



# Fiscal Year June 30, 2025 Audit Results

**To:** Honorable Chairman and Members of the Board of Commissioners

**From:** Rushton, LLC

**Date:** December 8, 2025

**Subject:** Presentation of Audit Results for the Fiscal Year Ended June 30, 2025

## Purpose

The purpose of this memo is to provide the Board of Commissioners with a summary of the annual audit results, highlight key financial changes over the prior year financial results, and compare the County's performance with commonly accepted benchmarks.

## Audit Overview

- **Scope of Engagement:** Financial statement audit performed in accordance with GAAS and Government Auditing Standards.
- **Opinion Issued:** Unmodified
- **Single Audit:** Performed in accordance with 2 CFR 200, Subpart F.
- **Significant Changes This Year:**
  - Implementation of GASB Statement No. 101, *Compensated Absences*
  - Change within the reporting entity – Multiple Grant Fund moved to major fund presentation, presented as nonmajor fund in FY 2024

## Financial Highlights and Overview

### Cash and Investments - General Fund

**Benchmark:** GFOA recommends 1-2 months of operating expenditures.

### County Result:

	2025	2024
Cash and Investments	\$ 25,080,902	\$23,661,141
Months in Reserves	2.28	2.16

**Assessment:** County meets recommended benchmark. Cash and investments increased by \$1,419,761 or 6%.

### Unassigned Fund Balance - General Fund

**Benchmark:** GFOA recommends 2 months of operating expenditures

**County Result:**

	<u>2025</u>	<u>2024</u>
Unassigned Fund Balance	\$ 26,821,720	\$25,942,057
Months in Reserves	2.44	2.37

**Assessment:** County exceeds recommended benchmark. Unassigned Fund Balance increased by \$879,663 or 3.39%.

### Investments

**Benchmark:** N/A

**County Result:**

	<u>2025</u>	<u>2024</u>
Investments		
Bonds	\$ 11,010,117	\$ 12,720,033
Certificates of Deposit	250,000	1,500,000
Georgia Fund One	16,339,455	15,591,647
Total	<u>\$ 27,599,572</u>	<u>\$ 29,811,680</u>

The County had \$1,250,000 and \$1,000,682 in certificates of deposit and bonds mature in the current year, respectively.

	<u>2025</u>	<u>2024</u>
Investment Earnings		
General Fund	\$ 373,675	\$ 450,937
Fire Fund	106,308	128,854
SPLOST	494,403	308,220
Nonmajor governmental funds	142,260	167,296
Water & Sewer	182,532	221,244
Solid Waste	126,695	159,181
Total	<u>\$ 1,425,873</u>	<u>\$ 1,435,732</u>

The County's investment earnings decreased \$9,859 (less than 1%) during the current year.

## Property Tax

Benchmark: N/A

### County Result:

	2025	2024
<b>Property Taxes (in thousands)</b>		
General Fund	\$ 50,971	\$ 49,088
Fire Fund	34,704	34,106
Parks & Leisure Fund	5,325	4,039
Development Fund	10,520	8,236
Emergency Services Fund	9,066	8,182
Total	<u>\$ 110,586</u>	<u>\$ 103,651</u>

	2025	2024
<b>Millage Rates</b>		
General Fund	3.234	3.440
Fire Fund		
Incorporated	3.880	4.080
Unincorporated	2.400	2.650
Parks & Leisure Fund	0.437	0.364
Development Fund	1.180	1.005
Emergency Services Fund	0.571	0.571

## Revenues and Expenditures

### General Fund

The General Fund increased fund balance by \$472,841.

- At of June 30, 2025, the County had a budget for General Fund expenditures of \$134,292,022.
- The original budget was amended to increase expenditures by \$5,577,651.
- Expenditures after final budget amendments were \$2,111,330 less than the amended budget.

## Revenues

- Revenues increased from prior year in the amount of \$3,463,828 (2%). This increase was a result of the following increases compared to fiscal year ended June 30, 2024:
  - Property tax revenue increased \$1,883,887 (4%)
  - Related commissions received by the County increased \$503,929 (11%)
  - Local option sales tax increased \$476,590 (1%)
  - Energy excise tax increased \$171,012 (35%)
  - Licenses and permits increased \$105,557 (3%)

## Expenditures

- Expenditures increased from prior year in the amount of \$932,487 or less than 1%. This increase was a result of the following increases compared to fiscal year ended June 30, 2024:
  - Administration Dept. decreased \$858,647 (35%)
    - OPEB contribution decreased \$685,890 (69%)
  - Election Dept. decreased \$361,278 (15%)
    - Election contract service expenditures decreased \$279,073 (20%)
  - Human Resources increased \$117,147 (13%)
    - Personal services increased \$59,563 (7%)
    - Contract Services increased \$65,365 (70%)
  - General Services Dept. decreased \$596,449 (25%)
    - Contribution to Group Insurance Internal Service Fund accounted for 100% of decrease
  - Probate Court increased \$153,199 (13%)
    - Personal services accounted for almost all of the increase
  - Community Service Center Dept. decreased \$339,118 (28%)
    - Meals on Wheels decreased \$144,622 (34%)
    - Dial-A-Ride decreased \$182,029 (28%)

## Other Funds

### Fire Services Fund

- The Fire District fund had an increase in fund balance of \$196,216.
- Expenditures, including transfers out increased \$2,129,865 (4%) from the prior year.
  - Of this increase, \$602,515 was related to increases in personnel costs and \$1,486,695 was related to transfers to the Capital Projects Fund.
- Revenues were \$48,177 more than the final budget and increased from prior year by \$1,442,131. Property taxes and Insurance premium taxes increased \$1,307,147 from prior year.
- As of June 30, 2025, fund balance in the Fire Fund of \$11,359,856 was 30% or 3.64 months of annual operating expenditures of \$37,446,958.

### **American Rescue Plan Act Fund**

- Assets (cash and intergovernmental receivables) of \$6,180,533 as of June 30, 2025, a decrease of (\$8,260,824) from the prior year.
- These assets are offset on the financial statements by unearned revenue and revenue will be recognized in the period grant related expenditures are incurred.
- The ARPA funding is designated for various projects to be completed by the end of calendar year 2026 including sewer improvements, HVAC upgrades, and other governmental services projects.

### **Multiple Grant Fund**

- At June 30, 2025, the Multiple Grants Fund had a deficit in fund balance of (\$952,701) compared to (\$1,850,802) as of June 30, 2024.
- This deficit is due to required fund-level reporting of unavailable revenue in the amount of \$978,132 to offset receivables that are not receipted within 60 days of the fiscal year end.

### **SPLOST Fund**

- SPLOST collections for the current fiscal year were \$58,329,148 compared to \$57,647,472 in the prior fiscal year.
- Cash and investments at the end of the current year were \$72,618,506 at June 30, 2025. These funds are restricted for capital outlay on projects on voter approved SPLOST referendums.

### **Capital Projects Fund**

- The Capital Projects fund received transfers in from other funds of \$18,714,659 during the current year.
- Expenditures increased \$3,086,451 (29%) compared to the prior year.
- The cash held by the Capital Projects Fund on June 30, 2025 was \$26,514,782.

### **Impact Fees Fund**

- Impact fee collections in fiscal year 2025 were \$1,765,993, an increase of \$209,452 from the prior year.
- The cash held by the Impact Fees Fund on June 30, 2025 was \$8,129,986.

### **Solid Waste Disposal Facility Fund**

- Solid Waste had an operating loss of (\$1,572,341), which includes \$2,022,593 of depreciation expense.
- Cash generated from operations was \$1,653,287 compared to (\$2,099,168) in the prior year.

- The change in cash is due to less personal services and increase in accounts payable.

### **Water and Sewer Fund**

- Water and Sewer had an operating loss of (\$2,654,364), a decrease of (\$155,068) from the prior year, which includes depreciation of \$2,619,154.
- Tap fee revenue of \$3,521,868 and in kind donations from developers of \$3,301,600 are not included in this operating loss – they are considered a nonoperating revenue and are restricted to the use of on capital outlays such infrastructure expansion and improvements.
- Also not included in the operating loss are transfers of \$7,608,784 related to debt service and capital assets received from the SPLOST and American Rescue Plan Act Fund.
- As of June 30, 2025, principal debt outstanding is \$18,572,182 compared to \$21,589,576 in the prior year. Principal on debt is due to mature between 2030 - 2033.

### **Internal Control & Compliance Results**

#### **Financial Statements**

**Benchmark:** No material weaknesses or significant deficiencies in internal control.

**County Result :** None in the current year.

**Assessment:** Control environment is strong. We noted a few other internal control recommendations that do not meet the level of a material weakness or significant deficiency, but are an opportunity to strengthen internal control environment.

#### **Single Audit**

**Benchmark:** No material noncompliance or material weaknesses or significant deficiencies in internal control over compliance.

**County Result :** None noted in the current year.

**Assessment:** Control environment over compliance is strong.