used to fund individual road resurfacing and bridge repair projects.

Debt Service Funds. The County maintains two debt service funds, 2022 SPLOST Debt Service Fund and 2024 TSPLOST Debt Service Fund. The 2022 Debt Service Fund was created to record the sales taxes collected under the 2022 SPLOST, to distribute sales taxes to the City of Thomaston and to Yatesville according to the Intergovernmental Agreement on sharing and use of sales taxes on capital projects, and to service the outstanding debt on the 2022 Series Bonds that were issued to finance the construction of the County's new justice center. The 2024 TSPLOST Debt Service Fund functions the same as the 2022 Debt Service Fund. For both funds, sales taxes exceeding distributions to the City of Thomaston and Yatesville and debt service for the year, can be transferred to their respective capital projects funds and used for capital projects according to their specific purpose as outlined in Georgia law.

Significant Capital Asset and Long-term Financing Activity

Most of the County's capital acquisitions and construction projects, including road, street, and bridge resurfacing and repair are funded from one penny sales taxes through SPLOST and TSPLOST.

The following table reflects the County's capital assets at December 31, 2025 and 2024:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 3,366,457	$ 3,366,457	$ 410,973	$ 410,973	$ 3,777,430	$ 3,777,430
Construction in progress	186,795	26,053,308	1,091,530	74,726	1,278,325	26,128,034
Buildings	33,207,906	10,379,378	-	-	33,207,906	10,379,378
Infrastructure	26,229,138	19,362,767	4,722,482	4,989,249	30,951,620	24,352,016
Equipment	(165,904)	(211,650)	404,114	424,981	238,210	213,331
Vehicles	1,954,860	1,947,136	-	-	1,954,860	1,947,136
Leased assets	187,848	206,671	-	-	187,848	206,671
	$ 64,967,100	$ 61,104,067	$ 6,629,099	$ 5,899,929	$ 71,596,199	$ 67,003,996

Construction in progress of $187 thousand for governmental activities reflects renovation of a portion of the Drake building for a new office location for the Upson County Tax Commissioner. The construction in progress for business-type activities relates to the costs associated with the installation of a new well in our Thurston Community of Upson County.

The following table reflects actual capital expenditures for the fiscal year 2025:

	Governmental Activities	Business-Type Activities
Construction in progress	$ 186,795	$ 1,015,805
Buildings	786,102	-
Infrastructure	7,007,349	-
Equipment	566,428	-
Vehicles	461,337	-
Leased assets	38,388	-
Total	$ 9,046,399	$ 1,015,805

The large increase in buildings and decrease in construction in progress reflects the completion of the new Justice Center at an approximate cost of $23.0 million. The increase in infrastructure reflects the 2024 road resurfacing project, which was substantially completed in 2025. Approximately $5.5 million was expended on resurfacing in 2025. An additional $1.3 million was expended on the baseball field restoration project. Leased assets are assets leased under long-term lease arrangements that meet the criteria under GASB 87 for lease recognition. See further discussion under Note 6 to the financial statements.

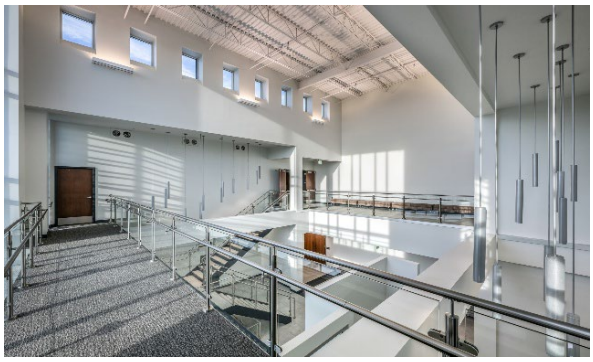
The new justice center was completed, and a certificate of occupancy was issued in January 2025. Construction was completed and total furnishings were substantially completed by the end of the first quarter of 2025. The total cost of land, construction, furnishings, and landscaping for the justice center was $24.6 million.

The County was in dire need of a modern and secure court facility. Court proceedings for all court levels were held in different facilities. Superior court proceedings were held in the historic Upson County Courthouse in the center of downtown Thomaston. The Courthouse had one courtroom and lacked the space and modern security for the times.

The justice center on the other hand contains 54,000 sq. ft of space, adequate to house the offices of the Probate Judge, Magistrate Judge, the Clerk of Superior Court, the District Attorney, and the judge's chambers. There are four separate courtrooms that can hold simultaneous court sessions. Access to the rear of the building is controlled, and the building contains a modern sally port and holding cells to safely transport criminal defendants to and from the Upson County Detention Facility and Justice Center. The facility's security is under the direction of the Sheriff's Office. Access to the building is controlled and monitored with state-of-the-art scanning and monitoring systems. The Upson County Justice Center is by far the largest single capital endeavor in the County's history.







The baseball fields renovation that was started in 2024 was completed in early 2025. Renovation consisted of leveling fields, installing a new drainage system for all fields, new lighting, and a complete update of field 2, which included new sod and infield, dugouts, and completely new fencing and backstop. The total cost for the baseball field renovation was $2.7 million.



Long-term Debt. At December 31, 2025, the County has $30.4 million in outstanding bonds, notes, leases and financed purchases as illustrated in the following table:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue bonds	$ 7,796,065	$ 9,526,331	$ -	$ -	$ 7,796,065	$ 9,526,331
Notes payable	-	-	560,995	626,903	560,995	626,903
Financed purchases	20,442,391	21,421,065	1,376,023	1,591,291	21,818,414	23,012,356
Leases	202,463	217,776	-	-	202,463	217,776
	$ 28,440,919	$ 31,165,172	$ 1,937,018	$ 2,218,194	$ 30,377,937	$ 33,383,366

Total debt for governmental activities at December 31, 2025 was $28.4 million, a decrease of $2.7 million, or 8.7%, from total debt of $31.2 million at December 31, 2024. The decrease in debt reflects principal repayments during 2025 on all of the County's debt and lease obligations

The County's goals have been to fund major capital improvements with debt versus on a pay-as-you-go method. The County believes the most cost advantageous position is to pursue needed capital improvements as soon as it is financially feasible to avoid higher costs for the same project in future years due to inflation. However, to be effective

at this strategy, the County must maintain a solid credit rating to keep borrowing costs as low as possible. Over the past 5 years, the County has funded two major road projects through debt and one major construction project in the justice center. Each time, the County has opted to sell bonds through a public auction process. In 2021 Moodys upgraded the County's credit rating to a Aa3. That credit rating has remained steady. As part of the bond issue in 2024, Moodys again did a full credit rating keeping the County at a Aa3.

Additional information on the County's long-term debt and other long-term obligations can be found in Note 6 of this report.

Economic Condition & Outlook

The economic condition of Upson County remains stable. According to U.S. Census Bureau data, the County's population increased from 26,236 in 2019 to 28,029 in 2024, representing growth of 6.8% over the five-year period. The median age of residents is 41.4 years, and the median household income is $55,429. The median home value is $168,700, an increase of 80.1% from 2019, when the median home value was $93,300.

The County's tax digest growth reflects the sharp rise in home values. Inflationary growth has been the largest driver of our growth in the tax digest. However, there has been a moderate level of real growth primarily from new residential development. Real growth in the digest versus inflationary growth is key to maintaining adequate funding for County services and keeping millage rates stable.

New legislation passed under HB 581 provides homeowners with the opportunity for property tax relief for homestead properties under what it refers to as a floating homestead exemption to limit annual increases in property value growth. The bill places a cap on fair value increases, restricting it to no higher than the rate of inflation as per the Consumer Price Index. The County and the City of Thomaston did not opt out of HB 581. Another element of the bill is the option for a floating local option sales tax or FLOST. FLOST would allow the County to add an additional one penny sales tax to goods and services sold in Upson County.

The County and the City of Thomaston were able to establish an intergovernmental agreement and the FLOST referendum passed in 2026. The additional one penny sales tax began being collected by merchants in January of 2026. The County's share of FLOST will be approximately 70% and is estimated to roll back approximately 3.5 mills of tax for a full year of FLOST collections. Recent legislation passed in 2026, however, SB 33, changed the law regarding the use of FLOST in the first year. For the first year, 2026, local governments with a FLOST will be able to apply the taxes received from January 1 through June 30 of 2026 to roll back the 2026 millage rate.

Taxing Districts

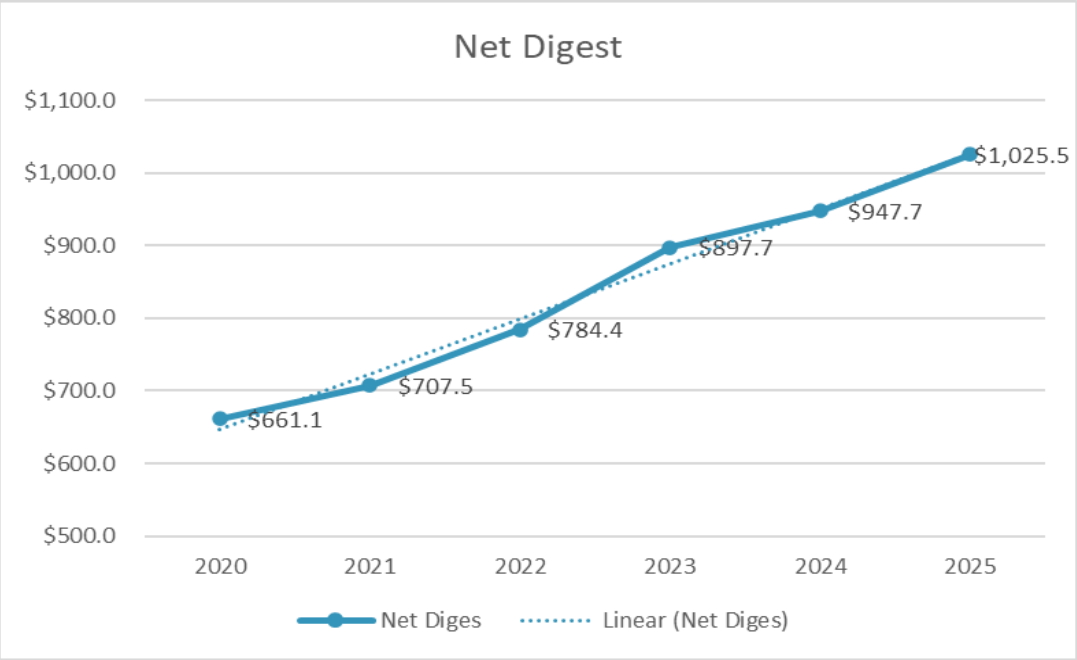
The County has a total of three taxing districts: County M&O, Joint Projects and Unincorporated Services. The Joint Projects taxing district and the Unincorporated taxing district are the same in that they both only apply to property owners in the unincorporated areas of Upson County. The Unincorporated Services taxing district tax levy is based upon the millage needed to fund the operations of services only provided for unincorporated residents. These primary services are road maintenance services, animal control, and building and zoning. The Joint Projects taxing district levy is based upon the millage needed to fund the County's portion of joint projects with the City of Thomaston. These joint projects include the Thomaston-Upson County Airport, the Thomaston-Upson County IDA, the Recreation Department, the County E-911 System, the Senior Center, the County Archives, the Pine Mountain Regional Library System, and the jointly owned closed landfill. Both the Joint Projects and Unincorporated taxing districts are based on the same digest that only includes properties in the unincorporated areas of Upson County.

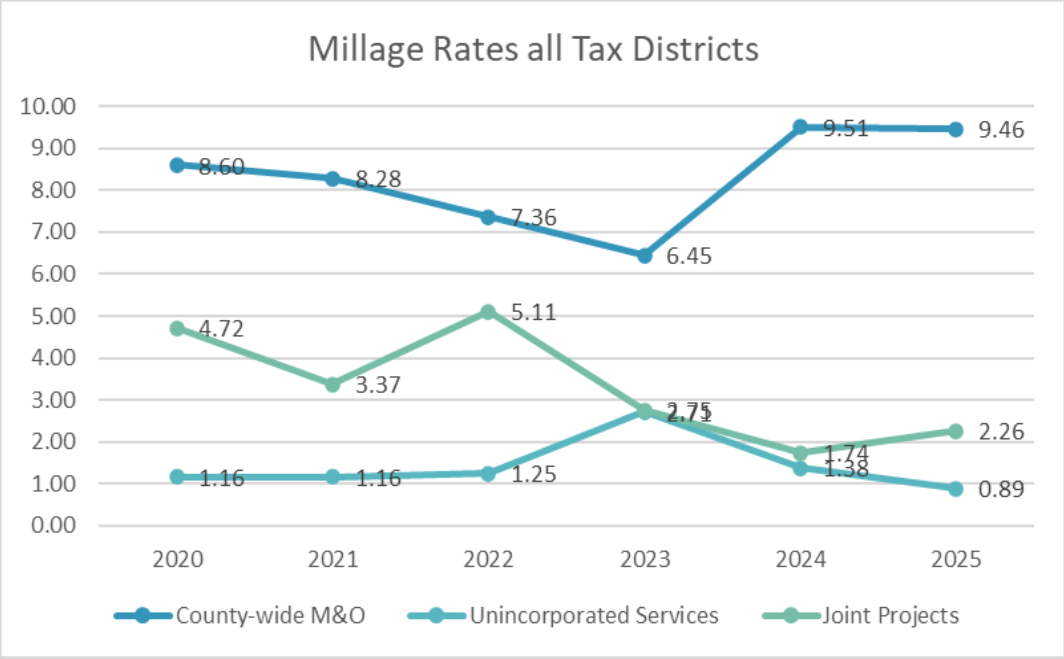
Joint projects with the City of Thomaston are ongoing and represent a venture between both governing bodies whereby each contributes to the funding of these joint projects. The County manages all the joint projects, and all personnel are employees of the County, except for the closed landfill facility and the regional library system. Joint

Projects are guided by an intergovernmental agreement between both governments. The agreement calls for shared funding based on the ratio of each governments' portion of the Joint Projects net digest. Historically, the ratio has been approximately 65% to 35%, County to City. Based on the 2024 net digest, the ratio has shifted to and remains approximately 68% to 32%, County to City.

The net digest chart below focuses on the countywide digest. The Joint Projects digest and Unincorporated Services digest are subsets of the county-wide digest. The countywide digest is used to calculate the countywide M&O levied on all property owners of Upson County.

Dollar amounts are presented in millions.





In 2022, County EMS (outsourced service) was a Joint Project. Subsequently in 2023, EMS was removed as a Joint Project and is 100% funded by the County and covered within the General Fund.

Currently Known Facts, Decisions, or Conditions

The County is aware of the following items that will impact future finances and were considered in developing the 2026 fiscal year budget.

- Economic developments
  - Not considered in the budget, but the closing in 2026 of Quad Graphics, a print and digital media company, in Upson resulted in approximately 300 jobs lost in the County.
  - While it is anticipated that most workers will find employment either in Upson or other surrounding counties, the full economic impact is not yet known.
  - Could be a potential issue regarding property taxes in future years, particularly the loss in real and personal property taxes from Quad Graphics.
- Insurance
  - Healthcare insurance costs continue to be a challenge for the County. Steps have been taken to shift more of the premium cost to employees from the County.
  - The County experienced increases in general liability, property insurance, and workers' compensation insurance over the past two years.
- Revenues
  - There were no new sources of revenue built into the budget. The primary source of the County's revenue is property taxes for operations. Virtually all capital expenditures are funded by SPLOST and TSPLOST.
  - Growth in the 2026 digest for all taxing districts was estimated to be at 4.0%

At the end of the current fiscal year, the unassigned fund balance in the General Fund was $9.1 million. The County believes this amount, which represents approximately four months of funding for the 2026 budget, is sufficient to address unforeseen revenue shortfalls or significant unexpected expenditures.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Upson County, 106 East Lee Street, Suite 110, Thomaston, Georgia 30286.



BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide statement of net position and government-wide statement of activities which include all the primary government's governmental activities, business-type activities and component units. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements

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UPSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Assets				
Cash and cash equivalents	$ 24,019,215	$ 855,760	$ 24,874,975	$ 4,208,666
Investments	-	-	-	403,097
Receivables, net	1,673,453	540,627	2,214,080	331,743
Intergovernmental receivables	1,592,746	-	1,592,746	-
Due from component units	44,222	-	44,222	-
Internal balances	140,298	(140,298)	-	-
Inventories	32,163	-	32,163	4,384,040
Capital assets				
Nondepreciable	3,553,252	1,502,503	5,055,755	6,796,160
Depreciable, net	61,413,848	5,126,596	66,540,444	11,004,904
Net OPEB asset	-	-	-	133,101
Total assets	92,469,197	7,885,188	100,354,385	27,261,711
Deferred Outflows of Resources				
Related to OPEB	-	-	-	47,102
Related to pension	1,087,221	42,149	1,129,370	179,031
Total deferred outflows of resources	1,087,221	42,149	1,129,370	226,133
Liabilities				
Accounts payable	860,164	345,360	1,205,524	187,676
Retainage payable	271,394	45,005	316,399	-
Accrued expenses	1,110,327	-	1,110,327	-
Accrued interest	151,374	-	151,374	-
Due to other governments	657,068	-	657,068	-
Due to primary government	-	-	-	44,222
Customer deposits	-	166,328	166,328	-
Noncurrent liabilities				
Due within one year				
Bonds, notes and financed purchases	2,707,612	285,832	2,993,444	-
Other	669,992	27,147	697,139	61,587
Due in more than one year				
Bonds, notes and financed purchases	25,530,844	1,651,186	27,182,030	45,270
Net pension liability	484,811	18,795	503,606	586,322
Other	362,532	9,575	372,107	-
Total liabilities	32,806,118	2,549,228	35,355,346	925,077
Deferred Inflows of Resources				
Related to OPEB	-	-	-	52,674
Related to pension	368,959	14,304	383,263	132,593
Total deferred inflows of resources	368,959	14,304	383,263	185,267

UPSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
Net Position				
Net investment in capital assets	39,573,260	4,647,076	44,220,336	17,801,064
Restricted for				
County services	241,479	-	241,479	-
Law enforcement	151,223	-	151,223	-
Emergency 911	46,801	-	46,801	-
Law library	8,208	-	8,208	-
Drug abuse treatment	239,750	-	239,750	-
Debt service	7,320,917	-	7,320,917	-
Capital projects	2,134,511	-	2,134,511	-
OPEB benefits	-	-	-	133,101
Prior year program income	-	-	-	239,404
Unrestricted	10,665,192	716,729	11,381,921	8,203,931
Total net position	$ 60,381,341	$ 5,363,805	$ 65,745,146	$ 26,377,500

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary government								
Governmental activities								
General government	$ 10,317,478	$ 1,193,899	$ 107,022	$ -	$ (9,016,557)	$ -	$ (9,016,557)	$ -
Judicial	3,054,770	795,770	496,828	-	(1,762,172)	-	(1,762,172)	-
Public safety	11,831,660	757,408	188,705	-	(10,885,547)	-	(10,885,547)	-
Public works	4,331,782	-	96,525	1,959,714	(2,275,543)	-	(2,275,543)	-
Health and welfare	989,730	-	484,464	-	(505,266)	-	(505,266)	-
Culture and recreation	3,623,176	422,928	489,513	-	(2,710,735)	-	(2,710,735)	-
Housing and development	812,301	-	-	-	(812,301)	-	(812,301)	-
Interest	772,875	-	-	-	(772,875)	-	(772,875)	-
Total governmental activities	35,733,772	3,170,005	1,863,057	1,959,714	(28,740,996)	-	(28,740,996)	-
Business-type activities								
Water systems	2,209,313	1,961,711	-	76,168	-	(171,434)	(171,434)	-
Solid waste services	2,106,237	1,285,860	-	-	-	(820,377)	(820,377)	-
Total business-type activities	4,315,550	3,247,571	-	76,168	-	(991,811)	(991,811)	-
Total primary government	$ 40,049,322	$ 6,417,576	$ 1,863,057	$ 2,035,882	(28,740,996)	(991,811)	(29,732,807)	-
Component units	$ 3,211,924	$ 1,867,861	$ 1,016,881	$ 1,367,758				1,040,576
General revenues and transfers								
General revenues								
Property taxes					11,912,958	-	11,912,958	-
Sales taxes					13,139,098	-	13,139,098	-
Insurance premium taxes					1,713,577	-	1,713,577	-
Other taxes					2,004,330	-	2,004,330	-
Unrestricted investment earnings					456,249	39,093	495,342	122,831
Gain on sale of capital assets					28,074	-	28,074	-
Miscellaneous					473,693	5	473,698	8,695
Transfers					-	530,000	530,000	-
Total general revenues and transfers					29,727,979	569,098	30,297,077	131,526
Change in net position					986,983	(422,713)	564,270	1,172,102
Net position - beginning					59,394,358	5,786,518	65,180,876	25,205,398
Net position - ending					$ 60,381,341	$ 5,363,805	$ 65,745,146	$ 26,377,500

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Special Revenue Funds: Joint Projects	Capital Projects Fund: 2024 TSPLOST	Debt Service Funds: 2022 SPLOST Debt Service	Debt Service Funds: 2024 TSPLOST Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 9,503,517	$ 514,600	$ 3,318,473	$ 4,066,327	$ 3,682,020	$ 2,934,278	$ 24,019,215
Receivables, net	1,381,264	203,187	-	-	-	89,002	1,673,453
Intergovernmental receivables	603,527	115,183	-	444,803	423,471	5,762	1,592,746
Due from component units	44,222	-	-	-	-	-	44,222
Due from other funds	823,721	-	881,095	199,582	-	57,571	1,961,969
Inventories	-	-	-	-	-	32,163	32,163
Total assets	$ 12,356,251	$ 832,970	$ 4,199,568	$ 4,710,712	$ 4,105,491	$ 3,118,776	$ 29,323,768
Liabilities							
Accounts payable	$ 596,836	$ 26,649	$ 11,156	$ -	$ -	$ 225,523	$ 860,164
Retainage payable	-	-	229,001	-	-	42,393	271,394
Accrued expenses	1,110,327	-	-	-	-	-	1,110,327
Due to other governments	-	-	-	157,254	457,620	42,194	657,068
Due to other funds	2,786	573,070	24,645	-	881,095	340,075	1,821,671
Total liabilities	1,709,949	599,719	264,802	157,254	1,338,715	650,185	4,720,624
Deferred Inflows of Resources							
Unavailable revenues	335,522	50,674	-	-	-	21,727	407,923
Total deferred inflows of resources	335,522	50,674	-	-	-	21,727	407,923
Fund Balances							
Nonspendable	-	-	-	-	-	32,163	32,163
Restricted	-	182,577	3,934,766	4,553,458	2,766,776	2,055,119	13,492,696
Committed	1,197,138	-	-	-	-	848,421	2,045,559
Assigned	-	-	-	-	-	-	-
Unassigned	9,113,642	-	-	-	-	(488,839)	8,624,803
Total fund balances	10,310,780	182,577	3,934,766	4,553,458	2,766,776	2,446,864	24,195,221
Total liabilities, deferred inflows of resources and fund balances	$ 12,356,251	$ 832,970	$ 4,199,568	$ 4,710,712	$ 4,105,491	$ 3,118,776	$ 29,323,768

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

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

Total fund balances - governmental funds		$ 24,195,221
Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the funds.		
Cost of capital assets	$ 136,012,778	
Less accumulated depreciation	(71,045,678)	64,967,100
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds		
Property taxes		407,923
Differences between expected and actual experiences, actuarial changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows related to pension	1,087,221	
Deferred inflows related to pension	(368,959)	718,262
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.		
Accrued interest payable	(151,374)	
Bonds payable	(7,796,065)	
Financed purchases	(20,442,391)	
Leases	(202,463)	
Compensated absences	(830,061)	
Net pension liability	(484,811)	(29,907,165)
Net position of governmental activities		$ 60,381,341

The notes to the financial statements are an integral part of this statement.

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

		Special Revenue Funds		Capital Projects Funds			Debt Service Funds			
	General	Joint Projects	Recreation Fund	2016 SPLOST	2022 SPLOST	2024 TSPLOST	2022 SPLOST Debt Service	2024 TSPLOST Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues										
Taxes	$ 16,210,928	$ 1,695,546	$ -	$ -	$ -	$ -	$ 5,170,305	$ 4,903,633	$ 705,736	$ 28,686,148
Licenses and permits	350,688	-	-	-	-	-	-	-	-	350,688
Intergovernmental	766,004	523,875	-	-	-	-	-	-	2,141,400	3,431,279
Charges for services	949,183	-	-	-	-	-	-	-	998,793	1,947,976
Fines and forfeitures	758,273	-	-	-	-	-	-	-	113,068	871,341
Investment earnings	140,113	10,578	-	-	-	249,333	119,612	116,120	86,428	722,184
Contributions and donations	-	106,359	-	-	-	-	-	-	19,198	125,557
Miscellaneous	339,170	307	-	-	-	-	-	-	134,216	473,693
Total revenues	19,514,359	2,336,665	-	-	-	249,333	5,289,917	5,019,753	4,198,839	36,608,866
Expenditures										
Current										
General government	4,857,329	515	-	-	-	-	-	-	-	4,857,844
Judicial	2,950,361	-	-	-	-	-	-	-	33,244	2,983,605
Public safety	9,516,273	112,076	-	-	-	-	-	-	1,100,867	10,729,216
Public works	1,407,660	-	-	-	-	-	-	-	-	1,407,660
Health and welfare	247,144	643,603	-	-	-	-	-	-	-	890,747
Culture and recreation	96,665	461,551	-	-	-	-	-	-	2,234,445	2,792,661
Housing and development	750,417	-	-	-	-	-	-	-	14,138	764,555
Debt service										
Principal	53,118	-	-	-	-	-	978,674	1,625,000	-	2,656,792
Interest	8,091	-	-	-	-	-	484,901	409,375	-	902,367
Capital outlay	-	-	-	-	-	5,634,834	-	-	4,163,682	9,798,516
Intergovernmental	-	-	-	-	-	-	1,827,884	2,106,096	-	3,933,980
Total expenditures	19,887,058	1,217,745	-	-	-	5,634,834	3,291,459	4,140,471	7,546,376	41,717,943
Excess of revenues over (under) expenditures	(372,699)	1,118,920	-	-	-	(5,385,501)	1,998,458	879,282	(3,347,537)	(5,109,077)
Other Financing Sources (Uses)										
Transfers in	765,754	267,000	-	-	-	881,095	-	-	3,807,794	5,721,643
Transfers out	(751,672)	(1,315,662)	-	-	-	-	(1,998,459)	(881,095)	(774,755)	(5,721,643)
Issuance of leases	38,388	-	-	-	-	-	-	-	-	38,388
Sale of capital assets	28,074	-	-	-	-	-	-	-	-	28,074
Total other financing sources (uses)	80,544	(1,048,662)	-	-	-	881,095	(1,998,459)	(881,095)	3,033,039	66,462
Net change in fund balances	(292,155)	70,258	-	-	-	(4,504,406)	(1)	(1,813)	(314,498)	(5,042,615)
Fund balances - beginning - as previously reported	10,602,935	112,319	34,556	949,980	258,365	8,439,172	4,553,459	2,768,589	1,518,461	29,237,836
Changes within the financial reporting entity (major to nonmajor)	-	-	(34,556)	(949,980)	(258,365)	-	-	-	1,242,901	-
(nonmajor to major)	-	-		-	-	-	-	-	-	-
Fund balances - beginning - as restated	10,602,935	112,319	-	-	-	8,439,172	4,553,459	2,768,589	2,761,362	29,237,836
Fund balances - ending	$ 10,310,780	$ 182,577	$ -	$ -	$ -	$ 3,934,766	$ 4,553,458	$ 2,766,776	$ 2,446,864	$ 24,195,221

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Total changes in fund balances - total governmental funds		$ (5,042,615)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (5,183,366)	
Capital outlay	9,046,399	3,863,033
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds.		
Property taxes		83,815
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Issuance of leases	(38,388)	
Principal payments on bonds	1,625,000	
Principal payments on financed purchases	978,674	
Principal payments on leases	53,701	2,618,987
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Amortization of bond premiums	105,266	
Accrued interest payable	23,643	
Compensated absences	(99,759)	
Pension expense	(565,387)	(536,237)
Change in net position of governmental activities		$ 986,983

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Business-type Activities		
	Water System	Nonmajor Solid Waste Services	Total Enterprise Funds
Assets			
Current assets			
Cash and cash equivalents	$ 756,273	$ 99,487	$ 855,760
Receivables, net	195,842	344,785	540,627
Due from other funds	-	3,232	3,232
Total current assets	952,115	447,504	1,399,619
Noncurrent Assets			
Capital assets			
Land	410,973	-	410,973
Water distribution and storage system	8,547,924	-	8,547,924
Building and Improvements	11,960	-	11,960
Machinery and equipment	1,074,093	-	1,074,093
Construction in progress	1,091,530	-	1,091,530
Less accumulated depreciation	(4,507,381)	-	(4,507,381)
Total capital assets	6,629,099	-	6,629,099
Total assets	7,581,214	447,504	8,028,718
Deferred Outflows of Resources			
Related to pensions	42,149	-	42,149
Total deferred outflows of resources	42,149	-	42,149
Liabilities			
Current liabilities			
Accounts payable	225,611	119,749	345,360
Retainage payable	45,005	-	45,005
Due to other funds	23,964	119,566	143,530
Customer deposits	166,328	-	166,328
Compensated absences	27,147	-	27,147
Bonds, notes and financed purchases	285,832	-	285,832
Total current liabilities	773,887	239,315	1,013,202
Noncurrent liabilities			
Compensated absences	9,575	-	9,575
Bonds, notes and financed purchases	1,651,186	-	1,651,186
Net pension liability	18,795	-	18,795
Total noncurrent liabilities	1,679,556	-	1,679,556
Total liabilities	2,453,443	239,315	2,692,758
Deferred Inflows of Resources			
Related to pensions	14,304	-	14,304
Total deferred inflows of resources	14,304	-	14,304
Net Position			
Net investment in capital assets	4,647,076	-	4,647,076
Unrestricted	508,540	208,189	716,729
Total net position	$ 5,155,616	$ 208,189	$ 5,363,805

The notes to the financial statements are an integral part of this statement.

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

	Business-type Activities		
	Water System	Nonmajor Solid Waste Services	Total Enterprise Funds
Operating Revenues			
Charges for services			
Water	$ 1,667,559	$ -	$ 1,667,559
Sewer	240,078	-	240,078
Tap and other charges	54,074	-	54,074
Solid waste services	-	1,285,860	1,285,860
Miscellaneous	-	5	5
Total operating revenues	1,961,711	1,285,865	3,247,576
Operating Expenses			
Cost of sales and services	561,312	-	561,312
Personal services	615,417	45,256	660,673
Contractual services	545,125	1,524,695	2,069,820
Supplies	166,209	6,286	172,495
Depreciation	287,634	-	287,634
Total operating expenses	2,175,697	1,576,237	3,751,934
Operating income (loss)	(213,986)	(290,372)	(504,358)
Noncapital Subsidies			
Transfers in	530,000	-	530,000
Transfers out	-	(530,000)	(530,000)
Total noncapital subsidies	530,000	(530,000)	-
Operating income (loss) and noncapital subsidies	316,014	(820,372)	(504,358)
Other Nonoperating Revenues (Expenses)			
Interest earnings	25,303	13,790	39,093
Capital contributions	76,168	-	76,168
Interest expense	(33,616)	-	(33,616)
Total other nonoperating revenues (expenses)	67,855	13,790	81,645
Increase (decrease) in net position	383,869	(806,582)	(422,713)
Net position - beginning	4,771,747	1,014,771	5,786,518
Net position - ending	$ 5,155,616	$ 208,189	$ 5,363,805

The notes to the financial statements are an integral part of this statement.

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

	Business-type Activities		
	Water System	Nonmajor Solid Waste Services	Total Enterprise Funds
Cash Flows from Operating Activities			
Receipts from customers	$ 1,948,486	$ 1,238,734	$ 3,187,220
Payments to suppliers and service providers	(868,571)	(1,921,004)	(2,789,575)
Payments to employees for salaries and benefits	(589,507)	(45,256)	(634,763)
Net cash provided (used) by operating activities	490,408	(727,526)	(237,118)
Cash Flows from Noncapital Financing Activities			
Transfers from other funds	530,000	-	530,000
Transfers to other funds	-	(530,000)	(530,000)
Net cash provided (used) by noncapital financing activities	530,000	(530,000)	-
Cash Flows from Capital and Related Financing Activities			
Principal paid on capital debt	(281,176)	-	(281,176)
Interest paid on capital debt	(33,616)	-	(33,616)
Acquisition and construction of capital assets	(895,631)	-	(895,631)
Net cash used for capital and related financing activities	(1,210,423)	-	(1,210,423)
Cash Flows from Investing Activities			
Interest on investments	26,029	17,535	43,564
Net cash provided by investing activities	26,029	17,535	43,564
Net change in cash and cash equivalents	(163,986)	(1,239,991)	(1,403,977)
Cash and cash equivalents beginning of year	920,259	1,339,478	2,259,737
Cash and cash equivalents end of year	$ 756,273	$ 99,487	$ 855,760
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	$ (213,986)	$ (290,372)	$ (504,358)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	287,634	-	287,634
Net change in receivables, net	(1,220)	(47,131)	(48,351)
Net change in due from other funds	342,386	(3,232)	339,154
Net change in deferred outflows of resources	17,413	-	17,413
Net change in accounts payable	37,725	8,166	45,891
Net change in due to other funds	23,964	(394,957)	(370,993)
Net change in retainage payable	-	-	-
Net change in customer deposits	(12,005)	-	(12,005)
Net change in compensated absences	5,376	-	5,376
Net change in net pension liability	(10,209)	-	(10,209)
Net change in deferred inflows of resources	13,330	-	13,330
Total adjustments	704,394	(437,154)	267,240
Net cash provided (used) by operating activities	$ 490,408	$ (727,526)	$ (237,118)
Schedule of non-cash capital and related financing activities:			
Purchase of capital assets on account	$ 45,005	$ -	$ 45,005
Contributions of capital assets	$ 76,168	$ -	$ 76,168

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2025

	Custodial Funds
Assets	
Cash and cash equivalents	$ 2,224,579
Taxes receivable	4,432,837
Total assets	6,657,416
Liabilities	
Due to others	6,204,500
Total liabilities	6,204,500
Net Position	
Restricted for	
Individuals, organizations and other governments	452,916
Total net position	$ 452,916

The notes to the financial statements are an integral part of this statement.

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

	Custodial Funds
Additions	
Taxes	$ 35,015,423
Fines and fees	2,318,114
Investment earnings	43,120
Total additions	37,376,657
Deductions	
Taxes and fees paid to other governments	37,373,379
Total deductions	37,373,379
Net increase in fiduciary net position	3,278
Net position - beginning	449,638
Net position - ending	$ 452,916

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2025

	Airport Authority	Industrial Development Authority	Board of Public Health	Total
Assets				
Cash and cash equivalents	$ 77,511	$ 2,264,432	$ 1,866,723	$ 4,208,666
Investments	-	161,170	241,927	403,097
Receivables, net	-	316,478	15,265	331,743
Inventories	22,722	4,361,318	-	4,384,040
Capital assets				
Nondepreciable	6,796,160	-	-	6,796,160
Depreciable, net	10,855,973	143,910	5,021	11,004,904
Net OPEB asset	-	-	133,101	133,101
Total assets	17,752,366	7,247,308	2,262,037	27,261,711
Deferred Outflows of Resources				
Related to OPEB	-	-	47,102	47,102
Related to pension	31,902	-	147,129	179,031
Total deferred outflows of resources	31,902	-	194,231	226,133
Liabilities				
Accounts payable	57,603	128,601	1,472	187,676
Due to primary government	13,143	31,079	-	44,222
Noncurrent liabilities				
Due within one year				
Long-term obligations	14,797	5,235	41,555	61,587
Due in more than one year				
Long-term obligations	23,181	8,238	13,851	45,270
Total OPEB liability	-	-	-	-
Net pension liability	14,226	-	572,096	586,322
Total liabilities	122,950	173,153	628,974	925,077
Deferred Inflows of Resources				
Related to OPEB	-	-	52,674	52,674
Related to pension	10,827	-	121,766	132,593
Total deferred inflows of resources	10,827	-	174,440	185,267
Net Position				
Net investment in capital assets	17,652,133	143,910	5,021	17,801,064
Restricted for				
OPEB benefits	-	-	133,101	133,101
Prior year program income	-	-	239,404	239,404
Unrestricted	(1,642)	6,930,245	1,275,328	8,203,931
Total net position	$ 17,650,491	$ 7,074,155	$ 1,652,854	$ 26,377,500

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Airport Authority	Net (Expense) Revenue and Changes in Net Position: Industrial Development Authority	Net (Expense) Revenue and Changes in Net Position: Board of Public Health	Net (Expense) Revenue and Changes in Net Position: Total
Airport Authority	$ 1,857,224	$ 1,146,297	$ 10,000	$ 1,367,758	$ 666,831	$ -	$ -	$ 666,831
Industrial Development Authority	547,442	317,750	103,728	-	-	(125,964)	-	(125,964)
Board of Public Health	807,258	403,814	903,153	-	-	-	499,709	499,709
Total component units	$ 3,211,924	$ 1,867,861	$ 1,016,881	$ 1,367,758	666,831	(125,964)	499,709	1,040,576
General revenues								
Unrestricted investment earnings					94	120,589	2,148	122,831
Miscellaneous					-	8,695	-	8,695
Total general revenues					94	129,284	2,148	131,526
Change in net position					666,925	3,320	501,857	1,172,102
Net position - beginning					16,983,566	7,070,835	1,150,997	25,205,398
Net position - ending					$ 17,650,491	$ 7,074,155	$ 1,652,854	$ 26,377,500

The notes to the financial statements are an integral part of this statement.



NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The County is a political subdivision of the State of Georgia governed by an elected five-member commission. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Tax Commissioner, Probate Court Judge, Magistrate Court Judge, Sheriff, Clerk of Superior Court and Coroner. The County's major services include general government, judicial, public safety, public works, health and welfare, parks, culture and recreation and planning and zoning.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. There were no blended component units during 2025. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are both legally and substantively separate from the government.

Discretely Presented Component Units

The ***Thomaston-Upson County Airport Authority*** (the "Airport Authority") has responsibility over all activities related to the airport in Thomaston Georgia. The Airport Authority is governed by a six member board appointed by the Upson County, Georgia and the City of Thomaston, Georgia. The Airport Authority receives most of its operating revenues from rental income and fuel sales. The Airport Authority is reported as an enterprise fund with a December 31 year end. Separately issued financial statements for the Airport Authority may be obtained from its administrative office at 2347 Delray Road, Thomaston, Georgia 30286.

The ***Thomaston-Upson County Industrial Development Authority*** (the "Industrial Development Authority") is charged with developing industry in the City of Thomaston and Upson County and for improving the general welfare of the City and County. It is governed by a six member board, which include the Chairman of Upson County, the Mayor of the City of Thomaston, two members appointed by Upson County and two members appointed by the Mayor and Council of the City of Thomaston, Georgia. The Industrial Development Authority receives appropriations from the City of Thomaston and Upson County based on financial need. Each governing authority determines the amount, if any, it intends to fund annually. The Industrial Development Authority's Board approves an annual budget for operations. Annual audits are required to monitor performance. The Industrial Development Authority has a December 31 year end. Separately issued financial statements for the Industrial Development Authority may be obtained from its administrative office at 106 East Lee Street, Suite 230, Thomaston, Georgia 30286.

The ***Upson County Board of Health*** (the "Board of Health") is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The Board of Health consists of seven members, four of these members are appointed by the Upson County Board of Commissioners. Although the County does not have the authority to approve or modify the Board of Health's budgets, it does have the ability to control the amount of funding it provides to the Board of Health and such funding is significant to the overall operations of the Board of Health. The Board of Health has a June 30 fiscal year end. Separately issued financial statements for the Board of Health may be obtained from its administrative office at 314 E Lee Street, Thomaston, Georgia 30286.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Joint Ventures

The ***Three Rivers Regional Commission*** (the "TRRC") was created as a regional planning organization and is managed by its member governments in accordance with Georgia law. Membership in the TRRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides the organizational structure of the TRRC. Membership in the TRRC includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that the member governments are liable for obligations of the TRRC. The financial requirements of the County related to the TRRC are limited to the amount of its annual dues. Separately issued financial statements may be obtained from its administrative office at 120 North Hill Street, Griffin, Georgia 30224.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fiduciary 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.

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 County'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 a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the County's Water System and Solid Waste Services and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County'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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County reports the following major governmental funds:

The *General Fund* is the primary operating fund of the County. It is used to account for all financial resources of the general government, except those accounted for in another fund.

The *Joint Projects Fund* accounts for the activities of certain joint projects between Upson County and the City of Thomaston. The County and City both have separate joint projects taxing districts. Property taxes collected by the County under the joint projects millage are recorded in this fund. Other joint projects maintained in separate funds are funded annually by the County through transfers from the Joint Projects Fund. The County and the City of Thomaston share in funding of joint projects based on the ratio of the joint projects tax digest, approximately 68% to 32%, County and City.

The *2024 TSPLOST Fund* accounts for capital improvements associated with the County's roads streets and bridges funded by the Transportation Special Purpose Local Option Sales Tax proceeds.

The *2022 SPLOST Debt Service Fund* accounts for the County's portion of the 1% sales taxes collected under the 2022 SPLOST, which are used to service the principal and interest on the Series 2022 Revenue Bonds. Excess collections above the amounts needed for principal and interest are transferred to the 2022 SPLOST Capital Projects Fund as needed.

The *2024 TSPLOST Debt Service Fund* accounts for the County's portion of the 1% sales taxes collected under the 2024 TSPLOST, which are used to service the annual principal and interest on the General Obligation Transportation Sales Tax Bonds, Series 2024. Excess collections above the amounts needed for principal and interest are transferred to the 2024 TSPLOST Capital Projects Fund as needed.

The County reports the following major enterprise funds:

The *Water Services Fund* accounts for the activities of the water and sewer services of Lincoln Park, Upson County and Sunset Water Districts.

The *Solid Waste Services Fund* accounts for the activities of the solid waste billing services for Upson County residents provided through contracted services with a third-party contractor.

Additionally, the County reports the following fund types:

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

The *capital projects funds* account for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The *debt service funds* account for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term obligations of the governmental funds.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

During the course of operations, the County 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. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. 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 and internal service 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. 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.

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 recognition in the financial statements of various kinds of transactions or events.

The government-wide, proprietary, and fiduciary fund 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 when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers 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 principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the County the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The County's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the County's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Receivables

All trade and property tax receivables have been reduced to their estimated net realizable value, and are shown net of an allowance for uncollectible accounts. Estimated uncollectible accounts are based upon historical experience rates.

"Intergovernmental receivables" represents funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds consists of merchandise in the Sprewell Bluff Fund and aviation fuel in the Airport fund. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $10,000 and an estimated useful life in excess of two years.

As the County constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use assets, the measurement of which is discussed in the Leases section of Note 1). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Buildings	40 years
Infrastructure	40 years
Water and Sewer System	40 years
Machinery and equipment	5 – 10 years
Vehicles	5-7 years
Leased machinery and equipment	5 – 10 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Long-Term Obligations

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

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

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation benefits, which may be eligible for payment upon resignation or retirement from government service. Employees are also eligible to accumulate earned but unused sick leave benefits, which may also be eligible for payment upon resignation or retirement from government service. A liability for vacation and sick leave benefits is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. The deferred amounts related to pension are reported in the government-wide and proprietary fund statement of net position.

In addition to liabilities, the statement of financial position includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide and proprietary fund financial statements the County reports deferred amounts related to pension.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

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.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The County's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- *Nonspendable* fund balance represents amounts that are either not in a spendable form or are legally or contractually required to remain intact.
- *Restricted* fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.
- *Committed* fund balance represents amounts that can be used only for the specific purposes determined by of the adoption of an ordinance committing fund balance for a specified purpose by the Board of Commissions prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Board of Commissioners adopts another resolution to remove or revise the limitation.
- *Assigned* fund balance represents amounts that are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. Through resolution, the Board of Commissioners has authorized the County's County Manager or designee to assign fund balances. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- *Unassigned* fund balance represents the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As previously mentioned, 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.

The County maintains a minimum unassigned fund balance in its General Fund of 33% of the subsequent year's budgeted expenditures and outgoing transfers. This minimum fund balance is to protect against cash flow shortfalls related to the timing of projected revenue receipts and to maintain a budget stabilization commitment. When the General Fund falls below the minimum 33%, the County will replenish shortages/deficiencies using the budget strategies and timeframes described below:

- The County will reduce recurring expenditures to eliminate any structural deficit,
- The County will increase revenues or pursue other fund sources, or
- A combination of the two options above.

Minimum fund balance deficiencies shall be replenished within the following time periods:

- A deficiency resulting in a minimum fund balance between 33% and 25% of the subsequent year's budgeted expenditures and outgoing transfers shall be replenished over a period not to exceed one year.
- A deficiency resulting in a minimum fund balance between 20% and 15% of the subsequent year's budged expenditures and outgoing transfers shall be replenished over a period not to exceed three years.
- A deficiency resulting in a minimum fund balance between 15% and 10% of the subsequent year's budgeted expenditures and outgoing transfers shall be replenished over a period not to exceed five years.

Leases

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

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

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt in the statement of net position.

Use of Estimates

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

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resource and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's pension plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefits payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Program Revenues

Amounts reported as program revenues include (1) charges to customers or others who purchase, use, or directly benefit from goods or services 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.

Property Taxes

State law requires that property taxes be based on an assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be returned for tax purposes by April 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Upson County.

Upon completion of all assessments and tax returns, the information is turned over to the Upson County Tax Commissioner for compilation of the tax digest. A completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that the real property on the tax digest has been assessed at the state mandated 40% of fair market value.

The Upson County Tax Commissioner bills and collects those property taxes levied by the County. The County also collects property taxes for the Upson County Board of Education. Collections and remittances to the County and other governmental agencies are accounted for in an Custodial Fund. Property taxes were levied and billed on September 1, however the actual due date was November 15. On November 16 the bills became delinquent, the applicable property is subject to lien, and penalties and interest may be assessed by the County.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All property taxes levied for the current and any previous years, but not received as of December 31, 2025, are shown as property taxes receivable at that date. Any of those taxes, which are determined to be unavailable to pay liabilities of the current period, are classified as "Unavailable Revenue" on the Governmental Fund Statements.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund, solid waste fund, and internal service funds are charges to customers for sales and services. The water fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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 nonoperating revenues and expenses.

GASB Statements Adopted in 2025

The County adopted GASB Statement No. 103, *Financial Report Model Improvements,* the objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The pronouncement had no impact on fiscal year 2025 major fund determination or changed any presentation of major component units. The most significant change reflected would be the format and classification of certain revenues and expenditures in the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position and inclusion of the budgetary comparison information for the General Fund and major special revenue funds in the Required Supplementary Information section.

The County adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*, the objective is to provide users of government financial statements with essential information about certain types of capital assets held for resale, right to use assets and intangible assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement updates required are reflected in Note 6 Capital Assets.

The County adopted GASB Statement No. 105, *Subsequent Events*, issued in December 2025. GASB 105 updates and replaces prior guidance on subsequent events, clarifies the evaluation period as the date through which financial statements are available to be issued, and establishes more structured requirements for identifying, recognizing, and disclosing subsequent events. The standard distinguishes between recognized events, which provide evidence of conditions existing at the financial statement date and must be reflected in account balances, and nonrecognized events, which require note disclosure when they have a significant effect on the financial statements. The County applied this statement prospectively, and adoption did not have a material effect on the financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equity

The SPLOST 2022 fund had a deficit fund balance of $488,839 at December 31, 2025. The deficit will be recovered through interfund transfers from the General Fund in the subsequent fiscal year.

NOTE 3 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk for demand deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and our bond resolutions require all deposits and investments (other than federal or state government instruments) be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. The County does not have a policy for custodial credit risk. As of December 31, 2025, the County had no uncollateralized deposits.

The carrying amount of the deposits as of December 31, 2025 was $27,099,554 and is reported in the financial statements as follows:

Government-wide Statement of Net Position	
Governmental activities - cash and cash equivalents	$ 24,019,215
Business-type activities - cash and cash equivalents	855,760
Fiduciary Funds Statement of Net Position	
Custodial funds - cash and cash equivalents	2,224,579
Total	$ 27,099,554

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

NOTE 4 - RECEIVABLES

Amounts other than leases receivable are aggregated into a single receivables (net of allowance for doubtful accounts) line for certain funds and aggregated columns. Below is the detail of receivables for receivables as of December 31, 2025, including applicable allowances for uncollectible accounts:

	General	Joint Projects	Nonmajor Governmental Funds
Receivables:			
Taxes	$ 1,192,506	$ 201,928	$ 79,451
Accounts	172,668	150	4,782
Interest	16,090	1,109	4,769
Gross receivables	1,381,264	203,187	89,002
Less allowance for uncollectible	-	-	-
Net receivables	$ 1,381,264	$ 203,187	$ 89,002

	Water System	Solid Waste Services	Total
Receivables:			
Taxes	$ -	$ -	$ 1,473,885
Accounts	382,517	590,412	1,150,529
Interest	1,301	92	23,361
Gross receivables	383,818	590,504	2,647,775
Less allowance for uncollectible	(187,976)	(245,719)	(433,695)
Net receivables	$ 195,842	$ 344,785	$ 2,214,080

NOTE 5 - CAPITAL ASSETS

Governmental Activities capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 3,366,457	$ -	$ -	$ 3,366,457
Construction in progress	26,053,308	186,795	(26,053,308)	186,795
Total capital assets not being depreciated	29,419,765	186,795	(26,053,308)	3,553,252
Capital assets, being depreciated:				
Buildings	33,155,863	24,767,040	-	57,922,903
Infrastructure	55,277,840	9,079,719	-	64,357,559
Equipment	4,220,657	566,428	(15,500)	4,771,585
Vehicles	4,830,519	461,337	(197,356)	5,094,500
Leased assets				
Equipment	274,591	38,388	-	312,979
Total capital assets being depreciated	97,759,470	34,912,912	(212,856)	132,459,526
Less accumulated depreciation for:				
Buildings	22,776,485	1,938,512	-	24,714,997
Infrastructure	35,915,073	2,213,348	-	38,128,421
Equipment	4,432,307	520,682	(15,500)	4,937,489
Vehicles	2,883,383	453,613	(197,356)	3,139,640
Leased assets:				
Equipment	67,920	57,211	-	125,131
Total accumulated depreciation	66,075,168	5,183,366	(212,856)	71,045,678
Total capital assets being depreciated, net	31,684,302	29,729,546	-	61,413,848
Governmental activities capital assets, net	$ 61,104,067	$ 29,916,341	$ (26,053,308)	$ 64,967,100

NOTE 5 - CAPITAL ASSETS

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

Governmental activities:	
General government	$ 1,419,691
Judicial	19,629
Public safety	751,730
Public works	2,084,451
Health and welfare	105,525
Culture and recreation	772,625
Housing and development	29,715
Total depreciation expense - governmental activities	$ 5,183,366

Business-Type Activities capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	$ 410,973	$ -	$ -	$ 410,973
Construction in progress	74,726	1,016,804	-	1,091,530
Total capital assets not being depreciated	485,699	1,016,804	-	1,502,503
Capital assets, being depreciated:				
Water distribution system	8,547,924	-	-	8,547,924
Equipment and vehicles	1,086,053	-	-	1,086,053
Total capital assets being depreciated	9,633,977	-	-	9,633,977
Less accumulated depreciation for:				
Water distribution system	3,558,675	266,767	-	3,825,442
Equipment and vehicles	661,072	20,867	-	681,939
Total accumulated depreciation	4,219,747	287,634	-	4,507,381
Total capital assets being depreciated, net	5,414,230	(287,634)	-	5,126,596
Business-type activities capital assets, net	$ 5,899,929	$ 729,170	$ -	$ 6,629,099

Depreciation/amortization expense of $287,634 was charged to the water function/activity of the business-type activities of the primary government.

NOTE 6 - LONG-TERM OBLIGATIONS

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds, notes and financed purchases					
General obligation bonds	$ 9,000,000	$ -	$ (1,625,000)	$ 7,375,000	$ 1,710,000
Premium on issuance	526,331	-	(105,266)	421,065	-
Financed purchases	21,421,065	-	(978,674)	20,442,391	997,612
Total bonds, notes and financed purchases	30,947,396	-	(2,708,940)	28,238,456	2,707,612
Other liabilities					
Compensated absences	730,302	99,759 *	-	830,061	607,450
Leases	217,776	38,388	(53,701)	202,463	62,542
Net pension liability	783,198	-	(298,387)	484,811	-
Total other liabilities	1,731,276	138,147	(352,088)	1,517,335	669,992
Total	$ 32,678,672	$ 138,147	$ (3,061,028)	$ 29,755,791	$ 3,377,604

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

Business-type Activities	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds, notes and financed purchases					
Notes payable	$ 626,903	$ -	$ (65,908)	$ 560,995	$ 66,657
Financed purchases	1,591,291	-	(215,268)	1,376,023	219,175
Total bonds, notes and financed purchases	2,218,194	-	(281,176)	1,937,018	285,832
Other liabilities					
Compensated absences	31,346	5,376 *	-	36,722	27,147
Net pension liability	29,004	-	(10,209)	18,795	-
Total other liabilities	60,350	5,376	(10,209)	55,517	27,147
Total	$ 2,278,544	$ 5,376	$ (291,385)	$ 1,992,535	$ 312,979

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

For governmental activities, net pension liability and compensated absences are generally liquidated by the General Fund. For business-type activities, net pension liability and compensated absences are generally liquidated by the Water System fund.

NOTE 6 - LONG-TERM OBLIGATIONS

Governmental Activities

Revenue Bonds

As certain construction needs arise that cannot be paid for out of existing cash reserves, the County issues revenue bonds to raise the necessary monies to fund those capital projects. With revenue bonds, the government pledges income derived from the acquired asset to pay debt service. The various bond indentures may contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. Management believes the County is in compliance with all such significant financial limitations and restrictions.

General Obligation Transportation Sales Tax Bonds, Series 2024

On August 29, 2024, the County issued $9,000,000 in general obligation transportation sales tax bonds, the General Obligation Transportation Sales Tax Bonds Series 2024 (the "Sales Tax Bonds 2024 Series"). The Sales Tax Bonds 2024 Series were issued for the purpose of financing the resurfacing and other capital improvements to roads and bridges in Upson County. Principal and interest is to be paid from the proceeds of the 2024 Transportation Sales Tax. The term of the Sales Tax Bonds 2024 Series includes a five-year maturity with annual principal and interest payments. Annual interest rates are 5.0%. Final maturity is April 1, 2029. The 2024 Sales Tax Series Bonds are secured by the taxing authority of the County.

Annual debt service requirements to maturity for the general obligation bonds as of December 31, 2025, are as follows:

Fiscal year ending December 31,	Principal	Interest	Total
2026	$ 1,710,000	$ 326,000	$ 2,036,000
2027	1,795,000	238,375	2,033,375
2028	1,885,000	146,375	2,031,375
2029	1,985,000	49,625	2,034,625
Total	$ 7,375,000	$ 760,375	$ 8,135,375

Financed Purchases

The Thomaston-Upson County Office Building Authority (the "TUCOBA"), a legislatively created entity, issued $21,125,000 of Series 2022 Revenue Bonds. The funding arrangement was structured as an installment sale (financed purchase) between the TUCOBA and the County. This arrangement consisted of the transfer of assets to the TUCOBA and the TUCOBA conveyed these assets through deed back to the County upon the issuance of the bonds. The contract associated with the Series 2022 Revenue Bonds consists of semi-annual interest and principal payments from March 1, 2022 to June 1, 2042, or until the bonds are paid in full. Interest rates range from 3.0% to 5.0%.

NOTE 6 - LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for the financed purchases as of December 31, 2025, are as follows:

Fiscal year ending December 31,	Principal	Interest	Total
2026	$ 997,612	$ 460,838	$ 1,458,450
2027	1,020,101	438,349	1,458,450
2028	1,045,972	415,353	1,461,325
2029	1,070,177	391,773	1,461,950
2030	1,092,677	367,648	1,460,325
2031 - 2035	5,843,311	1,457,364	7,300,675
2036 - 2040	6,532,139	768,536	7,300,675
2041 - 2045	2,840,402	80,323	2,920,725
Total	$ 20,442,391	$ 4,380,184	$ 24,822,575

Leases

The County has entered into various lease agreements as lessee:

On December 31, 2022, the County entered into an 11 year lease for telecommunications tower equipment. An initial lease liability was recorded in the amount of $96,508. As of December 31, 2025, the value of the lease liability was $76,010. The County is required to make quarterly fixed payments of $2,313 which increase 3% annually. The lease has an interest rate of 3.75%. The estimated useful life was 11 years as of the contract commencement date. The value of the right-to-use asset as of December 31, 2025 was $96,508 with accumulated amortization of $30,273.

On January 1, 2024, the County entered into an 4 year lease for public safety equipment. An initial lease liability was recorded in the amount of $109,542. As of December 31, 2025, the value of the lease liability was $56,786. The County is required to make annual fixed payments of $30,000. The lease has an interest rate of 3.75%. The estimated useful life was 3 years as of the contract commencement date. The value of the right-to-use asset as of December 31, 2025 was $109,542 with accumulated amortization of $54,770.

On March 1, 2024, the County entered into an 3 year lease for public safety equipment. An initial lease liability was recorded in the amount of $45,120. As of December 31, 2025, the value of the lease liability was $15,597. The County is required to make annual fixed payments of $16,182. The lease has an interest rate of 3.75%. The estimated useful life was 3 years as of the contract commencement date. The value of the right-to-use asset as of December 31, 2025 was $45,120 with accumulated amortization of $30,080.

On March 28, 2024, the County entered into an 5 year lease for copier equipment. An initial lease liability was recorded in the amount of $23,421. As of December 31, 2025, the value of the lease liability was $16,265. The County is required to make monthly fixed payments of $441. The lease has an interest rate of 3.75%. The estimated useful life was 5 years as of the contract commencement date. The value of the right-to-use asset as of December 31, 2025 was $23,421 with accumulated amortization of $9,368.

On November 13, 2025, the County entered into an 5 year lease for copier equipment. An initial lease liability was recorded in the amount of $38,388. As of December 31, 2025, the value of the lease liability was $37,805. The County is required to make monthly fixed payments of $703. The lease has an interest rate of 3.75%. The estimated useful life was 5 years as of the contract commencement date. The value of the right-to-use asset as of December 31, 2025 was $38,388 with accumulated amortization of $640.

NOTE 6 - LONG-TERM OBLIGATIONS

The future principal and interest lease payments as of December 31, 2025, were as follows:

Fiscal year ending December 31,	Principal	Interest	Total
2026	$ 62,542	$ 7,470	$ 70,012
2027	49,011	5,121	54,132
2028	21,167	3,278	24,445
2029	18,762	2,480	21,242
2030	17,337	1,770	19,107
2031 - 2034	33,644	2,581	36,225
Total	$ 202,463	$ 22,700	$ 225,163

Business-Type Activities

Notes Payable

On August 15, 2012, the County entered into a loan agreement with the Georgia Environmental Finance Authority ("GEFA") for water system infrastructure improvements in the amount of $1,800,000 with a loan forgiveness of $500,000. The loan's term is 20 years with an annual interest rate of 1.13%. Final maturity is January 1, 2034. The loan is pledged with future water customer revenues.

Annual debt service requirements to maturity for notes payable as of December 31, 2025, are as follows:

Fiscal year ending December 31,	Principal	Interest	Total
2026	$ 66,657	$ 5,995	$ 72,652
2027	67,414	5,238	72,652
2028	68,180	4,472	72,652
2029	68,954	3,698	72,652
2030	69,738	2,914	72,652
2031 - 2034	220,052	3,960	224,012
Total	$ 560,995	$ 26,277	$ 587,272

Financed Purchases

On November 6, 2019, the TUCOBA issued $2,698,925 of Series 2019 Revenue Bonds as a debt refunding for the Water System. The annual interest rate is 1.8%. The funding arrangement was structured as an installment sale (financed purchase) between TUCBOA and the County. This arrangement consisted of the transfer of assets to the TUCBOA and the TUCBOA conveyed these assets through deed back to the County upon the issuance of the bonds. The term of the contract associated with the Series 2019 Revenue Bonds is from November 6, 2019 to December 1, 2031, or until the bonds are paid in full.

NOTE 6 - LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for financed purchases as of December 31, 2025, are as follows:

Fiscal year ending December 31,	Principal	Interest	Total
2026	$ 219,175	$ 22,969	$ 242,144
2027	223,153	18,991	242,144
2028	227,203	14,941	242,144
2029	231,327	10,818	242,145
2030	235,525	6,619	242,144
2031	239,640	2,344	241,984
Total	$ 1,376,023	$ 76,682	$ 1,452,705

NOTE 7 - PENSION PLANS

Plan Description

The County, as authorized by the County Commission, has established a defined benefit pension plan, The Upson County Defined Benefit Plan (the "Plan"). The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association of County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303.

On September 1, 2021, the Upson County Board of Commissioners adopted an agreement to amend the Defined Benefit Plan to close the Plan to employees who become initially employed or reemployed by the County on or after September 1, 2021. Employees who are in service with Upson County as of August 31, 2021, and have satisfied the eligibility conditions as of such date, shall continue to be eligible to participate in the Defined Benefit Plan on and after September 1, 2021.

Benefit Provided – The Plan provides retirement, disability, and death benefits. Retirement benefits for all employees are calculated as 2 percent of the employee's career earnings. General employees with 10 years of continuous service are eligible to retire at age 60. Public safety employees with 10 years of continuous service are eligible to retire at age 55. General employees may retire at any age after 30 years of service. Public safety employees may retire at any age after 20 years of service. All employees are eligible for non-duty disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal two times the employee's final full-year salary. An employee who leaves County service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are one-half of the change in the Consumer Price Index, limited to a maximum increase in retirement allowance of 2 percent for general employees and 3 percent for public safety employees.

NOTE 7 - PENSION PLANS

Employees Covered by Benefit Terms

As of January 1, 2025, the date of the most recent actuarial valuation, the Plan's membership consisted of the following:

	Primary Government	Airport Authority	Total Participants
Inactive employees or beneficiaries currently receiving benefits	48	-	48
Inactive employees entitled to but not yet receiving benefits	44	-	44
Active employees	113	3	116
Total membership in the plan	205	3	208

Contributions

The County is required to contribute at an actuarially determined rate. Section 47-20-10 of the Georgia code sets forth minimum funding standards for state and local government pension plans. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by plan participants. County contributions to the Plan were $494,681.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2025.

Actuarial Assumptions

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

Future payroll growth	5.00% per year
Salary increases	4.00% to 6.50%
Investment rate of return	7.00% per year

Mortality rates were based on the Pub-2010 Amount weighted mortality table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2023.

The actuarial assumptions used in the January 1, 2025 valuation were based on the results of a February, 2019 actuarial experience study.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 7 - PENSION PLANS

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Fixed Income	30%	3.60%
US Equity Large Core	30%	8.20%
International Core	15%	8.90%
Mid Cap Core	10%	9.10%
Private Real Estate	5%	8.50%
Global Core	5%	8.50%
US Equity Core	5%	8.30%
	100%	

Discount Rate

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

NOTE 7 - PENSION PLANS

Changes in the Net Pension Liability (Asset) of the County

The Changes in the components of the net pension liability (asset) of the primary government for the year ended December 31, 2025, were as follows:

	Schedule of Changes in Net Pension Liability		
	Increase (Decrease)		
Primary Government	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2024	$ 13,692,286	$ 12,880,084	$ 812,202
Changes for the year:			
Service cost	289,216	-	289,216
Interest	940,471	-	940,471
Liability experience (gain)/loss	135,094	-	135,094
Assumption change	24,908	-	24,908
Contributions-employer	-	481,091	(481,091)
Net investment income	-	1,325,496	(1,325,496)
Benefit payments, including refunds of employee contributions	(376,736)	(376,736)	-
Administrative expense	-	(49,999)	49,999
Other changes	(60,642)	(118,945)	58,303
Net changes	952,311	1,260,907	(308,596)
Balance December 31, 2025	$ 14,644,597	$ 14,140,991	$ 503,606

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NOTE 7 - PENSION PLANS

The Changes in the components of the net pension liability (asset) of the Airport Authority, a discretely-presented component unit) for the year ended December 31, 2025, were as follows:

	Schedule of Changes in Net Pension Liability		
	Increase (Decrease)		
Component Unit - Airport Authority	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2024	$ 347,381	$ 316,787	$ 30,594
Changes for the year:			
Service cost	8,170	-	8,170
Interest	26,566	-	26,566
Liability experience (gain)/loss	3,816	-	3,816
Assumption change	704	-	704
Contributions-employer	-	13,590	(13,590)
Net investment income	-	37,443	(37,443)
Benefit payments, including refunds of employee contributions	(10,642)	(10,642)	-
Administrative expense	-	(1,412)	1,412
Other changes	(1,713)	4,290	(6,003)
Net changes	26,901	43,269	(16,368)
Balance December 31, 2025	$ 374,282	$ 360,056	$ 14,226
Plan fiduciary net position as a percentage of the total pension liability			96.56%

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

Sensitivity of the County's Proportional Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the County, calculated using the discount rate of 7.00 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Primary Government	$ 2,368,151	$ 503,606	$ (1,057,229)
Component Unit:			
Airport Authority	66,896	14,226	(29,865)
Total Pension Liability	$ 2,435,047	$ 517,832	$ (1,087,094)

NOTE 7 - PENSION PLANS

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future , and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2022 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended December 31, 2025, the County recognized pension expense of ($100,289). At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit Airport Authority	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 559,836	$ 9,399	$ 15,814	$ 266
Changes of assumptions	569,534	-	16,088	-
Net difference between projected and actual earnings on pension plan investments	-	373,864	-	10,561
Total	$ 1,129,370	$ 383,263	$ 31,902	$ 10,827

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

Year Ended September 30,	Primary Government	Airport Authority
2026	$ 774,363	$ 21,873
2027	40,361	1,140
2028	(12,105)	(342)
2029	(56,512)	(1,596)
2030	-	-
Thereafter	-	-

NOTE 7 - PENSION PLANS

Other Pension Plans

Certain employees, elected officials, and appointed officials are eligible for participation in various multi-employer cost-sharing defined benefit plans. The County does not make contributions to the plans, qualifying the plans as special funding situations under the requirements of GASB guidance. Management has determined the related impact on the financial statements to be immaterial. Further information may be obtained from the individual plans, as listed below:

Georgia Firefighters Pension Plan
Georgia Judicial Retirement System
Employees' Retirement System of Georgia
Peace Officers' Annuity and Benefit Fund of Georgia
Judges of the Probate Courts Retirement Fund of Georgia
Magistrates' Retirement Fund of Georgia
Superior Court Clerks' Retirement Fund of Georgia
Sheriffs' Retirement Fund of Georgia

NOTE 8 – DEFINED CONTRIBUTION PENSION PLAN

On August 24, 2021, the Upson County Board of Commissioners adopted the Master Trust and the Association County Commissioners of Georgia 401(a) Defined Contribution Plan for Upson County employees (the "Plan"). Participation in the Plan is mandatory for all full-time employees beginning employment on or after September 1, 2021. The Plan requires a 2.0% employee contribution and 2.0% County contribution on behalf of the employee. Employees have the option to make additional voluntary contributions into the Plan up to 4.0% of their base salary. The County will match any voluntary contributions at 100% up to a maximum of 4.0% of an employee's salary. In total, the mandatory 2.0% contributions plus any voluntary contributions will result in a 100% match of employee contributions up to a maximum of 6.0%.

The 401(a) Defined Contribution Plan is not available for full-time employees that were employed before September 1, 2021. Employees employed before September 1, 2021, are still eligible for participation in the County's 457(b) Plan. Vesting in the 401(a) Defined Contribution Plan is based on a 3-year cliff vesting schedule. After three years of complete service, employees are vested 100% in the County's matching contributions.

Total County match expenses for the year ended December 31, 2025, for all funds was $99,869.

NOTE 9 - INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances as of December 31, 2025, are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Joint Project Fund	$ 518,285
General Fund	Nonmajor Governmental Funds	140,493
General Fund	2024 TSPLOST Fund	24,645
General Fund	Water System Fund	20,732
General Fund	Solid Waste Services Fund	119,566
2024 TSPLOST	2024 TSPLOST Debt Service Fund	881,095
2022 SPLOST Debt Service Fund	Nonmajor Governmental Funds	199,582
Nonmajor Governmental Funds	General Fund	2,786
Nonmajor Governmental Funds	Joint Project Fund	54,785
Solid Waste Services Fund	Water System Fund	3,232

These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. These interfund balances are expected to be collected in the subsequent year.

NOTE 9 - INTERFUND BALANCES AND TRANSFERS

Interfund transfers for the year ended December 31, 2025 consisted of the following:

Transfer In	Transfer Out	Amount
General Fund	Nonmajor Governmental Funds	$ 765,754
Joint Projects Fund	General Fund	267,000
2024 TSPLOST Debt Service Fund	2024 TSPLOST Fund	881,095
Nonmajor Governmental Funds	General Fund	484,672
Nonmajor Governmental Funds	Joint Projects Fund	1,315,662
Nonmajor Governmental Funds	2022 SPLOST Debt Service Fund	1,998,459
Nonmajor Governmental Funds	Nonmajor Governmental Funds	9,001

During the year ended December 31, 2025, the County made the following one-time transfers:

1. A transfer of $765,754 from the Unincorporated Services Fund to the General Fund for transfers of property taxes collected under the unincorporated tax district.
2. A transfer of $267,000 from the General Fund to the Joint Projects Fund for operational expenses.
3. A transfer of $881,095 from the 2024 TSPLOST Debt Service Fund to the 2024 TSPLOST Fund for to cover incurred expenses.
4. A transfer of $484,672 from the General Fund to the Sprewell Recreation Area Fund for annual funding support.
5. A transfer of $1,000,143 from the Joint Projects Fund to the Recreation Fund to for annual funding. Taxes collected under the Joint Projects tax district are collected into the Joint Projects Fund and then disbursed to other funds for joint projects.
6. A transfer of $315,519 from the Joint Projects Fund to the Emergency 911 Telephone Fund for annual funding. Taxes collected under the Joint Projects tax district are collected in the Joint Projects Fund and then disbursed to other funds for joint projects.
7. A transfer of $1,998,459 from the 2022 SPLOST Debt Service Fund to the 2022 SPLOST Fund to cover incurred expenses.

NOTE 10 - FUND BALANCE

The composition of the County's fund balances as of December 31, 2025 is as follows:

	General	Joint Projects	2024 TSPLOST	2022 SPLOST Debt Service	2024 TSPLOST Debt Service	Nonmajor Funds	Total Governmental Funds
Nonspendable:							
Inventories	$ -	$ -	$ -	$ -	$ -	$ 32,163	$ 32,163
Restricted for:							
County services	-	182,577	-	-	-	58,902	241,479
Law enforcement	-	-	-	-	-	151,223	151,223
Emergency 911	-	-	-	-	-	46,801	46,801
Law library	-	-	-	-	-	8,208	8,208
Drug abuse treatment	-	-	-	-	-	239,750	239,750
Debt service	-	-	-	4,553,458	2,766,776	683	7,320,917
Recreation	-	-	-	-	-	31,334	31,334
Capital projects	-	-	3,934,766	-	-	1,518,218	5,452,984
Committed for:							
Waste/water improvements	455,250	-	-	-	-	-	455,250
Technology	741,888	-	-	-	-	-	741,888
Law enforcement	-	-	-	-	-	246,234	246,234
Jail	-	-	-	-	-	573,008	573,008
Recreation	-	-	-	-	-	29,179	29,179
Assigned	-	-	-	-	-	-	-
Unassigned	9,113,642	-	-	-	-	(488,839)	8,624,803
	$ 10,310,780	$ 182,577	$ 3,934,766	$ 4,553,458	$ 2,766,776	$ 2,446,864	$ 24,195,221

NOTE 11 - NET INVESTMENT IN CAPITAL ASSETS

The "net investment in capital assets" reported in the government-wide financial statement of net position as of December 31, 2025 are as follows:

	Governmental Activities	Business-type Activities	Total
Cost of capital assets	$ 136,012,778	$ 11,136,480	$ 147,149,258
Less accumulated depreciation	(71,045,678)	(4,507,381)	(75,553,059)
Book value	64,967,100	6,629,099	71,596,199
Plus unspent debt proceeds	3,318,473	-	3,318,473
Less retainage payable	(271,394)	(45,005)	(316,399)
Less bonds payable	(7,796,065)	-	(7,796,065)
Less notes payable	-	(560,995)	(560,995)
Less financed purchases	(20,442,391)	(1,376,023)	(21,818,414)
Less leases	(202,463)	-	(202,463)
Net investment in capital assets	$ 39,573,260	$ 4,647,076	$ 44,220,336

NOTE 12 - HOTEL/MOTEL LODGING TAX

Upson County levies an 5% lodging tax, allocated as required by O.C.G.A. §48-13-51(a)(3). The County has complied with the expenditure requirements of O.C.G.A. §48-13-51(a)(3). Total Hotel/Motel taxes collected was $13,341, all of which was disbursed to the Thomaston-Upson County Chamber of Commerce for tourism and product development.

NOTE 13 - CONTINGENCIES

The County participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the County's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, will be immaterial.

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

NOTE 14 – RESTATEMENT OF BEGINNING BALANCES

Changes to or Within the Financial Reporting Entity

During the current year, the County reassessed the classification of its governmental funds in accordance established by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. As a result of this reassessment, the Recreation Fund, 2016 SPLOST and 2022 SPLOST no longer meets the criteria for major fund reporting based on its financial activity relative to total governmental funds. Accordingly, the Recreation Fund, 2016 SPLOST Fund and 2022 SPLOST Fund are presented as nonmajor governmental fund in the fund financial statements for the fiscal year ended December 31, 2025.

The changes in fund classification had no effect on the total fund balance or net position of the County, nor did they affect the results of operations.

NOTE 14 – RESTATEMENT OF BEGINNING BALANCES

Restatement of Beginning Balances

During fiscal year 2025, changes to or within the financial reporting entity and changes in accounting principle resulted in restatements of beginning net position and fund balances as follows:

	12/31/2024 As Previously Reported	Change within the Financial Reporting Entity	12/31/2024 As Restated
Governmental Funds			
Major Funds			
Recreation Fund	$ 34,556	$ (34,556)	$ -
2016 SPLOST Fund	949,980	(949,980)	-
2022 SPLOST Fund	258,365	(258,365)	-
Nonmajor Funds	1,518,461	1,242,901	2,761,362
Total Governmental Funds	$ 2,761,362	$ -	$ 2,761,362

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 26, 2026, which is the date the financial statements were available to be issued. No subsequent events were identified that require recognition or disclosure in these financial statements.



REQUIRED SUPPLEMENTARY INFORMATION

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Taxes	$ 16,240,914	$ 16,240,914	$ -	$ 16,210,928	$ (29,986)
Licenses and permits	307,100	307,100	-	350,688	43,588
Intergovernmental	713,500	713,500	-	766,004	52,504
Charges for services	897,600	897,600	-	949,183	51,583
Fines and forfeitures	676,100	676,100	-	758,273	82,173
Investment earnings	218,500	218,500	-	140,113	(78,387)
Contributions and donations	600	600	-	-	(600)
Miscellaneous	97,200	97,200	-	339,170	241,970
Total revenues	19,151,514	19,151,514	-	19,514,359	362,845
Expenditures					
Current					
General government					
Commissioners	223,800	254,479	30,679	252,771	(1,708)
Elections	307,900	311,210	3,310	293,699	(17,511)
Administration and finance	1,264,600	1,375,823	111,223	1,372,044	(3,779)
Management information systems	425,200	428,389	3,189	390,268	(38,121)
Tax commissioner	540,985	547,755	6,770	547,431	(324)
Tax assessor	712,100	794,339	82,239	794,242	(97)
General government buildings	1,115,900	1,170,579	54,679	1,169,189	(1,390)
Total general government	4,590,485	4,882,574	292,089	4,819,644	(62,930)
Judicial					
Superior court	1,235,600	1,293,907	58,307	1,292,327	(1,580)
Clerk of superior court	514,700	519,132	4,432	492,504	(26,628)
Magistrate court	399,461	402,335	2,874	375,210	(27,125)
Probate court	628,599	637,712	9,113	537,240	(100,472)
Juvenile court	224,368	260,927	36,559	257,589	(3,338)
Total judicial	3,002,728	3,114,013	111,285	2,954,870	(159,143)
Public safety					
Sheriff	4,685,200	4,793,696	108,496	4,564,645	(229,051)
Jail	3,067,000	3,191,052	124,052	3,188,482	(2,570)
Fire	124,600	210,385	85,785	179,808	(30,577)
Emergency medical services	1,231,300	1,231,400	100	1,231,353	(47)
Coroner	63,300	71,300	8,000	70,330	(970)
Animal control	307,100	336,894	29,794	334,380	(2,514)
Total public safety	9,478,500	9,834,727	356,227	9,568,998	(265,729)
Public works					
Roads, streets and bridges	1,143,300	1,154,919	11,619	1,081,562	(73,357)
Maintenance and shop	321,100	329,577	8,477	329,370	(207)
Total public works	1,464,400	1,484,496	20,096	1,410,932	(73,564)
Health and welfare					
Health	200,800	200,900	100	200,873	(27)
Welfare	92,500	92,500	-	44,760	(47,740)
Community service	31,200	31,200	-	1,511	(29,689)
Total health and welfare	324,500	324,600	100	247,144	(77,456)

(continued on the following page)

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Culture and recreation					
Parks	72,600	92,600	-	91,165	(1,435)
Art	5,500	5,500	-	5,500	-
Total culture and recreation	78,100	98,100	-	96,665	(1,435)
Housing and development					
Conservation	240,600	267,035	-	259,514	(7,521)
Planning and zoning	599,101	603,061	26,435	490,903	(112,158)
Tourism	-	-	3,960	-	-
Total housing and development	839,701	870,096	30,395	750,417	(119,679)
Total expenditures	19,778,414	20,608,606	810,192	19,848,670	(759,936)
Excess of revenues over (under) expenditures	(626,900)	(1,457,092)	(810,192)	(334,311)	1,122,781
Other Financing Sources (Uses)					
Transfers in	671,400	671,400	-	765,754	(94,354)
Transfers out	(214,500)	(216,834)	(2,334)	(751,672)	534,838
Sale of capital assets	70,000	70,000	-	28,074	41,926
Total other financing sources (uses)	526,900	524,566	(2,334)	42,156	482,410
Net change in fund balances	(100,000)	(932,526)	(812,526)	(292,155)	640,371
Fund balance - beginning	10,602,935	10,602,935	-	10,602,935	-
Fund balance - ending	$ 10,502,935	$ 9,670,409	$ (812,526)	10,310,780	$ 640,371

RECONCILIATION TO GAAP BASIS

Total fund balance	$ 10,310,780

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
JOINT PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under) Final Budget	Actual	Variance with Final Budget - Over(Under) Actual
	Original	Final			
Revenues					
Taxes	$ 1,652,200	$ 1,652,200	$ -	$ 1,695,546	$ 43,346
Intergovernmental	493,900	493,900	-	523,875	29,975
Investment earnings	13,100	13,100	-	10,578	(2,522)
Contributions and donations	93,400	93,400	-	106,359	12,959
Miscellaneous	-	-	-	307	307
Total revenues	2,252,600	2,252,600	-	2,336,665	84,065
Expenditures					
Current					
General government	-	-	-	515	(515)
Public safety	96,700	112,700	16,000	112,076	(624)
Public works	25,500	25,500	-	-	(25,500)
Health and welfare	599,100	645,427	46,327	643,603	(1,824)
Culture and recreation	405,300	462,075	56,775	461,551	(524)
Total expenditures	1,126,600	1,245,702	119,102	1,217,745	(28,987)
Excess of revenues over (under) expenditures	1,126,000	1,006,898	(119,102)	1,118,920	113,052
Other Financing Sources (Uses)					
Transfers in	250,000	250,000	250,000	267,000	17,000
Transfers out	(1,376,000)	(1,393,793)	(17,793)	(1,315,662)	78,131
Total other financing sources (uses)	(1,126,000)	(1,143,793)	232,207	(1,048,662)	95,131
Net change in fund balances	-	(136,895)	113,105	70,258	208,183
Fund balance - beginning	112,319	112,319	-	112,319	-
Fund balance - ending	$ 112,319	$ (24,576)	$ 113,105	182,577	$ 208,183

RECONCILIATION TO GAAP BASIS

Total fund balance	$ 182,577

Budgetary Basis of Accounting

The County adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project length budget. The budget resolution reflects the total of each department's appropriation in each fund.

On or about December 1 of each year, all agencies of the County submit requests for appropriation to the County's administrator so that a budget may be prepared. The budget is prepared by fund, function and department, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is then presented to the Board of Commissioners for review. The Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the government's administrator, or the revenue estimates must be changed by an affirmative vote of a majority of the Board of Commissioners.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund.

Any change in total to a fund or changes between department appropriations within a fund requires approval of the Board of County Commissioners. The County's Finance Director is authorized to transfer appropriations between line items within a department within a fund.

Budgets are adopted on a basis consistent with GAAP with the exception of the capital projects funds, which have project length budgets, rather than annual budgets.

The original 2025 budget was amended during the year. Encumbrance accounting is not used by the County.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year the County made amendments to the budget to adjust for appropriations for government agencies such as the Griffin Judicial Circuit, District Attorney, and Public Defender. These and other agencies the County supports have fiscal year ends that begin July 1. Therefore, the County makes mid-year amendments based on the budgets submitted by these agencies and what the County's board approves. The County also made amendments to its budget for increases in health care premiums. Health care premiums are renewed annually on July 1 as well.

In addition to these amendments, the County made amendments to several departments within various funds, most particularly the General Fund, to adjust appropriations as necessary based on actual expenditures. At or near the end of the fiscal year, the County evaluates the reason for the excess expenditure over appropriation by department and decides whether to move appropriations between departments within a fund or to increase the total budgeted expenditure for that fund. For 2025, the County's final budget amendments increased total budgeted expenditures by fund.

Final budget compared to actual results. The most significant variations between final budgeted revenues and actual revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Taxes	$ 16,240,914	$ 16,210,928	$ (29,986)
Intergovernmental	713,500	766,004	52,504
Charges for Services	897,600	949,183	51,583
Fines and Forfeitures	676,100	758,273	82,173
Investment Earnings	218,500	140,113	(78,387)
Miscellaneous	97,200	339,170	241,970

Taxes – County's estimated property tax revenues were based on the prior year's tax digest. Actual growth in the digest was slightly below budgeted estimates, and the Board did not raise the County M&O millage rate for 2025.

Intergovernmental – Most of this resulted from reimbursements from the City of Thomaston for capital expenditures related to capital projects to be jointly funded by the County and the City.

Charges for services – Charges for services exceeded the final budgeted amount, driven by continued growth within Upson County that increased both the number of permits issued and the related permit revenue, as well as higher participation in County-sponsored recreational and athletic activities. The expansion of development activity and program enrollment generated service charge revenue in excess of original projections.

Fines and forfeitures – Fines and forfeitures exceeded the final budgeted amount as a result of an increase in traffic and other citations, together with increased activity across the County's other judicial functions during the fiscal year.

Investment earnings – Investment earnings were below the final budgeted amount because the interest rate used to project earnings had been overstated. The County's depository institution applied an incorrect interest rate factor in computing earnings, which was identified and corrected during 2025. As a result, actual investment earnings were lower than originally anticipated.

Miscellaneous – The increase in miscellaneous revenues during FY2025 was primarily driven by several one-time reimbursements and recoveries that were not received in FY2024. Significant items included insurance claim reimbursements totaling approximately $175,525 for damages to County vehicles and property, reimbursements related to prior-year expenditures that were not accrued before year-end, FEMA and state reimbursements, utility and road repair settlements, refunds of vendor overpayments, and various departmental reimbursements. Card program rebates increased from $8,463 in FY2024 to $11,677 in FY2025 due to higher rebate activity, while rental income decreased significantly because the IDA no longer leased space in the Main Building and the Department of Juvenile Justice lease was moved to a different account. Scrap metal revenue increased slightly as the Road Department sold more scrap metal than anticipated. Receipts from specialized supplies declined due to fewer blueprint sales by Building and Zoning. Overall, the favorable variance in miscellaneous revenues compared to both FY2024 and budget was largely attributable to nonrecurring reimbursements, insurance recoveries, refunds, and other one-time revenue sources received during FY2025.

Joint Projects Fund Budgetary Highlights

The County reviewed budget-to-actual results for the Joint Projects Fund at the departmental level. No significant expenditure variances were noted among operating departments. Actual expenditures were generally consistent with budgeted amounts, and all departments ended the year substantially within their appropriated budgets. Variances identified during the review were not considered material and did not have a significant impact on fund operations or financial position.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	$ 297,386	$ 301,646	$ 298,611	$ 354,241	$ 403,679	$ 431,714	$ 384,209	$ 344,138	$ 895,262	$ 524,767
Interest	967,037	873,480	810,056	749,890	672,373	590,885	524,331	449,498	458,460	533,112
Differences between expected and actual experience	138,910	517,680	(946)	85,089	191,808	194,429	(141,501)	291,361	(739,174)	343,771
Changes of assumptions	25,612	24,221	78,237	19,858	18,217	23,819	346,912	226,921	(6,768,880)	3,810,318
Benefit payments, including refund of employee contributions	(387,378)	(311,301)	(248,509)	(225,302)	(178,691)	(153,478)	(86,426)	(42,918)	(723,102)	(947,073)
Other changes	(62,355)	-	-	-	-	-	-	-	-	-
Net change in total pension liability	979,212	1,405,726	937,449	983,776	1,107,386	1,087,369	1,027,525	1,269,000	(6,877,434)	4,264,895
Total pension liability-beginning	14,039,667	12,633,941	11,696,492	10,712,716	9,605,330	8,517,961	7,490,436	6,221,436	13,098,870	8,833,975
Total pension liability-ending (a)	$ 15,018,879	$ 14,039,667	$ 12,633,941	$ 11,696,492	$ 10,712,716	$ 9,605,330	$ 8,517,961	$ 7,490,436	$ 6,221,436	$ 13,098,870
Plan fiduciary net position										
Contributions-employer	$ 494,681	$ 474,416	$ 419,110	$ 456,349	$ 518,821	$ 532,961	$ 269,458	$ 276,772	$ 483,495	$ 321,506
Contributions-employee	-	-	-	-	-	-	-	-	-	-
Net investment income	1,362,939	1,284,540	1,540,749	(1,666,482)	1,523,748	1,213,717	1,464,648	(342,740)	342,463	242,512
Employee contribution refunds	-	-	-	-	-	-	-	-	-	-
Benefit payments	(387,378)	(311,301)	(248,509)	(217,683)	(172,648)	(153,478)	(86,426)	(42,918)	(710,665)	(947,073)
Administrative expense	(51,411)	(54,054)	(51,698)	(50,757)	(53,164)	(47,287)	(43,858)	(59,741)	(7,585)	-
Other	(114,655)	(50,167)	(46,621)	(42,921)	(45,611)	(37,341)	(36,505)	(33,310)	-	-
Net change in plan fiduciary net position	1,304,176	1,343,434	1,613,031	(1,521,494)	1,771,146	1,508,572	1,567,317	(201,937)	107,708	(383,055)
Plan fiduciary net position-beginning	13,196,871	11,853,437	10,240,406	11,761,900	9,990,754	8,482,182	6,914,865	7,116,802	7,009,094	7,392,149
Plan fiduciary net position-ending (b)	$ 14,501,047	$ 13,196,871	$ 11,853,437	$ 10,240,406	$ 11,761,900	$ 9,990,754	$ 8,482,182	$ 6,914,865	$ 7,116,802	$ 7,009,094
County's net pension liability (assets) - ending (a) - (b)	$ 517,832	$ 842,796	$ 780,504	$ 1,456,086	$ (1,049,184)	$ (385,424)	$ 35,779	$ 575,571	$ (895,366)	$ 6,089,776
Plan fiduciary net position as a percentage of the total pension liability (asset)	96.55%	94.00%	93.82%	87.55%	109.79%	104.01%	99.58%	92.32%	114.39%	53.51%
Covered payroll	$ 6,231,649	$ 6,655,418	$ 6,679,865	$ 6,730,746	$ 7,021,039	$ 6,493,337	$ 5,886,813	$ 5,553,314	$ 5,418,930	$ 5,552,055
County's net pension liability (asset) as a percentage of covered payroll	8.31%	12.66%	11.68%	21.63%	-14.94%	-5.94%	0.61%	10.36%	-16.52%	109.69%

UPSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS - PENSION PLAN
FOR THE YEAR ENDED DECEMBER 31

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 474,416	$ 419,110	$ 456,349	$ 442,375	$ 506,204	$ 519,691	$ 416,244	$ 416,244	$ 329,432	$ 276,772
Contributions in relation to the actuarially determined contribution	494,681	474,438	430,144	456,349	518,821	532,961	269,458	276,772	483,495	321,506
Contribution deficiency (excess)	$ (20,265)	$ (55,328)	$ 26,205	$ (13,974)	$ (12,617)	$ (13,270)	$ 146,786	$ 139,472	$ (154,063)	$ (44,734)
Covered payroll	$ 6,231,649	$ 6,655,418	$ 6,679,865	$ 6,730,746	$ 7,021,039	$ 6,493,337	$ 5,886,813	$ 5,553,314	$ 5,418,930	$ 5,552,055
Contributions as a percentage of covered payroll	7.94%	7.13%	6.44%	6.78%	7.39%	8.21%	4.58%	4.98%	8.92%	5.79%



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for a particular purpose.

Unincorporated Services Fund – To account for the property tax revenues levied under the unincorporated services millage rate. Unincorporated services of the county are accounted for in the General Fund. As such, the property taxes collected in the Unincorporated Services Fund are transferred to the General Fund. No other activities are accounted for in the Unincorporated Services Fund.

Law Library Fund – To account for funds collected from fines and forfeitures to be used to maintain the Law Library as provided in Title 36, Chapter 15 of the Official Code of Georgia Annotated.

Seizure Fund – To account for cash received from the confiscation of assets of individuals convicted of drug offences which is restricted to law enforcement purposes.

Drug Abuse Treatment Education (DATE) Fund – to account for funds collected from fines and forfeitures to be used for drug abuse, treatment, and education.

Sheriff's Programs Fund – to account for other committed funding in the Sheriff's Office for law enforcement purposes.

Emergency 911 Telephone Fund – To account for the cost of providing service to the County as provided in Title 46, Chapter 5 of the Official Code of Georgia Annotated.

Jail Construction Fund – To account for capital improvements on the Upson County Jail.

Hotel/Motel Fund – to account for taxes charged on rental of hotel/motel rooms as provided in Title 48, Chapter 13 of the Official Code of Georgia Annotated. These funds are used for the promotion of tourism, conventions and trade shows in the County.

Recreation Fund – to account for the activities of the recreation department. The Recreation Fund is a joint project with the City of Thomaston. Funding required for operations is provided by both governing bodies based on a ratio of the joint projects net digest.

Sprewell Bluff Recreation Area Fund – to account for the activities of the Sprewell Bluff Recreation Area "Sprewell Bluff". Sprewell Bluff is not totally self-supportive and requires funding annually from the General Fund. Transfers are made from the General Fund to the Sprewell Bluff Recreation Area Fund.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

2016 SPLOST Capital Projects Fund – to account for capital project expenditures funded from the 2016 SPLOST sales tax revenues collected.

2019 TSPLOST Fund – to account for capital improvements associated with the County's roads streets and bridges funded by the Transportation Special Purpose Local Option Sales Tax proceeds.

2022 SPLOST Capital Projects Fund – to account for expenditures related to the 1% Special Purpose Local Option Sales Tax (SPLOST) passed by voter referendum for construction of various capital projects throughout the County. The construction of the new justice center was primarily funded by the Series 2022 Revenue bonds. Any sales tax collections over the debt service requirements are transferred from the 2022 SPLOST Debt Service Fund to provide funding for projects approved in the referendum.

LMIG Fund – to account for grant funds under Georgia's Local Area Improvement Grant funded through the Georgia Department of Transportation. The grant revenues and expenditures for road, street and bridge improvements are accounted for in this fund.

Debt Service Fund

Debt service funds are used to account for resources that are restricted, committed or assigned to expenditure for principal and interest.

2019 TSPLOST Debt Service Fund – to account for the County's portion of the 1% sales taxes collected under the 2019 TSPLOST, which are used to service the annual principal and interest on the General Obligation Transportation Sales Tax Bonds, Series 2019. Excess collections above the amounts needed for principal and interest are transferred to the 2019 TSPLOST Capital Projects Fund as needed.

UPSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue Funds				
	Unincorporated Services	Law Library	Seizure Fund	DATE Fund	Sheriff Programs
Assets					
Cash and cash equivalents	$ 1,178	$ 8,208	$ 151,223	$ 237,980	$ 246,234
Receivables, net	79,451	-	-	1,770	-
Intergovernmental receivables	-	-	-	-	-
Due from other funds	-	-	-	-	-
Inventories	-	-	-	-	-
Total assets	$ 80,629	$ 8,208	$ 151,223	$ 239,750	$ 246,234
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Retainage payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred Inflows of Resources					
Unavailable revenues	21,727	-	-	-	-
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	58,902	8,208	151,223	239,750	-
Committed	-	-	-	-	246,234
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	58,902	8,208	151,223	239,750	246,234
Total liabilities and fund balances	$ 80,629	$ 8,208	$ 151,223	$ 239,750	$ 246,234

(continued on the following page)

UPSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue Funds				
	Emergency 911 Telephone	Jail Construction	Hotel/Motel	Recreation Fund	Sprewell Bluff Recreation Area
Assets					
Cash and cash equivalents	$ 116,689	$ 563,331	$ -	$ 63,219	$ 31,146
Receivables, net	35	3,915	-	-	-
Intergovernmental receivables	-	5,762	-	-	-
Due from other funds	-	-	-	54,785	2,786
Inventories	-	-	-	-	32,163
Total assets	$ 116,724	$ 573,008	$ -	$ 118,004	$ 66,095
Liabilities					
Accounts payable	$ 7,004	$ -	$ -	$ 48,334	$ 4,753
Retainage payable	-	-	-	-	-
Due to other governments	22,818	-	-	19,376	-
Due to other funds	40,101	-	-	18,960	-
Total liabilities	69,923	-	-	86,670	4,753
Deferred Inflows of Resources					
Unavailable revenues	-	-	-	-	-
Fund Balances					
Nonspendable	-	-	-	-	32,163
Restricted	46,801	-	-	31,334	-
Committed	-	573,008	-	-	29,179
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	46,801	573,008	-	31,334	61,342
Total liabilities and fund balances	$ 116,724	$ 573,008	$ -	$ 118,004	$ 66,095

(continued on the following page)

UPSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Capital Projects Funds				Debt Service Fund	
	2016 SPLOST	2019 TSPLOST	2022 SPLOST	LMIG	2019 TSPLOST Debt Service	Total Nonmajor Governmental Funds
Assets						
Cash and cash equivalents	$ 581	$ -	$ -	$ 1,513,807	$ 682	$ 2,934,278
Receivables, net	-	-	-	3,830	1	89,002
Intergovernmental receivables	-	-	-	-	-	5,762
Due from other funds	-	-	-	-	-	57,571
Inventories	-	-	-	-	-	32,163
Total assets	$ 581	$ -	$ -	$ 1,517,637	$ 683	$ 3,118,776
Liabilities						
Accounts payable	$ -	$ -	$ 165,432	$ -	$ -	$ 225,523
Retainage payable	-	-	42,393	-	-	42,393
Due to other governments	-	-	-	-	-	42,194
Due to other funds	-	-	281,014	-	-	340,075
Total liabilities	-	-	488,839	-	-	650,185
Deferred Inflows of Resources						
Unavailable revenues	-	-	-	-	-	21,727
Fund Balances						
Nonspendable	-	-	-	-	-	32,163
Restricted	581	-	-	1,517,637	683	2,055,119
Committed	-	-	-	-	-	848,421
Assigned	-	-	-	-	-	-
Unassigned	-	-	(488,839)	-	-	(488,839)
Total fund balances	581	-	(488,839)	1,517,637	683	2,446,864
Total liabilities and fund balances	$ 581	$ -	$ -	$ 1,517,637	$ 683	$ 3,118,776

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

	Special Revenue Funds				
	Unincorporated Services	Law Library	Seizure Fund	DATE Fund	Sheriff Programs
Revenues					
Taxes	$ 692,395	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	8,225	71,907
Fines and forfeitures	-	20,288	29,692	6,290	-
Investment earnings	-	-	-	33	7
Contributions and donations	-	-	-	-	-
Miscellaneous	-	-	-	-	110,355
Total revenues	692,395	20,288	29,692	14,548	182,269
Expenditures					
Current					
Judicial	-	26,443	-	6,801	-
Public safety	-	-	523	-	146,833
Culture and recreation	-	-	-	-	-
Housing and development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	26,443	523	6,801	146,833
Excess of revenues over (under) expenditures	692,395	(6,155)	29,169	7,747	35,436
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(765,754)	-	-	-	-
Total other financing sources (uses)	(765,754)	-	-	-	-
Net change in fund balances	(73,359)	(6,155)	29,169	7,747	35,436
Fund balances - beginning - as previously presented	132,261	14,363	122,054	232,003	210,798
Change within financial reporting entity					
(major to nonmajor)	-	-	-	-	-
(nonmajor to major)	-	-	-	-	-
Fund balances - beginning - as restated	132,261	14,363	122,054	232,003	210,798
Fund balances - ending	$ 58,902	$ 8,208	$ 151,223	$ 239,750	$ 246,234

(continued on the following page)

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

	Special Revenue Funds				
	Emergency 911 Telephone	Jail Construction	Hotel/Motel Fund	Recreation Fund	Sprewell Bluff Recreation Area
Revenues					
Taxes	$ -	$ -	$ 13,341	$ -	$ -
Intergovernmental	140,196	-	-	470,315	-
Charges for services	506,941	-	-	189,526	222,194
Fines and forfeitures	-	56,798	-	-	-
Investment earnings	5,830	9,668	-	7,180	258
Contributions and donations	-	-	-	15,865	3,333
Miscellaneous	-	-	-	23,861	-
Total revenues	652,967	66,466	13,341	706,747	225,785
Expenditures					
Current					
Judicial	-	-	-	-	-
Public safety	950,883	2,628	-	-	-
Culture and recreation	-	-	-	1,710,112	524,333
Housing and development	-	-	14,138	-	-
Capital outlay	-	-	-	-	-
Total expenditures	950,883	2,628	14,138	1,710,112	524,333
Excess of revenues over (under) expenditures	(297,916)	63,838	(797)	(1,003,365)	(298,548)
Other Financing Sources (Uses)					
Transfers in	315,519	-	-	1,000,143	484,672
Transfers out	-	-	-	-	-
Total other financing sources (uses)	315,519	-	-	1,000,143	484,672
Net change in fund balances	17,603	63,838	(797)	(3,222)	186,124
Fund balances - beginning - as previously presented	29,198	509,170	797	-	(124,782)
Change within financial reporting entity					
(major to nonmajor)	-	-	-	34,556	-
(nonmajor to major)	-	-	-	-	-
Fund balances - beginning - as restated	29,198	509,170	797	34,556	(124,782)
Fund balances - ending	$ 46,801	$ 573,008	$ -	$ 31,334	$ 61,342

(continued on the following page)

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

	Capital Projects Funds				Debt Service Fund	
	2016 SPLOST	2019 TSPLOST	2022 SPLOST	LMIG Fund	2019 TSPLOST Debt Service	Total Nonmajor Governmental Funds
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 705,736
Intergovernmental	-	-	-	1,530,889	-	2,141,400
Charges for services	-	-	-	-	-	998,793
Fines and forfeitures	-	-	-	-	-	113,068
Investment earnings	13,482	-	3,120	41,956	4,894	86,428
Contributions and donations	-	-	-	-	-	19,198
Miscellaneous	-	-	-	-	-	134,216
Total revenues	13,482	-	3,120	1,572,845	4,894	4,198,839
Expenditures						
Current						
Judicial	-	-	-	-	-	33,244
Public safety	-	-	-	-	-	1,100,867
Culture and recreation	-	-	-	-	-	2,234,445
Housing and development	-	-	-	-	-	14,138
Capital outlay	962,881	9,001	2,748,783	443,017	-	4,163,682
Total expenditures	962,881	9,001	2,748,783	443,017	-	7,546,376
Excess of revenues over (under) expenditures	(949,399)	(9,001)	(2,745,663)	1,129,828	4,894	(3,347,537)
Other Financing Sources (Uses)						
Transfers in	-	9,001	1,998,459	-	-	3,807,794
Transfers out	-	-	-	-	(9,001)	(774,755)
Total other financing sources (uses)	-	9,001	1,998,459	-	(9,001)	3,033,039
Net change in fund balances	(949,399)	-	(747,204)	1,129,828	(4,107)	(314,498)
Fund balances - beginning - as previously presented	-	-	-	387,809	4,790	1,518,461
Change within financial reporting entity (major to nonmajor)	949,980	-	258,365	-	-	1,242,901
(nonmajor to major)	-	-	-	-	-	-
Fund balances - beginning - as restated	949,980	-	258,365	387,809	4,790	2,761,362
Fund balances - ending	$ 581	$ -	$ (488,839)	$ 1,517,637	$ 683	$ 2,446,864

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
UNINCORPORATED SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Taxes	$ 754,244	$ 754,244	$ -	$ 692,395	$ (61,849)
Excess of revenues over (under) expenditures	754,244	754,244	-	692,395	(61,849)
Other Financing Sources (Uses)					
Transfers out	(754,244)	(754,244)	-	(765,754)	(11,510)
Total other financing sources (uses)	(754,244)	(754,244)	-	(765,754)	(11,510)
Net change in fund balances	-	-	-	(73,359)	(73,359)
Fund balance - beginning	132,261	132,261	-	132,261	-
Fund balance - ending	$ 132,261	$ 132,261	$ -	58,902	$ (73,359)
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 58,902	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
LAW LIBRARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Fines and forfeitures	$ 20,600	$ 20,600	$ -	$ 20,288	$ (312)
Expenditures					
Current					
Judicial	20,600	20,600	-	26,443	5,843
Net change in fund balances	-	-	-	(6,155)	(6,155)
Fund balance - beginning	14,363	14,363	-	14,363	-
Fund balance - ending	$ 14,363	$ 14,363	$ -	8,208	$ (6,155)
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 8,208	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
SEIZURE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Fines and forfeitures	$ 10,000	$ 10,000	$ -	$ 29,692	$ 19,692
Expenditures					
Current					
Public safety	10,000	10,000	-	523	(9,477)
Net change in fund balances	-	-	-	29,169	29,169
Fund balance - beginning	122,054	122,054	-	122,054	-
Fund balance - ending	$ 122,054	$ 122,054	$ -	151,223	$ 29,169
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 151,223	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
DATE FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Charges for services	$ 9,000	$ 9,000	$ -	$ 8,225	$ (775)
Fines and forfeitures	4,000	4,000	-	6,290	2,290
Investment earnings	5,000	5,000	-	33	(4,967)
Total revenues	18,000	18,000	-	14,548	(3,452)
Expenditures					
Current					
Judicial	18,000	18,000	-	6,801	(11,199)
Net change in fund balances	-	-	-	7,747	7,747
Fund balance - beginning	232,003	232,003	-	232,003	-
Fund balance - ending	$ 232,003	$ 232,003	$ -	239,750	$ 7,747
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 239,750	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
SHERIFF PROGRAMS FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Charges for services	$ 20,000	$ 20,000	$ -	$ 71,907	$ 51,907
Investment earnings	-	-	-	7	7
Miscellaneous	140,000	140,000	-	110,355	(29,645)
Total revenues	160,000	160,000	-	182,269	22,269
Expenditures					
Public safety	160,000	160,000	-	146,833	(13,167)
Net change in fund balances	-	-	-	35,436	35,436
Fund balance - beginning	210,798	210,798	-	210,798	-
Fund balance - ending	$ 210,798	$ 210,798	$ -	246,234	$ 35,436
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 246,234	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
E911 FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Intergovernmental	$ 163,000	$ 163,000	$ -	$ 140,196	$ (22,804)
Charges for services	527,000	527,000	-	506,941	(20,059)
Investment earnings	18,000	18,000	-	5,830	(12,170)
Total revenues	708,000	708,000	-	652,967	(55,033)
Expenditures					
Public safety	1,052,200	1,061,409	9,209	950,883	(110,526)
Excess of revenues over (under) expenditures	(344,200)	(353,409)	(9,209)	(297,916)	55,493
Other Financing Sources (Uses)					
Transfers in	344,200	353,409	9,209	315,519	(37,890)
Total other financing sources (uses)	344,200	353,409	9,209	315,519	(37,890)
Net change in fund balances	-	-	-	17,603	17,603
Fund balance - beginning	29,198	29,198	-	29,198	-
Fund balance - ending	$ 29,198	$ 29,198	$ -	46,801	$ 17,603
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 46,801	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
JAIL CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Fines and forfeitures	$ 54,000	$ 54,000	$ -	$ 56,798	$ 2,798
Investment earnings	24,000	24,000	-	9,668	(14,332)
Total revenues	78,000	78,000	-	66,466	(11,534)
Expenditures					
Public safety	78,000	78,000	-	2,628	(75,372)
Net change in fund balances	-	-	-	63,838	63,838
Fund balance - beginning	509,170	509,170	-	509,170	-
Fund balance - ending	$ 509,170	$ 509,170	$ -	573,008	$ 63,838
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ 573,008	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
HOTEL/MOTEL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Taxes	$ 20,000	$ 20,000	$ -	$ 13,341	$ (6,659)
Expenditures					
Current					
Housing and development	20,000	20,000	-	14,138	(5,862)
Net change in fund balances	-	-	-	(797)	(797)
Fund balance - beginning	797	797	-	797	-
Fund balance - ending	$ 797	$ 797	$ -	-	$ (797)
RECONCILIATION TO GAAP BASIS					
Total fund balance				$ -	

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under) Final Budget	Actual	Variance with Final Budget - Over(Under) Actual
	Original	Final			
Revenues					
Intergovernmental	$ 488,400	$ 488,400	$ -	$ 470,315	$ (18,085)
Charges for services	161,500	161,500	-	189,526	28,026
Investment earnings	25,000	25,000	-	7,180	(17,820)
Contributions and donations	2,000	2,000	-	15,865	13,865
Miscellaneous	11,000	11,000	-	23,861	12,861
Total revenues	687,900	687,900	-	706,747	18,847
Expenditures					
Current					
Culture and recreation	1,719,700	1,728,284	8,584	1,710,112	(18,172)
Total expenditures	1,719,700	1,728,284	8,584	1,710,112	(18,172)
Excess of revenues over (under) expenditures	(1,031,800)	(1,040,384)	(8,584)	(1,003,365)	37,019
Other Financing Sources (Uses)					
Transfers in	1,031,800	1,040,384	8,584	1,000,143	(40,241)
Total other financing sources (uses)	1,031,800	1,040,384	8,584	1,000,143	(40,241)
Net change in fund balances	-	-	-	(3,222)	(3,222)
Fund balance - beginning	34,556	34,556	-	34,556	-
Fund balance - ending	$ 34,556	$ 34,556	$ -	31,334	$ (3,222)

RECONCILIATION TO GAAP BASIS

Total fund balance	$ 31,334

UPSON COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
SPREWELL BLUFF RECREATION AREA FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget - Over(Under)
	Original	Final	Final Budget	Actual	Actual
Revenues					
Charges for services	$ 288,000	$ 288,000	$ -	$ 222,194	$ (65,806)
Investment earnings	3,400	3,400	-	258	(3,142)
Contributions and donations	4,300	4,300	-	3,333	(967)
Total revenues	295,700	295,700	-	225,785	(69,915)
Expenditures					
Current					
Culture and recreation	510,200	525,534	15,334	524,333	(1,201)
Total expenditures	510,200	525,534	15,334	524,333	(1,201)
Excess of revenues over (under) expenditures	(214,500)	(229,834)	(15,334)	(298,548)	(68,714)
Other Financing Sources (Uses)					
Transfers in	214,500	229,834	15,334	484,672	254,838
Total other financing sources (uses)	214,500	229,834	15,334	484,672	254,838
Net change in fund balances	-	-	-	186,124	186,124
Fund balance - beginning	(124,782)	(124,782)	-	(124,782)	-
Fund balance - ending	$ (124,782)	$ (124,782)	$ -	61,342	$ 186,124

RECONCILIATION TO GAAP BASIS

Total fund balance	$ 61,342



FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Tax Commissioner – to account for the collection of property taxes, motor vehicle tag and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Sheriff – to account for the collection of cash bonds, fines, forfeitures, fifas, etc. which are disbursed to various taxing units and other parties.

Clerk of Superior Court – to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to various taxing units and other parties.

Magistrate Court – to account for the collection of fees for garnishments and small claims, etc. which are disbursed to various taxing units and other parties.

Probate Court – to account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc. which are disbursed to various taxing units and other parties.

Juvenile Court – to account for the collection of restitution which are disbursed to other parties.

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

	Tax Commissioner	Sheriff	Clerk of Superior Court	Magistrate Court	Probate Court	Juvenile Court	Total
Assets							
Cash and cash equivalents	$ 1,675,254	$ 193,617	$ 87,547	$ 19,475	$ 223,078	$ 25,608	$ 2,224,579
Taxes receivable	4,432,837	-	-	-	-	-	4,432,837
Total assets	6,108,091	193,617	87,547	19,475	223,078	25,608	6,657,416
Liabilities							
Due to others	5,868,908	96,722	19,681	-	219,189	-	6,204,500
Total liabilities	5,868,908	96,722	19,681	-	219,189	-	6,204,500
Net Position							
Restricted							
Individuals, organizations, and other governments	239,183	96,895	67,866	19,475	3,889	25,608	452,916
Total net position	$ 239,183	$ 96,895	$ 67,866	$ 19,475	$ 3,889	$ 25,608	$ 452,916

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

	Tax Commissioner	Sheriff	Superior Court	Magistrate Court	Probate Court	Juvenile Court	Total
Additions							
Taxes	$ 35,015,423	$ -	$ -	$ -	$ -	$ -	$ 35,015,423
Fines and fees	-	585,337	863,318	192,978	674,538	1,943	2,318,114
Investment earnings	43,047	-	59	7	7	-	43,120
Total additions	35,058,470	585,337	863,377	192,985	674,545	1,943	37,376,657
Deductions							
Taxes and fees paid to other governments	35,024,296	606,932	869,057	184,655	686,698	1,741	37,373,379
Total deductions	35,024,296	606,932	869,057	184,655	686,698	1,741	37,373,379
Net increase (decrease) in fiduciary net position	34,174	(21,595)	(5,680)	8,330	(12,153)	202	3,278
Net position, beginning of year	205,009	118,490	73,546	11,145	16,042	25,406	449,638
Net position, end of year	$ 239,183	$ 96,895	$ 67,866	$ 19,475	$ 3,889	$ 25,608	$ 452,916

UPSON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
SERIES 2016
FOR THE YEAR ENDED DECEMBER 31, 2025

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
County Level 2 Projects	$ 3,600,000	$ 4,788,614	$ 4,284,243	$ 714,720	$ 4,998,963
Roads	4,688,000	6,009,616	5,885,866	-	5,885,866
Water System Project	865,000	1,108,856	368,954	-	368,954
Sheriff and Jail	1,462,000	2,079,523	1,830,900	31,796	1,862,696
Building Improvements and Equipment	1,863,000	2,857,324	2,549,781	216,365	2,766,146
County Parks	842,000	1,079,372	521,409	-	521,409
Intergovernmental					
Thomaston	4,500,000	4,907,175	4,907,175	-	4,907,175
Yatesville	180,000	184,264	184,264	-	184,264
Total	$ 18,000,000	$ 23,014,744	$ 20,532,592	$ 962,881	$ 21,495,473

UPSON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
SERIES 2022
FOR THE YEAR ENDED DECEMBER 31, 2025

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Constructing and Improving Government Buildings	$ 11,451,000	$ 11,451,000	$ 24,192,420	$ 1,803,196	$ 25,995,616
Roads	1,550,000	1,550,000	-	-	-
Vehicles	500,000	500,000	-	461,337	461,337
Machinery and Equipment	1,225,000	1,225,000	-	41,729	41,729
Office Equipment and Telecom	250,000	250,000	-	442,521	442,521
Intergovernmental					
Thomaston	8,190,000	8,190,000	3,618,253	1,827,884	5,446,137
Yatesville	234,000	234,000	-	-	-
Total	$ 23,400,000	$ 23,400,000	$ 27,810,673	$ 4,576,667	$ 32,387,340

Note: The 2022 SPLOST Fund and 2022 SPLOST Debt Service Fund also made debt service payments in the amount of $1,463,575 for SPLOST funded construction of government buildings already included in the expenditures above.

UPSON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
SERIES 2019
FOR THE YEAR ENDED DECEMBER 31, 2025

	Estimated Cost		Expenditures		
Project	Original	Current	Prior Years	Current Year	Total
Roads, Streets and Bridge Construction	$ 9,520,000	$ 9,516,000	$ 9,802,524	$ 9,001	$ 9,811,525

UPSON COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
SERIES 2024
FOR THE YEAR ENDED DECEMBER 31, 2025

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Roads, Streets and Bridge Construction	$ 15,028,763	$ 15,028,763	$ 982,064	$ 5,634,834	$ 6,616,898
Intergovernmental					
Thomaston	10,336,238	10,336,238	1,870,232	2,106,096	3,976,328
Yatesville	220,000	220,000	220,000	-	220,000
Total	$ 25,585,001	$ 25,585,001	$ 3,072,296	$ 7,740,930	$ 10,813,226

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

County Constitutional Officer	Supplemental Income Type	Amount Collected	Amount Disbursed	Amount Retained by County Officer
Tax Commissioner	Fee for collection of taxes for governments	$ 431,685	$ 431,685	$ -



COMPLIANCE SECTION

The Compliance Section includes schedules related to schedules of projects constructed with Special Purpose Local Option Sales Tax and the Independent Auditor's Reports on Internal Control.

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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*

Upson County Board of Commissioners
Upson County, Georgia
Thomaston, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Upson County, Georgia (the "County") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated **June 26, 2026**. Our report includes a reference to other auditors who audited the financial statements of Thomaston-Upson County Industrial Development Authority, as described in our report on the County'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 are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Nichols, Cauley & Associates, LLC

Dublin, Georgia
June 26, 2026

UPSON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial Statements audited were prepared in accordance with GAAP:	Unmodified
Internal controls over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

There was not an audit of major federal award programs for the fiscal year ended December 31, 2025 due to the total amount expended being less than $1,000,000.