



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:

	2025	2024
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:

	2025	2024
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><u>\$ 27,599,572</u></u>	<u><u>\$ 29,811,680</u></u>

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

	2025	2024
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><u>\$ 1,425,873</u></u>	<u><u>\$ 1,435,732</u></u>

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

Property Tax

Benchmark: N/A

County Result:

Property Taxes (in thousands)	2025	2024
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>

Millage Rates	2025	2024
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 received 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.