RATING: Moody's: "Aa3" See "MISCELLANEOUS, -Rating" herein.

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings, and judicial decisions, and assuming, among other matters, the accuracy of certain representations and the continued compliance with certain covenants and tax law requirements, interest on the Bonds is excludable from gross income for federal income tax purposes under § 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, interest on the Bonds is exempt from present State of Georgia income taxation. See Appendix D herein for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Bonds. For a more complete discussion of the tax status of the Bonds and certain other tax consequences relating to the Bonds, see "TAX STATUS" herein.

\$10,110,000 EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY (GEORGIA) Revenue Bonds (Emanuel County Projects), Series 2024

Dated: Date of Issuance Due: September 1, as shown on inside cover

The EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY (GEORGIA) REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024 (the "Bonds") will be issued in registered form in the name of Cede & Co., as the nominee for The Depository Trust Company ("DTC"), New York, New York. Individual purchases of the Bonds must be made in book-entry form only in authorized denominations of \$5,000 or any integral multiple thereof. Individual purchasers ("Beneficial Owners") of the Bonds will not receive physical delivery of the Bonds. Transfers of the Bonds will be effected through a book-entry system as described herein.

Interest on the Bonds will be payable on March 1 and September 1 of each year (each an "Interest Payment Date"), beginning March 1, 2025. So long as DTC or its nominee is the registered owner of the Bonds, disbursement of payments of principal of and interest on the Bonds to DTC is the responsibility of U.S. Bank Trust Company, National Association, Atlanta, Georgia, as Paying Agent; disbursements of such payments to DTC Participants is the responsibility of DTC; and disbursements of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants as more fully described herein.

Certain of the Bonds are subject to optional redemption prior to maturity. See "THE BONDS -Redemption of the Bonds" herein.

The Bonds are being issued for the purposes of providing the funds required to (i) renovate, construct and equip new governmental administrative buildings for Emanuel County, Georgia (the "**Projects**") and (ii) pay the costs of issuance of the Bonds.

The Bonds are special obligations of the Emanuel County Public Facilities Authority (the "Authority") secured by and payable from certain amounts payable by Emanuel County, Georgia (the "County") to the Authority under a Lease Contract to be dated the date of issuance and delivery of the Bonds (the "Lease"). The Bonds will not be deemed to constitute a debt or general obligation or pledge of the faith and credit of the State of Georgia or any political subdivision thereof, including the County or the Authority, within the meaning of any constitutional or statutory debt limitation. THE OBLIGATION OF THE COUNTY TO MAKE PAYMENTS PURSUANT TO THE LEASE CONSTITUTES A GENERAL OBLIGATION FOR WHICH ITS FULL FAITH, CREDIT AND TAXING POWER ARE PLEDGED.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE BONDS OR THE SECURITY THEREFOR. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds are offered when, as, and if issued by the Authority, subject to the approval of legality by Gray Pannell & Woodward LLP, Savannah, Georgia, Bond Counsel, and certain other conditions, including validation of the Bonds and the security therefor by the Superior Court of Emanuel County. Certain legal matters will be passed upon for the Authority and the County by their counsel, Richard M. McNeely, P.C., Swainsboro, Georgia. Gray Pannell & Woodward LLP, Savannah, Georgia, is acting as Disclosure Counsel. Davenport & Company LLC, Atlanta, Georgia, is serving as Financial Advisor. The Bonds are expected to be delivered in definitive form through DTC in New York, New York, on or about October 15, 2024.

Official Statement dated: September 16, 2024

MATURITY SCHEDULE

\$10,110,000 EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY (GEORGIA) REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024

(September 1)	Principal	Interest		
Maturity	Amount	<u>Rate</u>	<u>Yield</u>	CUSIP ¹
2025	\$295,000	5.000%	2.600%	29078AAA1
2026	255,000	5.000	2.450	29078AAB9
2027	270,000	5.000	2.450	29078AAC7
2028	280,000	5.000	2.450	29078AAD5
2029	295,000	5.000	2.490	29078AAE3
2030	410,000	5.000	2.560	29078AAF0
2031	430,000	5.000	2.600	29078AAG8
2032	455,000	5.000	2.680	29078AAH6
2033	475,000	5.000	2.740	29078AAJ2
2034	500,000	5.000	2.790	29078AAK9
2035	525,000	4.000	$2.910^{\ \mathrm{C}}$	29078AAL7
2036	545,000	5.000	2.920 ^C	29078AAM5
2037	575,000	5.000	2.960 $^{\rm C}$	29078AAN3
2038	600,000	5.000	3.000°	29078AAP8
2039	635,000	4.000	$3.400~^{\mathrm{C}}$	29078AAQ6
2040	660,000	4.000	$3.500~^{\mathrm{C}}$	29078AAR4
2041	685,000	4.000	3.600 ^C	29078AAS2
2042	710,000	4.000	$3.700~^{\mathrm{C}}$	29078AAT0
2043	740,000	4.000	$3.800~^{\mathrm{C}}$	29078AAU7
2044	770,000	4.000	3.870°	29078AAV5

CUSID® is a registered t

¹ CUSIP® is a registered trademark of the American Bankers Association ("ABA"). CUSIP data herein is provided by CUSIP Global Services ("CGS"), managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the Authority, County, Bond Counsel, or Disclosure Counsel and are included solely for the convenience of the registered owners of the applicable Bonds. None of the aforementioned participants in the financing or the Underwriter of the Bonds are responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the applicable Bonds or as included herein, or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions, including but not limited to a refunding in whole or in part, that are applicable to all or a portion of certain maturities of the Bonds.

^C Priced to the first call date of September 1, 2034.

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY

Authority Members

Jim Sherrod, Chairperson
Smith Edenfield, Vice Chairperson
Kawame Coleman
Ricky Thompson
Gary Mason

Appointed Officials

Halei Lamb, Secretary Cliff Gay, Treasurer

EMANUEL COUNTY

Board of Commissioners

Hugh Foskey, Chairman, District #3
Jim Sherrod, Vice Chairman, District #4
Kawame Coleman, District #1
Ricky Thompson, District #2
Timmy Oliver, District #5

Appointed Officials

L. Guy Singletary, County Administrator Cliff Gay, Chief Financial Officer Halei Lamb, County Clerk

SPECIAL SERVICES

Independent Auditors to the County

Mauldin & Jenkins, Certified Public Accountants Macon, Georgia

Counsel to the County and Authority

Richard M. McNeely, P.C. Swainsboro, Georgia

Bond Counsel and Disclosure Counsel

Gray Pannell & Woodward LLP Savannah, Georgia

Financial Advisor

Davenport & Company LLC Atlanta, Georgia



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Appendix D:	FORM OF LEGAL OPINION OF BOND COUNSEL	

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of any offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT APPROVED OR DISAPPROVED OF THE BONDS OR CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The information set forth herein has been furnished by the County and the Authority and by other sources which are believed to be reliable. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or the Authority or the other matters described herein since the date hereof.

This Official Statement includes descriptions and summaries of certain events, matters and documents. Such descriptions and summaries do not purport to be complete and all such descriptions, summaries and references thereto are qualified in their entirety by reference to this Official Statement in its entirety and to each such document, copies of which may be obtained from the County. Any statements made in this Official Statement or the appendices hereto involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized.

This Official Statement (including the Appendices attached hereto) contains forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement (including the Appendices attached hereto), the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," and analogous expressions are intended to identify forward looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward looking statements. These forward looking statements speak only as of the date of this Official Statement. The Authority and County disclaim any obligation or undertaking to release publicly any updates or revisions to any forward looking statement contained herein to reflect any change in the Authority's or the County's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This Official Statement is delivered in connection with the sale of securities referred to herein and may not be reproduced or used, in whole or in part, for any other purposes.

No dealer, salesperson or other person has been authorized by the Authority or the County to give any information or to make any representation other than those contained herein, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority or the County or any other person.

The Bonds have not been registered under the Securities Act of 1933, and the Resolution (as defined herein) has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.



OFFICIAL STATEMENT

Relating to

\$10,110,000

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY (GEORGIA) REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024

INTRODUCTION

This Official Statement, including the cover page, inside cover, and the Appendices hereto, of the Emanuel County Public Facilities Authority (the "Authority") sets forth information concerning the Authority and Emanuel County, Georgia (the "County"), and the proposed EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024 (the "Bonds").

The information contained in this section entitled "INTRODUCTION" is a brief description of the terms of and security for the Bonds and does not purport to be comprehensive or definitive. A full review of the entire Official Statement, as well as the documents summarized or described herein, should be made. All references herein to, or summaries of, the Resolution and the Lease (each hereinafter defined) or other documents or official acts are qualified in their entirety by the exact terms of such documents or official acts, copies of which are available from the Authority. All references herein to, or summaries of, the Bonds are qualified in their entirety by the definitive forms thereof and the provisions with respect thereto included in the Resolution. All undefined, capitalized terms used herein shall have the meaning ascribed to such terms in the Resolution unless the context requires otherwise.

The Authority

The Authority is a body corporate and politic deemed to be a political subdivision of the State of Georgia (the "State") and a public corporation created by an act of the General Assembly of the State of Georgia, Ga. Laws 2023, p. 3729 (the "Act"). Pursuant to the Act, the Authority has the power, among other powers, to acquire, construct, equip, maintain and operate certain "projects" (as such term is defined in the Act), and the Act empowers the Authority to issue its revenue bonds and use the proceeds thereof in accordance with the provisions of the Revenue Bond Law, codified at Official Code of Georgia Annotated ("O.C.G.A.") § 36-82-60 through § 36-82-85 (the "Revenue Bond Law") and the Act, for the purpose of paying all or any part of the costs of a project and for the purpose of refunding revenue bonds or other obligations previously issued. For more detailed information, see "THE AUTHORITY."

The County

The County is a political subdivision of the State of Georgia and operates under a five-member Board of Commissioners. The County is located in central Georgia, approximately 90 miles northwest of Savannah, Georgia and 95 miles southeast of Macon, Georgia. The City of Swainsboro, county seat of the County, serves as the economic and retail center for the surrounding area. The County currently has a population of approximately 23,119 according to according to the U.S. Census Bureau estimates as of July 1, 2023. For more detailed information, see "EMANUEL COUNTY."

Purpose of the Bonds

The Bonds are being issued for the purposes of providing the funds required to renovate, construct and equip new government administrative buildings for use by the County (the "**Projects**") and (ii) pay the costs of issuance of the Bonds. See "THE BONDS - Estimated Sources and Uses of Funds" and "THE BONDS – The Projects."

Terms of the Offering

Authority for Issuance. The Bonds are being issued by the Authority pursuant to (i) the Act, (ii) the general laws of the State, in particular the Revenue Bond Law, and (iii) the provisions of a bond resolution adopted by the Authority on September 16, 2024 (the "**Resolution**").

Offering. The Bonds are offered when, as, and if issued by the Authority, subject to prior sale and to withdrawal or modification of the offer without notice, and to approval of legality by Gray Pannell & Woodward LLP, Savannah, Georgia, Bond Counsel, and to validation by the Superior Court of Emanuel County, Georgia.

Delivery. The Bonds, in definitive form, are expected to be delivered through DTC in New York, New York, on or about October 15, 2024.

Security and Sources of Payment for the Bonds

The Bonds are limited obligations of the Authority, the principal of and interest on which will be payable solely from certain amounts to be paid by the County to the Authority under the provision of a Lease Contract to be dated as of the date of issuance and delivery of the Bonds (the "Lease"). The payments provided for under the Lease constitute a general obligation of the County for which its full faith, credit and taxing power are pledged; however, the Bonds will not be deemed to constitute a debt or general obligation or pledge of the faith and credit of the State or any political subdivision thereof, including the County, within the meaning of any constitutional or statutory debt limitation. The Authority has no taxing power. See "THE BONDS -Security and Sources of Payment for the Bonds" and "Appendix B: FORM OF RESOLUTION AND LEASE."

Bond Registrar and Paying Agent

U.S. Bank Trust Company, National Association, Atlanta, Georgia, will act as Bond Registrar (the "Bond Registrar") and Paying Agent (the "Paying Agent") for the Bonds.

Description of the Bonds

Redemption Provisions. Certain Bonds are subject to optional redemption prior to maturity.

Denominations. Individual purchases of the Bonds may only be made in book-entry form in denominations of \$5,000 or any integral multiple thereof.

Registration and Transfer. The Bonds will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will serve as securities depository for the Bonds and the Bonds may be registered, transferred, or exchanged in accordance with the rules of DTC.

Manner of Making Payment. Interest on the Bonds is payable on March 1 and September 1 (each an "Interest Payment Date") in each year, commencing March 1, 2025. The interest so payable on any such Interest Payment Date will be paid to the person in whose name the Bonds are registered at the close of business on the 15th day of the calendar month preceding such Interest Payment Date (the "Record Date"); provided, however, that if and to the extent a default shall occur in the payment of interest due on said Interest Payment Date, such past due interest shall be paid to the persons in whose names outstanding Bonds are registered on a subsequent date of record established by notice given by mail by the Paying Agent (as defined herein) to the holders of the Bonds not less than 30 days preceding such subsequent date of record. The Bonds bear interest at the rates per annum and mature in the amounts and at the times as set forth on the inside front cover page hereof.

So long as DTC or its nominee is the registered owner of the Bonds, principal of and interest on the Bonds are payable by wire transfer by the Paying Agent to Cede & Co., as nominee for DTC, which, in turn, will remit such amounts to DTC Participants (as defined herein) for subsequent disbursement to the Beneficial Owners (as defined herein). For more detailed information on the Bonds, see "THE BONDS."

Additional Bonds

The Authority may issue additional bonds on a parity with the lien on the revenue for the payment of the Bonds. See "THE BONDS -Additional Bonds" and "Appendix B: FORM OF RESOLUTION AND LEASE CONTRACT."

Professionals Involved in the Offering

Certain legal matters pertaining to the Authority and its authorization and issuance of the Bonds are subject to the approving opinion of Gray Pannell & Woodward LLP, Savannah, Georgia, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Bonds, and a copy of the proposed form of said approving opinion is attached hereto as Appendix D. Certain other legal matters will be passed on for the Authority and for the County by their counsel, Richard M. McNeely, P.C., Swainsboro, Georgia. Gray Pannell & Woodward LLP, Savannah, Georgia, is acting as Disclosure Counsel. Davenport & Company LLC, Atlanta, Georgia, is serving as Financial Advisor.

The financial statements of the County for the fiscal year ended September 30, 2023, attached hereto as Appendix A, have been audited by Mauldin & Jenkins, Certified Public Accountants, Macon, Georgia, to the extent and for the period indicated in their report thereon.

Tax Status

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings, and judicial decisions, and assuming, among other things, the accuracy of certain representations and the continued compliance with certain covenants and tax law requirements, interest on the Bonds is excludable from gross income for federal income tax purposes under § 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, interest on the Bonds is exempt from present State of Georgia income taxation. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See Appendix D herein for the form of opinion Bond Counsel proposes to deliver in connection with the issuance of the Bonds. For a more complete discussion of the tax status of the Bonds and certain other tax consequences relating to the Bonds, see "TAX STATUS" herein.

Continuing Disclosure

The Authority has determined that no financial or operating data concerning the Authority is material to an evaluation of the offering of the Bonds or to any decision to purchase, hold or sell the Bonds and the Authority will not provide any such information. The County will undertake all responsibility for any continuing disclosure to beneficial owners of the Bonds. Pursuant to Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"), the County will sign, as of the date of the issuance and delivery of the Bonds, a Continuing Disclosure Certificate, which will allow the Underwriter (hereinafter defined) of the Bonds to comply with the Rule. The Authority shall have no liability to the beneficial owners of the Bonds or any other person with respect to the Rule. For more detailed information on the County's disclosure obligations see "MISCELLANEOUS -Continuing Disclosure" and "Appendix C: FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Additional Information

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Bonds, the Authority, the Resolution, the Lease, the County, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to, or summaries of, the Resolution, the Lease, or any other document or constitutional provision or statute are qualified in their entirety by the exact terms of such documents or constitutional provision or statute. All references herein to the Bonds are qualified in their entirety to the form thereof and the provisions with respect thereto included in the Resolution.

Copies of all documents described herein are available upon request, upon payment to the County of a charge for copying, mailing, and handling, from the County, 101 North Main St., Swainsboro, Georgia 30401, telephone: (478) 237-3881.

THE BONDS

General Description

The Bonds, dated as of their date of issuance and delivery, bear interest at the rates per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months, and mature on September 1 in the years and principal amounts set forth on the inside cover page hereof. Interest shall be payable on March 1 and September 1 of each year, beginning March 1, 2025.

Redemption of the Bonds

Optional Redemption. The Bonds maturing on September 1, 2035, and thereafter are subject to redemption by the Authority, in whole or in part at any time, beginning September 1, 2034 (if less than all of the Bonds of a maturity are to be redeemed, the actual Bonds of such maturity shall be selected by lot in such manner as may be designated by DTC while the Bonds are held as book-entry bonds and by the Paying Agent if the Bonds are no longer held as book-entry bonds), in such order as may be designated by the Authority at a redemption price of 100% of the principal amount of the Bonds called for redemption plus accrued interest to the redemption date.

Notice of Redemption. The Bond Registrar shall give notice of such redemption one time not less than 30 days nor more than 45 days prior to the date fixed for redemption to the Owners of each of the Bonds being called for redemption by first class mail (electronically while the Bonds are held as book-entry bonds) at the address shown on the register of the Bond Registrar. Said notice shall contain the complete official name of the Bonds being redeemed, CUSIP number, certificate numbers, amounts called of each certificate (for partial calls), redemption date, redemption price, the Paying Agent's name and address (with contact person and phone number), date of issue of the Bonds, interest rate, and maturity date. Said notice shall also be given by certified mail, return receipt requested, or shall be filed electronically, not less than 30 days nor more than 45 days prior to the date fixed for redemption, to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA"), or as may be required by applicable law or regulation at the time of giving such notice provided however, failure to give such notice shall not affect the validity if the proceedings for redemption. No transfer or exchange of any Bonds so called for redemption shall be allowed. If any Owner of any Bond being redeemed pursuant to the provisions of Article III of the Resolution shall fail to present for redemption any such Bond within 60 days after the date fixed for redemption, a second notice of the redemption of such Bond shall be given to said Owner at the address of said Owner as shown on the bond register of the Bond Registrar within 90 days after the date fixed for redemption. The failure of the Bond Registrar to give such notice shall not affect the validity of the proceedings for the redemption of any Bond as to which no such failure occurred. Any notice mailed or delivered as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice.

Manner of Redemption. Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In the case of the Bonds of denominations greater than \$5,000, if less than all of such Bonds of a single maturity then outstanding are to be called for redemption then for all purposes in connection with redemption, each \$5,000 of face value shall be treated as though it were a separate Bond in the denomination of \$5,000. If it is determined that one or more, but not all of the \$5,000 units of face value represented by any Bond are to be called for redemption, then upon notice of the intention to redeem such \$5,000 unit or units, the Owner of such Bond shall forthwith surrender such Bond to the Paying Agent for payment of the redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption and there shall be issued to the Holder thereof, without charge therefor, fully registered Bonds for the unredeemed balance of the principal amount thereof, in any of the authorized denominations. If the Owner of any such Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Paying Agent for payment in exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only); interest shall cease to accrue on the portion of the principal amount of such Bond represented by such \$5,000 unit or units of face value on and after the date fixed for redemption and (funds sufficient for the

payment of the redemption price having been deposited with the Paying Agent and being available for the redemption) such Bond shall not be entitled to the benefit and security of the Resolution to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption) represented by such \$5,000 unit or units.

Effect of Redemption Call. Notice having been given in the manner and under the conditions prescribed herein, and money for the payment of the redemption price being held by the Paying Agent, all as provided in the Resolution, the Bonds or the portion thereof so called for redemption shall become and be due and payable on the redemption date designated in such notice at the redemption price provided for redemption of such Bonds on such date. Interest on the Bonds or the portion thereof so called for redemption shall cease to accrue from and after the date fixed for redemption unless default shall be made in payment of the redemption price thereof upon presentation and surrender thereof. Such Bonds shall cease to be entitled to any lien, benefit or security under the Resolution and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and such Bond or the portion thereof so called shall not be considered to be outstanding. Upon surrender of such Bond paid or redeemed in part only, the Authority shall execute and the Bond Registrar shall deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same type, of authorized denominations in the aggregate principal amount equal to the unpaid or unredeemed portion of the Bond.

Book-Entry Only System of Delivery of the Bonds

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of

Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to an issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to Paying Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Paying Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Authority or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, security certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

Authority for Issuance of the Bonds

The Bonds will be issued under the authority of the Constitution of the State, the general laws of the State, in particular, the Revenue Bond Law, and pursuant to the Act and the Resolution. The Act authorizes the Authority to, among other powers, acquire, construct, equip, maintain and operate certain "projects", which is defined in the Act to include all land; buildings; structures; sanitary and surface water sewers; utilities, including natural gas distribution, telecommunications, fiber, cable, and broadband services; and other public property determined by the Authority to be desirable for the efficient operation of any department, board, office, commission, or agency of the County, the Emanuel County School District, or any municipality or other political subdivision located in the County, or the State of Georgia in the performance of its governmental, proprietary, and administrative functions. The Act also provides for the issuance of revenue bonds by the Authority in accordance with the provisions of the Revenue Bond Law for the purpose of paying all or any part of the costs of a project and for the purpose of refunding revenue bonds or other obligations previously issued.

Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia of 1983 authorizes any county, municipality, school district, or other political subdivision of the State to contract for any period not exceeding 50 years with any public corporation or public authority for joint services, for the provision of services, or for the joint or separate use facilities or equipment, if such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or provide.

The County authorized and approved execution, delivery, and performance of the Lease pursuant to a resolution of the Board of Commissioners of Emanuel County, the governing body of the County (the "Board of Commissioners"), adopted on September 16, 2024.

Validation of the Bonds

As required by the Revenue Bond Law, the Bonds and the security therefor will be confirmed and validated by judgment of the Superior Court of Emanuel County, Georgia, prior to the issuance of the Bonds. The form of the Lease to be entered into between the Authority and the County, which will be pledged to the security and payment of the Bonds, will be submitted as an integral part of the validation proceedings. It is expected that the Superior Court of Emanuel County will make a declaratory adjudication of the validity and binding effect of the Lease and determine that the Lease is in all respects valid and binding upon the Authority and the County. The Revenue Bond Law provides that an adjudication as to the validity of the Lease shall be conclusive and binding upon the County and the resident citizens and property owners thereof. Under State law, the judgment of validation will be forever conclusive against the Authority and the County.

Estimated Sources and Uses of Funds

Sources of Funds:

Proceeds from Sale of Bonds	\$10,110,000.00 <u>935,691.90</u>
Total Sources of Funds:	<u>\$11,045,691.90</u>
Deposit to Construction Fund ¹	\$10,700,000.00 345,691.90
Total Uses of Funds:	

¹ See "THE BONDS -The Project."

Concurrently with the issuance and delivery of the Bonds, the Underwriter's discount shall be paid, all costs and expenses in connection with the issuance and sale of the Bonds, including without limitation the fees and expenses of accountants, attorneys, and the cost of printing, validation fees, and other miscellaneous fees and expenses, shall be paid to those persons entitled to receive the same, and the balance of the proceeds from the sale of the Bonds shall be deposited in the EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY CONSTRUCTION FUND 2024 (the "Construction Fund"), created by the Authority pursuant to the terms of the Resolution.

The Projects

Proceeds from the sale of the Bonds will be used by the Authority to finance the construction, renovation, and equipping of new governmental administrative buildings for use by the County (the "**Projects**"). The purpose of the Projects is to centralize various County offices, enhancing efficiency for County operations, and preserving historic architecture.

The County will construct and equip an approximately 15,000 square foot governmental administrative building, which will consolidate the tax assessor, tax commissioner, and elections offices under one roof. The new administrative building will also include space for the Swainsboro voting precinct, the County's largest polling location, and include amenities such as a drive-through for convenience. The new administrative building project is estimated to cost \$5,200,0000. Construction broke ground in 2023 and is approximately 50% complete with an anticipated completion date of January 2025.

The County will also renovate a four-story, 35,000-square-foot building formerly used as the Coleman Hotel. This extensive renovation will transform the historic hotel, originally built in 1936, into a modern governmental office. The renovated governmental building will house records retention space, a new board room for the County Board of Commissioners, conference rooms, training spaces, and offices for the Commissioners, the County Administrator, the District Attorney, the Emanuel County Extension/4-H program, the Sheriff's investigators, building inspection and code enforcement, the Coroner, and the County's finance, human resources, and information technology teams. The estimated cost of the renovation project is \$8,000,000. The building was fully vacated in June 2024. The abatement process has been completed. The project is currently out for bid for demolition, and construction is expected to be completed by March 2026.

Plan of Financing. The Projects is expected to be substantially funded with the proceeds from the sale of the Bonds. To supplement the Basic Rent (the term being hereinafter defined) payments required to be budgeted annually by the County pursuant to the Lease, the County anticipates utilizing general fund money, reserved funds, receipts from 1% special purpose local option sales taxes, ad valorem property tax collections, to the extent necessary, and any other lawfully available and unappropriated funds of the County.

Includes estimated and budgeted fees of the attorneys, printing costs, bond validation fees, rating agencies' fees, initial fee of Bond Registrar and Paying Agent, underwriter's discount, and other miscellaneous fees and expenses.

Investment of Money

Construction Fund Money. Money held in the Construction Fund will be used to pay the costs of the Projects. Subject to the provisions of the Resolution, money in the Construction Fund may be invested and reinvested by the Construction Fund Custodian in any of the following investments (presently authorized by O.C.G.A. § 36-82-7), if and to the extent the same are at the time legal for investment of bond proceeds:

- (1) The local government investment pool created in O.C.G.A. § 36-83-8; or
- (2) The following securities and no others:
- (A) Bonds or other obligations of the County, or bonds or obligations of the State or other states or of counties, municipal corporations, and political subdivisions of the State;
- (B) Bonds or other obligations of the United States or of subsidiary corporations of the United States government, which are fully guaranteed by such government;
- (C) Obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;
- (D) Bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;
- (E) Certificates of deposit of national or state banks located within the State which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depositary, custodian, or trustee for any proceeds of the Bonds; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State or with a trust office within the State, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State or other states or any county or municipal corporation in the State, obligations of the United States or subsidiary corporations included in subparagraph (B) above, obligations of the agencies and instrumentalities of the United States government included in subparagraph (C) above,

or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities included in subparagraph (D) above; and

- (F) Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:
 - (i) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in subparagraph (B) and (C) above and repurchase agreements fully collateralized by any such obligations;
 - (ii) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;
 - (iii) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and
 - (iv) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State; and
- (G) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the money so placed to be available for use at the time provided with respect to the investment or reinvestment of such money.

Sinking Fund Money. Money in the Sinking Fund (as such term is defined in the Resolution) may be invested by the custodian for such fund in the following investments if and to the extent the same are at the time legal for investment of such money:

- (1) Any of the following investments (presently authorized by O.C.G.A. § 36-80-3 and O.C.G.A. § 36-83-4), if and to the extent the same are at the time legal for investment of such money:
 - (A) Obligations of the United States and of its agencies and instrumentalities, or obligations fully insured or guaranteed by the United States government or by one of its agencies;
 - (B) Obligations of any corporation of the United States government;
 - (C) Bonds or certificates of indebtedness of the State and of its agencies and instrumentalities, or of other states;
 - (D) Obligations of other political subdivisions of the State;
 - (E) Certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured;
 - (F) Prime bankers' acceptances;

- (G) Repurchase agreements; and
- (H) The local government investment pool established by O.C.G.A. § 36-83-8;
- (2) any other investments to the extent at the time hereafter permitted by the applicable law of the State for the investment of public funds.

Security and Sources of Payment for the Bonds

and

The Bonds will be secured by a first and prior pledge of and lien on the amounts payable by the County under the Lease, which amounts shall be sufficient to pay the principal of and premium, if any, and interest on the Bonds. The County's obligation to make such contract payments is absolute and unconditional and shall constitute a general obligation and pledge of the full faith, credit and taxing power of the County. Pursuant to the Resolution, payments made by the County to the Authority sufficient to pay the principal of and interest on the Bonds ("Basic Rent") will be deposited for the account of the Authority directly into the Sinking Fund. Such payments of Basic Rent will be held separate and apart from other funds of the Authority and will not be used for any purpose other than the payment of the principal of and interest on the Bonds. The County covenants in the Lease that it will include in each of its annual budgets an amount sufficient to make the Basic Rent payments in each year and to levy and collect taxes from year to year in an amount sufficient to fulfill and fully comply with the terms of the Lease.

The Bonds shall not constitute a debt or pledge of the faith and credit of the State of Georgia or the County, but shall be payable solely from the revenue, earnings and funds of the Authority arising pursuant to the Lease, as provided in the Lease and the Resolution, and the issuance of the Bonds shall not directly, indirectly or contingently obligate the State of Georgia or the County to levy or pledge any form of taxation whatsoever for the payment thereof. No owner of the Bonds shall have the right to enforce the payment thereof against any property of the State or the County, nor shall the Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any such property; provided, however, that in accordance with the provisions of the Constitution and the laws of the State, the obligation of the County to make the payments it has contracted to make by the provisions of the Lease shall constitute a general obligation and a pledge of the full faith, credit and taxing power of the County, and the obligation which the County has undertaken to make such payments from taxes to be levied for that purpose is a mandatory obligation to levy and collect such taxes from year to year in amount sufficient to fulfill and fully comply with the terms of such obligation.

All payments of Basic Rent due under the Lease and all money in the Construction Fund (subject, however, to the application thereof for the renovation, construction and equipping of the Projects) and in the Sinking Fund are pledged to the payment of the principal of and interest on the Bonds and shall be subject to a first and prior charge or lien for the purpose of paying the principal of and interest on the Bonds, all as further described in the Lease.

Additional Bonds

The Authority, provided certain conditions are met, may issue additional bonds on a parity with the Bonds as to the lien on the revenue of the Authority derived from the Lease for the specific purpose of completing the financing of the Projects or financing further improvements or additions, real or personal, to any portion of the Projects, provided certain conditions set forth in the Resolution are met. For more detailed information on the conditions which must be met for parity obligations to be issued see "Appendix B: FORM OF THE RESOLUTION AND LEASE CONTRACT."

THE AUTHORITY

The Authority

The Authority is a public body corporate and politic, created pursuant to the Act, and is deemed to be a political subdivision of the State and a public corporation. Pursuant to the Act, the Authority has the power, among other powers, to acquire, construct, equip, maintain and operate certain "projects", which are defined in the Act to include all land; buildings; structures; sanitary and surface water sewers; utilities, including natural gas distribution, telecommunications, fiber, cable, and broadband services; and other public property determined by the Authority to be desirable for the efficient operation of any department, board, office, commission, or agency of Emanuel County, the Emanuel County School District, or any municipality or other political subdivision located in Emanuel County, or the State of Georgia in the performance of its governmental, proprietary, and administrative functions. The Authority has the power to execute contracts, leases, rental agreements, and instruments relating to its projects and in furtherance of the purposes of the Authority, including contracts for the constructing, renting, and leasing of its projects for the use of any county or municipality in the State. The Authority has the power and is authorized by the Act to provide by resolution for the issuance of revenue bonds of the Authority for the purpose of paying all or any part of the costs of projects and for the purpose of refunding revenue bonds or other obligations previously issued.

Principal Officials

The Act provides that the Authority shall consist of five members who shall be appointed by the Board of Commissioners of Emanuel County. No more than three members of the Authority may be members of the Board of Commissioners of Emanuel County or employees of the County. Any member of the Authority who is a member of the Board of Commissioners shall serve for a term of office concurrent with such person's then current term of office as a member of the Board of Commissioners. Each member of the Authority who is not a member of the Board of Commissioners shall serve for a term of office of three years, except that the initial terms of office of those members first appointed to the Authority shall be specified at the time of appointment to be one, two, and, if no such member is a member of the Board of Commissioners, three years. After such initial terms, those members who are not members of the Board of Commissioners shall serve for terms of office of three years each. Members of the Authority shall serve for the terms of office so specified and until the appointment and qualification of their respective successors. Vacancies on the Authority shall be filled by the Board of Commissioners for the remainder of the unexpired term and until the appointment and qualification of a successor. Immediately after such appointments, the members of the Authority shall enter upon their duties.

The members of the Authority elect one of the members as Chairperson and another as Vice Chairperson. The members of the Authority appoint a Secretary-Treasurer, who need not be a member of the Authority. Three members of the Authority shall constitute a quorum and no vacancy on the Authority shall impair the right of the quorum to exercise all the rights and perform all the duties of the Authority and, in every instance, a majority vote of a quorum shall authorize any legal act of the Authority.

Information concerning the current members and officers of the Authority is as follows:

<u>Name</u>	Current Term Expires	Principal Occupation
Jim Sherrod, Chairperson	December 31, 2026	Retired
Smith Edenfield, Vice Chair	June 30, 2026	Retired
Kawame Coleman,	December 31, 2024	Delivery driver
Ricky Thompson	December 31, 2027	Tool franchise owner
Gary Mason	July 31, 2025	Retired
Halei Lamb, Secretary	By Appointment	County Clerk
Cliff Gay, Treasurer	By Appointment	County Finance Director

Governmental Immunity and Insurance Coverage

Governmental Immunity. The Act provides that the Authority has the same immunity and exemption from liability for torts and negligence as the County; and the officers, agents, and employees of the Authority when in the performance of the work of the Authority shall have the same immunity and exemption from liability for torts and negligence as the officers, agents, and employees of the County, when in the performance of their public duties or work of the County.

Article I, Section II, Paragraph IX of the Constitution of the State extends sovereign immunity to the Authority, except as to actions for the breach of written contracts. Except as specifically provided by the General Assembly of the State in a State Tort Claims Act, all officers and employees of the Authority may be subject to suit and may be liable for injuries and damages caused by the negligent performance of, or negligent failure to perform, their ministerial functions and may be liable for injuries and damages if they act with actual malice or with actual intent to cause injury in the performance of their official functions. Except as provided in the previous sentence, officers and employees of the Authority shall not be subject to suit or liability, and no judgment shall be entered against them, for the performance or nonperformance of their official functions.

The Authority, however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983, alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the Authority in the exercise of its delegated powers.

EMANUEL COUNTY

Introduction

The County is located in central Georgia, approximately 90 miles northwest of Savannah, Georgia and 95 miles southeast of Macon, Georgia. The City of Swainsboro, county seat of the County, serves as the economic and retail center for the surrounding area.

The population of the County grew approximately 4.26% during the 20-year period from 2000 to 2020, from 21,837 residents in 2000 to 22,768 residents in 2020. This compares with the State's total population growth of 30.8% during the same 20-year period. The County currently has a population of 23,119 according to according to the U.S. Census Bureau estimates as of July 1, 2023 (the latest data available).

At approximately 680 square miles, Emanuel County is the 6th largest of Georgia's 159 counties. Set forth below are the percentages of land use for various categories within the territorial limits of Emanuel County, computed based upon the acres of land for the various categories set forth in the tax digest for each respective year.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Agricultural	13.0%	14.4%	15.2%	15.4%	16.8%
Commercial	0.6	0.5	0.5	0.5	0.5
Industrial	0.1	01.	0.1	0.1	0.1
Forest Land Cons. Use	25.1	25.4	26.7	27.0	26.1
Preferential	0.8	0.5	0.5	0.5	0.4
Residential	6.2	6.5	6.6	6.8	7.1
Conservation Use	<u>54.3</u>	<u>52.5</u>	<u>50.4</u>	<u>49.6</u>	<u>48.9</u>
Total	<u>100.0</u> %				

Source: State of Georgia Department of Revenue, Local Government Services Division, County Digest Section.

Government Format and Principal Officials

The County is a political subdivision of the State of Georgia and is governed by a Board of Commissioners which is composed of five commissioners. For purposes of electing members of the Board of Commissioners, the County is divided into five commissioner districts. One member is elected from each such district, and each district commissioner shall be elected by a majority of the voters within each respective commissioner district. The roles of Chairman and Vice Chairman are rotated among the commissioners every two years. The commissioners serve four-year terms. Information regarding the Board of Commissioners is as follows:

<u>Name</u>	Current Term Expires	Principal Occupation
Hugh Foskey, Chairman and District 3	December 31, 2024	Retired
Jim Sherrod, Vice Chair and District 4	December 31, 2026	Retired
Kawame Coleman, District 1	December 31, 2024	Delivery driver
Ricky Thompson, District 2	December 31, 2027	Tool franchise owner
Timmy Oliver, District 5	December 31, 2026	Part owner in embroidery business

Chairman. To facilitate leadership and decision-making within the board, the roles of chairman and vice chairman are rotated among commissioners every two years. This rotational leadership structure promotes fairness, accountability, and equal participation among commissioners, ensuring that each member has the opportunity to lead and contribute to the governance process.

County Administrator. L. Guy Singletary has served as the County Administrator for the County since 2016. The County Administrator works directly with the Board of Commissioners to provide support with the policy development process, annual and capital budgets, guiding county department operations, and short- and long-term planning. The County Administrator assumes other roles as needed and serves on, or advises, various boards and authorities. Prior to becoming the County Administrator for the County, Mr.

Singletary spent seven years serving as the County Administrator for Johnson County. Mr. Singletary serves on various boards locally and across the state and has served as the president of the Georgia Association of County Mangers and Administrators. Mr. Singletary is an International City/County Management Association (ICMA) Credentialed Manager. Mr. Singletary holds an associate degree in business from East Georgia State College, a bachelor's degree in business education from the University of Georgia, and a master's degree in public administration from Valdosta State University.

County Clerk. Halei Lamb serves as the County Clerk. The County Clerk oversees recordkeeping, agenda management, license applications and various administrative tasks essential to County operations. The County Clerk is charged with creating, publishing, attesting to, certifying, sealing, and codifying a wide range of official County documents. The County Clerk also serves as the County's Georgia Open Records Act officer and acts as an ambassador of the County. Ms. Lamb joined the County with an extensive background in communications, having served as an award-winning editor of Emanuel County's *The Forest-Blade*; a founding partner in a start-up local newspaper, *The Crossroads Chronicle*; and a ratings-boosting producer for WJBF NewsChannel 6 in Augusta.

Chief Financial Officer. The Chief Financial Officer of the County is responsible for managing the financial affairs of the County. Cliff Gay assumed the role of Chief Financial Officer of the County in November 2023. He holds an associate degree in business from East Georgia College as well as a Bachelor of Business Administration in Accounting and a Master of Accountancy from Georgia Southern University. As Chief Financial Officer, Mr. Gay brings to the County more than 20 years of experience in his field. Highlights of Mr. Gay's career include working as a senior auditor with the Georgia Department of Audits and leading East Georgia as Vice President for Business Affairs.

Employees, Employee Relations, and Labor Relations

The County employes approximately 165 full-time and 75 part-time employees as of July 31, 2024. Part-time employees fluctuate seasonally. Part-time employees fluctuate seasonally. The County's management believes that it enjoys an excellent relationship with its employees. The County has never experienced a major disruption of services due to a strike or employee action. No employees belong to labor unions or other collective bargaining groups and the County has no knowledge of any union organizing efforts.

County Services and Facilities

The County provides a full range of services customary for county governments including, law enforcement, rural fire protection, emergency services, public health services, solid waste facilities and services, construction and maintenance of highways, streets, and other infrastructure, and recreation and cultural programs among other services. The County's Sheriff's office is the primary law enforcement agency within the County and is made up of 81 employees comprised of road deputies, a single K-9 officer, school resources officers, and jail officers and investigators. The County has 13 rural fire volunteer stations. The County's Road Department is responsible for maintaining over 900 miles of county roadway. The County's Solid Waste Department is responsible for the collection and property disposal of solid waste trash. The Recreation Department implements programs and maintains several facilities. The East Georgia Regional Airport features a 6,020 ft. runway and state of the art terminal building.

Population Information

The following table sets forth the decennial census population data, including percentage of annual increase, in the County, the State, and the United States. The County currently has a population of 23,119 residents according to the U.S. Census Bureau estimates as of July 1, 2023.

	Emanuel	Percentage	State of	Percentage		Percentage
<u>Year</u>	County	<u>Change</u>	Georgia	<u>Change</u>	United States	<u>Change</u>
1980	20,795	-	5,463,105	-	226,545,805	-
1990	20,546	(1.2)%	6,478,216	18.6%	248,709,873	9.8%
2000	21,837	6.3	8,186,453	26.4	281,421,906	13.2
2010	22,598	3.5	9,687,653	18.3	308,745,538	9.7
2020	22,768	0.8	10,711,908	10.6	331,449,281	7.4

Source: U.S. Department of Commerce, Bureau of the Census

Per Capita Personal Income

The following table sets forth the per capita personal income in the County, the State, and the United States for the years 2018 through 2023. County data is not yet available for the year 2023.

Year	Emanuel County	Georgia	United States
2018	\$31,409	\$46,626	\$53,309
2019	33,230	48,535	55,547
2020	37,954	51,456	59,151
2021	39,913	56,172	64,427
2022	39,039	56,588	65,473
2023	· -	58,581	68,531

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Accounts Data (last updated November 16, 2024 for State and United States, last updated November 16, 2023 for the County).

Median Home Values

The following table sets forth the median home values for the County, the State, and the United States for the years 2018 through 2022 according to the U.S. Census Bureau, American Community Survey (ACS), 5-Year Estimates.

<u>Y ear</u>	Emanuel County	Georgia	United States
2018	\$74,100	\$166,800	\$204,900
2019	73,100	176,000	217,500
2020	74,700	190,200	229,800
2021	77,100	206,700	244,900
2022	87,500	245,900	281,900

Source: U.S. Census Bureau, American Community Survey (ACS), 5-Year Estimates

Building Permits

The following table shows a summary of new single and multi-family residential construction permits reported in the County for calendar years 2019 through 2023.

Calendar Year	Permits Issued	Construction Costs
2019	6	\$503,333
2020	4	423,333
2021	33	7,060,003
2022	37	8,500,659
2023	89	24,807,216

Source: Georgia Department of Labor, Labor Market Explorer

Bank Deposits

As of June 30, 2023, four financial institutions with a total of five branch offices provided banking services within the County. The following are the total deposits in the County's financial institutions as of June 30 in each of the years 2019 through 2023.

<u>Year</u>	<u>Amount</u>
2019	\$357,335,000
2020	401,390,000
2021	437,416,000
2022	487,974,000
2023	423,591,000

Source: Federal Deposit Insurance Corporation, Summary of Deposits: Summary Table Report

Industry and Employment

<u>Civilian Employment Statistics of the County</u>. Employment includes nonagricultural wage and salary employment, self-employed, unpaid family and private household workers, and agricultural workers. Persons in labor disputes are counted as employed. The use of rounded data does not imply that the numbers are exact.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Employment Unemployment	7,987 <u>461</u>	7,977 	8,181 <u>453</u>	8,318 <u>366</u>	8,477 <u>372</u>
Total Labor Force	8,448	8,574	8,634	8,684	8,849
County Unemployment Rate	5.5%	7.0%	5.2%	4.2%	4.2%
State Unemployment Rate	3.6%	6.5%	3.9%	3.0%	3.2%
U.S. Unemployment Rate	3.7%	8.1%	5.3%	3.6%	3.6%

Source: Georgia Department of Labor, Workforce Statistics & Economic Research

According to the Georgia Department of Labor preliminary June 2024 preliminary estimates, the unemployment rate for the State of Georgia was 4.0% and the unemployment rate for the County was 6.0% (not seasonally adjusted).

<u>Principal Employers</u>. Set forth below are the principal employers located in the County as of August 1, 2024, their type of business, and their approximate number of employees. There can be no assurance that any employer listed below will continue to be located in the County or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed.

Type of Business	Employees
Food Processing and Packaging	861
Education	654
Healthcare	436
Timber Processing	260
Window Manufacturing	247
Packaging Equipment	224
Storage Building Manufacturing	210
Education	209
Sheetmetal Manufacturing	205
Detention Cell Manufacturing	201
	Food Processing and Packaging Education Healthcare Timber Processing Window Manufacturing Packaging Equipment Storage Building Manufacturing Education

Source: Swainsboro-Emanuel County Chamber of Commerce and Development Authority

<u>Economic Sector Distribution</u>. The following table shows the average percentage of persons who worked in each major sector of the local economy in the County in the years 2019 through 2023. Data are monthly averages for each respective year. Figures are based on employees covered under the State unemployment insurance program.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Agriculture, Forestry, Fishing & Hunting	2.1%	2.0%	2.1%	2.1%	2.3%
Construction	1.9	2.0	2.0	2.4	2.6
Manufacturing	22.7	23.6	23.4	23.3	23.0
Wholesale Trade	4.2	4.6	5.3	6.4	6.3
Retail Trade	12.0	12.8	13.1	13.2	12.9
Transportation and Warehousing	2.7	3.3	3.7	3.7	3.5
Information	0.4	0.5	*	0.4	0.4
Finance and Insurance	2.9	2.9	2.8	2.8	2.7
Real Estate and Rental and Leasing	0.4	0.3	0.3	*	*
Professional Scientific & Tech Serv.	1.5	1.8	1.7	1.8	2.1
Admin., Support, Waste Mgmt, &	2.1	1.9	1.7	1.6	1.5
Remediation					
Education Services	*	*	*	*	*
Health Care and Social Assistance	8.3	7.8	8.3	8.4	8.1
Arts, Entertainment, and Recreation	0.3	0.3	0.3	0.3	0.3
Accommodation and Food Services	6.6	5.3	6.3	6.6	6.9
Other Services (except Public Admin.)	1.0	1.0	0.9	1.0	1.2
Unclassified	0.2	0.1	0.1	0.2	0.3
Federal, State, and Local Government	<u>29.4</u>	<u>28.3</u>	<u>27.0</u>	<u>25.2</u>	<u>25.2</u>
All Industries	100.0%	100.0%	100.0%	<u>100.0%</u>	<u>100.0%</u>

^{*} Denotes confidential data relating to individual employers and cannot be released. These data use the North American Industrial Classification System (NAICS) categories. Average weekly wage is derived by dividing gross payroll dollars paid to all employees - both hourly and salaried - by the average number of employees who had earnings; average earnings are then divided by the number of weeks in a reporting period to obtain weekly figures. Figures in other columns may not sum accurately due to rounding.

Source: Georgia Department of Labor.

DEBT STRUCTURE OF THE COUNTY

Summary of County Debt by Category

Set forth below is information concerning tax supported debt of the County as of August 1, 2024, and as of the anticipated date of issuance of the Bonds. The information set forth below should be read in conjunction with the County's financial statements included as Appendix A hereto.

			Amount to be
			Outstanding Upon
	Amount	Amount Outstanding	Issuance
Category of Debt	Authorized or Issued	as of August 1, 2024	of Series 2024 Bonds
Intergovernmental Contract Debt ¹			
The Bonds	\$10,110,000	\$ -0-	\$10,110,000
Development Authority			
GEFA Loans Payable ^{2,3}			
GEFA Loan GF2017004 ⁴	920,000	782,480	775,938
GEFA Loan GF2018002 ⁵	3,000,000	2,591,177	2,591,177
TOTAL.	Ф14 020 000	Ф2 2 7 2 657	¢12 477 115
TOTAL:	<u>\$14,030,000</u>	<u>\$3,373,657</u>	<u>\$13,477,115</u>

The financial obligations of the County under the Lease constitute a general obligation of the County to make the payments it has contracted to make by the provisions of the Lease and constitutes a pledge of the full faith, credit, and taxing power of the County. However, the County's obligations under the Lease do not constitute debt for purpose of the constitutional debt limit as described in "DEBT STRUCTURE OF THE COUNTY - Debt Limitation."

<u>Financed Purchases</u>. The County has entered into a financed purchase agreement to finance the acquisition of certain equipment. The agreement qualifies as a financed purchase for accounting purposes (titles transfer at the end of the agreement). The financed purchase agreement is subject to annual appropriations and does not constitute a general obligation of the County. On September 21, 2021, the County entered into a financed purchase of ten Motorgraders for \$2,801,571 at an interest rate of 1.25%. The financed purchase matures September 21, 2026. The current outstanding balance as of September 30, 2023 was \$1,759,356.

² The Emanuel County Development Authority is a blended component unit of the County. The County levies one mill of property taxes each year to fund the operations of the Development Authority. The Development Authority operates a water and sewer system located in one of its industrial parks pursuant to an intergovernmental agreement with the City of Swainsboro.

³ Georgia Environmental Finance Authority ("GEFA") loans are secured by a promissory note payable by the Development Authority to GEFA and are based upon a contract which requires that the Development Authority exercise its power to set rates, fees, and charges to it's the water and sewer system, and that the County exercise its taxing power to levy up to one mill for the Development Authority to the extent necessary to pay, among other things, the principal of and interest on such loans as they become due and payable. However, the County's obligations under the GEFA loans do not constitute debt for purpose of the constitutional debt limit as described in "DEBT STRUCTURE OF THE COUNTY -Debt Limitation."

⁴ On September 1, 2020, GEFA Loan GF2017004 converted from construction status to a fixed amortization loan. The principal amount bears interest at an annual rate of 2.39%. Monthly payments of \$4,825.96 are due on the first of each month until maturity on December 1, 2040. The loan was used to finance the costs of acquiring, constructing, and installing a water tank, treatment building, and water lines for Development Authority's the I-16 Park.

⁵ On October 16, 2018, the Development Authority issued GEFA Loan GF2018002 for up to \$3,000,000 at an interest rate of 2.75%. The loan will be used to finance the costs of acquiring, constructing, and installing pump stations and sewer lines for the I-16 Park. The loan is still in the draw down phase. Interest accrues and is payable monthly. The loan will convert from construction status to a fixed amortization loan of 239 monthly payments upon the earlier of the completion date or September 1, 2025.

<u>Leases</u>. The County entered into a lease agreement with Enterprise Fleet Management on September 23, 2022 for financing vehicles. As of September 30, 2023, the value of the lease liability was \$953,383. The County makes monthly principal and interest payments and the lease carries an average interest rate of 3.67-4.08%. This lease is subject to annual appropriations and does not constitute a general obligation of the County. The County entered into a right-to-use lease agreement with Motorola on January 1, 2023 for an E-911 radio system. As of September 30, 2023, the value of the lease liability was \$8,901,966. The County makes semi-annual interest payments and annual principal payments and the lease carries an interest rate of 2.724%. This lease is subject to annual appropriations and does not constitute a general obligation of the County.

In fiscal year 2024, the County has entered into lease agreements, subject to annual appropriations, with Enterprise Fleet Management for vehicles in the principal amount of \$1,055,162 and copier leases with Great American Financial Services in the principal amount of \$31,142.

Reference is made to Note 7 and Note 12 of the financial statements of the County for the fiscal year ended September 30, 2023, included in Appendix A, for further discussion of the County's long-term debt and other commitments and contingent liabilities of the County.

Long and Short Term Indebtedness

The County does not have any current plans to issue any other short-term or long-term indebtedness other than the Bonds.

Debt Limitation

State Law. Article IX, Section V, Paragraph I(a) of the Constitution of the State of Georgia provides that the County may not incur long-term obligations (other than refunding obligations) payable out of general property taxes without the approval of a majority of the qualified voters of the County voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the County may not incur long-term obligations payable out of general property taxes in excess of 10% of the assessed value of all taxable property within the County. Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation, and intergovernmental obligations are not subject to the legal limitations described above.

As computed in the table below, based upon assessed values as of January 1, 2024, the County could incur, upon necessary voter approval, immediately after the issuance of the Bonds, approximately \$68,241,452 of long-term obligations payable out of general property taxes.

Computation of Legal Debt Margin

Gross Tax Digest for the County as of January 1, 2024	
Less M&O Exemptions ¹	(112,66,723)
Net M&O Tax Digest	\$682,414,526
C	
Debt Limit (10% of Net M&O Tax Digest)	\$68,241,452
Less Amount of Debt Outstanding Applicable to Debt Limit	-0-
Legal Debt Margin	

Based on M&O exemptions. Actual bond exemptions are not available because in past years it has not been necessary for the County to levy a tax for any general obligation debt. It is not expected that the amount of bond exemptions would be materially higher than the amount of M&O exemptions.

Source: Georgia Department of Revenue.

Indebtedness of Overlapping Governmental Entities

Property owners in the County are responsible for both the County's debt obligations and any debt obligations of other taxing entities in the proportion to which the jurisdiction of the County overlaps such entities. Set forth below are the estimated overlapping general obligation debt and overlapping property tax supported contractual obligations, if any, as of the dates indicated. Although the County has attempted to obtain accurate information as to the overlapping debt, it does not guarantee its completeness or accuracy, as there is no central reporting entity which has this information available, and the amounts are based on information supplied by others.

Name of Overlapping Entity	Amount of Debt Outstanding ¹
Emanuel County School District ²	\$0
City of Adrian ³ Notes Payable	38,723
City of Oak Park ⁴ Capital Leases	62,203
City of Swainsboro ⁵ Notes Payable GEFA Loans ⁶ Capital Leases	201,324 241,580 56,508
Twin City ³ Notes Payable GEFA Loans ⁶	100,000 783,682
Total	<u>\$1,484,020</u>

Data excludes utility revenue bonds payable solely from revenues of utility systems and any other debt which is not supported by property taxes.

² As of June 30, 2023.

³ As of December 31, 2022.

⁴ As of December 31, 2023.

⁵ As of November 30, 2023

⁶ Georgia Environmental Finance Authority ("GEFA") loans are secured by a promissory note payable to GEFA and are based upon a contract which requires that the applicable City exercise its taxing power and its power to set rates, fees, and charges to its utility systems to the extent necessary to pay, among other things, the principal of and interest on such loans as they become due and payable. The GEFA loans are general obligations of the applicable Cities to which their full faith, credit, and taxing power are pledged.

Debt Service Schedule

The following table sets forth the estimated principal and interest requirements relating to the Bonds.

Payment Date 3/1/2025	<u>Principal</u>	Interest	Total Debt Service
	¢205 000 00	\$173,116.67	\$173,116.67
9/1/2025 3/1/2026	\$295,000.00	229,125.00 221,750.00	524,125.00 221,750.00
	255,000,00		
9/1/2026	255,000.00	221,750.00	476,750.00
3/1/2027	270 000 00	215,375.00	215,375.00
9/1/2027	270,000.00	215,375.00	485,375.00
3/1/2028	-	208,625.00	208,625.00
9/1/2028	280,000.00	208,625.00	488,625.00
3/1/2029	-	201,625.00	201,625.00
9/1/2029	295,000.00	201,625.00	496,625.00
3/1/2030	-	194,250.00	194,250.00
9/1/2030	410,000.00	194,250.00	604,250.00
3/1/2031	-	184,000.00	184,000.00
9/1/2031	430,000.00	184,000.00	614,000.00
3/1/2032	-	173,250.00	173,250.00
9/1/2032	455,000.00	173,250.00	628,250.00
3/1/2033	-	161,875.00	161,875.00
9/1/2033	475,000.00	161,875.00	636,875.00
3/1/2034	-	150,000.00	150,000.00
9/1/2034	500,000.00	150,000.00	650,000.00
3/1/2035	-	137,500.00	137,500.00
9/1/2035	525,000.00	137,500.00	662,500.00
3/1/2036	-	127,000.00	127,000.00
9/1/2036	545,000.00	127,000.00	672,000.00
3/1/2037	· <u>-</u>	113,375.00	113,375.00
9/1/2037	575,000.00	113,375.00	688,375.00
3/1/2038	-	99,000.00	99,000.00
9/1/2038	600,000.00	99,000.00	699,000.00
3/1/2039	-	84,000.00	84,000.00
9/1/2039	635,000.00	84,000.00	719,000.00
3/1/2040	-	71,300.00	71,300.00
9/1/2040	660,000.00	71,300.00	731,300.00
3/1/2041	-	58,100.00	58,100.00
9/1/2041	685,000.00	58,100.00	743,100.00
3/1/2042	-	44,400.00	44,400.00
9/1/2042	710,000.00	44,400.00	754,400.00
3/1/2043	-	30,200.00	30,200.00
9/1/2043	740,000.00	30,200.00	770,200.00
3/1/2044	-	15,400.00	15,400.00
9/1/2044	770,000.00	15,400.00	785,400.00
Total	\$10,110,000.00	\$5,384,291.67	\$15,494,291.67

EMANUEL COUNTY FINANCIAL INFORMATION

Five-Year General Fund History

Set forth below is a historical, comparative summary of the revenues, expenditures, and changes in fund balance of the County's General Fund for the past five fiscal years. Information in the table has been extracted from audited financial statements of the County for the years ended September 30, 2019, through and including September 30, 2023. Although taken from audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the County for the fiscal years shown. For more complete information, reference is made to the audited financial statements of the County for fiscal year 2023 which are included in this Official Statement as Appendix A and to the audited financial statements of the County for fiscal years 2019 to 2022, copies of which are available from the County upon request.

	Fiscal Years Ending September 30				
	2019 2020 2021 2022 2023				
Revenues					
Taxes	\$11,293,810	\$9,016,166	\$10,940,657	\$11,547,621	\$11,935,713
Licenses and Permits	32,573	32,812	37,385	37,410	35,971
Intergovernmental	59,924	748,237	263,271	304,907	346,051
Charges for Services	1,868,361	1,978,678	2,279,619	1,811,915	1,918,060
Fines and Forfeitures	723,288	608,418	758,644	610,790	742,247
Interest Income		65,788	22,006	2,332	405,654
Miscellaneous	234,524	364,680	483,121	594,581	441,429
Total Revenues	14,212,480	12,814,779	14,784,703	14,909,556	15,825,125
Expenditures					
Current Operating:					
General Government	2,178,179	2,433,428	2,770,541	3,022,752	3,201,634
Judicial	1,175,483	1,212,076	1,211,532	1,227,027	1,306,841
Public Safety	3,854,645	3,507,077	4,313,229	5,084,070	5,127,867
Public Works	3,102,191	3,759,408	3,274,871	3,421,251	3,405,163
Health and Welfare	163,934	343,225	335,735	339,022	352,398
Culture and Recreation	517,735	538,812	555,105	613,977	548,542
Housing and Development	389,964	376,720	835,571	601,131	547,085
Debt Service:	20,,,0.	570,720	000,071	001,101	2 . 7 , 0 0 0
Principal					
Interest					
Intergovernmental	45,934	48,208	39,580		
Total Expenditures	11,428,065	12,218,954	13,336,164	14,309,230	14,489,530
•	, ,				
Revenues Over (Under) Expenditures	2,784,415	595,825	1,448,539	600,326	1,335,595
Other Financing Sources (Uses)					
Sale of Capital Assets	78,839				
Insurance Reimbursement	22,565	64,394			
Transfers In	·			4,398,720	
Transfers Out	(190,000)	(175,000)	(495,291)	(1,580,000)	(3,219,720)
Total Other Sources (Uses)	(88,596)	(110,606)	(495,291)	2,818,720	(3,219,720)
Net Change In Fund Balance	2,695,819	485,219	953,248	3,419,046	(1,884,125)
Fund Balance Beginning of Year	6,553,003	9,248,822	9,808,0261	10,761,274	14,180,320
Fund Balance End of Year	\$9,248,822	\$9,734,041	\$10,761,274	\$14,180,320	\$12,296,195

Restatement required in order to properly record interfund balances.

Accounting Policies

The accounting policies of the County conform to generally accepted accounting procedures ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are set forth in Note 1 of the audited financial statements for the County attached as Appendix A to this Official Statement.

Independent Auditors' Reports

The auditor reports on the financial statements of the County for the fiscal years ended September 30, 2019 through September 30, 2023, state that said financial statements present fairly, in all material respects, the financial position of the County as of each respective fiscal year, and the results of its operations and cash flows for each respective fiscal year in conformity with accounting principles generally accepted in the United States.

Budgetary Process for General Fund

The County adopts an annual operating budget for all governmental funds except the Capital Projects Funds which have an adopted project budget. The budget reflects the total of each department's appropriation in each 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 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. Department heads have the authority to transfer appropriations within a department (within the same fund) from one line item to another subject to the approval of the County Administrator. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

The County's budget process typically begins when departments submit budget requests to the County's administration. The County Administrator submits to the Board of Commissioners a proposed operating budget for the upcoming fiscal year. The operating budget includes proposed expenditures and the means of financing the expenditures. Public notice of the budget and tax proposals is provided to the citizens of the County in conformance with Georgia law. After public notice has run, public hearings are conducted to obtain taxpayer comments. Budget review meetings and public hearings are normally held. The budget is formally adopted on a basis consistent with generally accepted accounting principles prior to October 1 of each year.

Pursuant to O.C.G.A. § 36-81-3(b), the annual budget approved by the Board of Commissioners must be balanced. A budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. The Board of Commissioners has the authority under O.C.G.A. § 36-81-3(d), however, to amend its budget as follows:

- (1) Any increase in appropriation at the legal level of control of the County, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, requires the approval of the Board of Commissioners. Such amendment shall be adopted by ordinance or resolution;
- (2) Transfers of appropriations within any fund below the local government's legal level of control requires only the approval of the budget officer; and
- (3) The Board of Commissioners may amend the legal level of control to establish a more detailed level of budgetary control at any time during the budget period. Said amendment must be adopted by ordinance or resolution.

Current Budget. Set forth below is a summary of the County's adopted General Fund budget for the fiscal years ending September 30, 2024 and September 30, 2025. The budgets are based upon certain assumptions and estimates of the County's administration regarding future events, transactions, and circumstances. Realizations of the results projected in the budget will depend upon implementation by management of policies and procedures consistent with the assumptions made by the County. Accordingly, the actual results achieved for the budget could materially vary from those projected in the budget shown below.

Emanuel County General Fund Budget

Fiscal Years Ending September 30

	(As Amended) 2024	(Adopted) 2025
Revenues		
Property Taxes	\$9,066,000	\$8,930,000
Sales Taxes	1,850,000	1,950,000
Timber Taxes	240,000	240,000
Motor Vehicle Taxes	1,315,000	1,375,000
Mobile Home Taxes	60,000	70,000
Insurance Premium Taxes	915,000	1,035,000
Other Taxes	337,000	347,500
Licenses and Permits	32,500	37,500
Intergovernmental	234,850	262,000
Charges for Services	1,963,500	2,152,000
Fines and Forfeitures	825,000	865,000
Interest Income	573,000	475,000
Miscellaneous	480,000	195,000
Total Revenues	<u>\$17,891,850</u>	<u>\$17,934,000</u>
Expenditures		
General Government	\$3,851,680	\$3,832,500
Judicial	1,354,550	1,394,500
Public Safety	6,288,920	6,236,060
Public Works	3,847,650	3,732,800
Health and Welfare	435,680	452,290
Culture and Recreation	1,429,750	1,355,250
Housing and Economic Development	683,620	575,620
Total Expenditures	<u>\$17,891,850</u>	<u>\$17,579,020</u>

Employee Retirement Plans

The County adopted a non-contributory defined contribution plan on August 31, 1998, and it went into effect on February 3, 1999. All full-time employees with two years of service are eligible for coverage. The Emanuel County Board of Commissioners Retirement Saving Plan (the "Plan") is administered by GEBCorp. The County has the authority to establish or amend plan provisions. The investment objective of the Plan is to protect against loss of principal while providing returns more than money market funds and one-year treasury bills. The County is responsible for establishing or amending the defined contribution plan contribution requirements. The County's defined contribution plan contribution for the fiscal year ended September 30, 2023, was \$358,772 on covered payroll of \$5,800,818. Employees, at their option, may contribute as much as 25% of their salary to a 457 deferred compensation plan. Employees do not contribute to the Plan; however the County makes matching contributions to the Plan based on employee's contributions to the 457 deferred compensation plan, up to 7%. See Note 10 of the County's general purpose financial statements and related schedules included as Appendix A to this Official Statement for a more detailed summary of the County's and its component units' retirement plans and related liabilities.

Other Employee Benefits

The County provides a full range of employee benefits for County employees. All County employees receive vacation leave and sick leave. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method.

Governmental Immunity and Insurance Coverage

Governmental Immunity. Under Georgia law, the defense of sovereign immunity is available to the County except for actions for the breach of written contracts and actions for the recovery of damages for any claim for which liability insurance protection has been provided, but only to the extent of the liability insurance provided. The County, however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983, alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the County in the exercise of its delegated powers.

Insurance Coverage. The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency ("IRMA") for property and liability insurance and the ACCG-Group Self-Insurance Workers' Compensation Fund ("WCSIF"), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Association County Commissioners of Georgia ("ACCG") administers both risk pools.

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

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

Settled claims in the past three years have not exceeded the coverage

EMANUEL COUNTY AD VALOREM TAXATION

Introduction

Ad valorem property taxes are an important source of revenue to fund the operations of the County. Ad valorem property taxes are levied on an annual basis based on the fair market value of the property assessed by the County as of January 1st of each year. Ad valorem property taxes are levied on the assessed value of the property which, by law, is established at 40% of the fair market value. Taxes are levied in mills (one-tenth of one percent) upon each dollar of assessed property value.

Property Subject to Taxation

Ad valorem property taxes are levied, based upon value, against all real and personal property within the County. There are, however, certain classes of property which are exempt from taxation by State law, including public property, religious property, charitable property, property of nonprofit hospitals, nonprofit homes for the aged, and nonprofit homes for the mentally handicapped, college and certain educational property, public library property, certain farm products, certain air and water pollution control property, and personal effects.

Assessed Value

Assessed valuation, which represents the value upon which *ad valorem* property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires all counties to assess taxable tangible property, with certain exceptions, at 40% of its fair market value and to tax such property on a levy made by each tax jurisdiction according to 40% of the property's fair market value. Georgia law requires certain agricultural real property to be assessed for *ad valorem* property tax purposes at 75% of the value of which other real property is assessed and requires certain historical property to be valued at a lower fair market value for *ad valorem* property tax purposes. Conservation use property represents up to 2,000 acres of real property of a single owner that is either devoted to the good faith production of agricultural products or timber or is a type of environmentally sensitive property. Fores Land Conservation Use ("FLCU") designated property is valued at 40% of its current use assessment and Conservation Use property is assessed at a value equal to the sum of (a) 65% of the capitalization of the net income generated from the use of the property and (b) 35% of its current use value. "Standing timber" is assessed one time, following its sale or harvest, at 100% of its fair market value.

The chief appraiser of the County is required to submit a certified list of assessments for all taxable property, except motor vehicles, motor homes, and property owned by public utilities, within the County to the County Board of Tax Assessors. The Tax Commissioner of the County is required to present the tax returns to the County Board of Tax Assessors by April 1 of each year. The Board of Tax Assessors is required to complete its revision and assessment of returns by June 1 of each year. The Tax Commissioner then certifies the digest and forwards a copy of the completed digest to the State of Georgia Revenue Commissioner for examination and approval. The Revenue Commissioner has the authority to examine the digest for the purpose of determining if the valuations of property are reasonably uniform and equalized between and within counties. Assessments may be appealed by property owners within 45 days of the date of receiving an assessment notice based on taxability, value, uniformity, and/or denial of an exemption. Assessments and appeals are subject to review at various stages by the County Board of Equalization and by state courts.

The State of Georgia Property Tax Unit assesses the value of the property of public utilities and divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these amounts to the County which bills these taxes to the utilities.

Tax Relief Initiatives

For the purposes of reducing the burden of *ad valorem* taxation for property owned by a taxpayer and occupied as his or her legal residence ("homesteads"), the State has granted several types of homestead exemptions more particularly described below. In addition, local governments are authorized to provide for increased exemption amounts and several have done so. Local government exemption amounts supersede

the State exemption amount when the local exemption is greater than the State exemption. The deductions are taken from the homestead's 40% assessed value before utilizing millage rates to determine tax owed. There are no local homestead exemptions offered in Emanuel County, but taxpayers can apply for the statewide homestead exemptions.

Standard Homestead Exemption. The home of each resident of Georgia that is actually occupied and used as the primary residence by the owner may be granted a \$2,000 exemption from county and school taxes except for school taxes levied by municipalities and except to pay interest on and to retire bonded indebtedness. The \$2,000 is deducted from the 40% assessed value of the homestead. The owner of a dwelling house of a farm that is granted a homestead exemption may also claim a homestead exemption in participation with the program of rural housing under contract with the local housing authority.

Individuals 65 Years of Age and Older May Claim a \$4,000 Exemption. Individuals 65 years of age or over may claim a \$4,000 exemption from all county ad valorem taxes if the income of that person and his spouse does not exceed \$10,000 for the prior year. Income from retirement sources, pensions, and disability income is excluded up to the maximum amount allowed to be paid to an individual and his spouse under the federal Social Security Act. The social security maximum benefit for 2023 was \$87,048. The owner must notify the county tax commissioner if for any reason they no longer meet the requirements for this exemption.

Individuals 62 Years of Age and Older May Claim Additional Exemption for Educational Purposes. Individuals 62 years of age or over that are residents of each independent school district and of each county school district may claim an additional exemption from all ad valorem taxes for educational purposes and to retire school bond indebtedness if the income of that person and his spouse does not exceed \$10,000 for the prior year. Income from retirement sources, pensions, and disability income is excluded up to the maximum amount allowed to be paid to an individual and his spouse under the federal Social Security Act. The social security maximum benefit for 2023 was \$87,048. The owner must notify the county tax commissioner if for any reason they no longer meet the requirements for this exemption. This exemption may not exceed \$10,000 of the homestead's assessed value.

Floating Inflation-Proof Exemption. Individuals 62 years of age or over may obtain a floating inflation-proof county homestead exemption, except for taxes to pay interest on and to retire bonded indebtedness, based on natural increases in the homestead's value. If the appraised value of the home has increased by more than \$10,000, the owner may benefit from this exemption. Income, together with spouse or any other person residing in the house cannot exceed \$30,000. This exemption does not affect any municipal or educational taxes and is meant to be used in the place of any other county homestead exemption.

Disabled Veteran or Surviving Spouse. Any qualifying disabled veteran may be granted an exemption of \$60,000 plus an additional sum from paying property taxes for county, municipal, and school purposes. The additional sum is determined according to an index rate set by United States Secretary of Veterans Affairs. The amount for 2023 was \$109,986. The value of the property in excess of this exemption remains taxable. This exemption is extended to the unremarried surviving spouse or minor children as long as they continue to occupy the home as a residence.

Surviving Spouse of U.S. Service Member. The unremarried surviving spouse of a member of the armed forces who was killed in or died as a result of any war or armed conflict will be granted a homestead exemption from all ad valorem taxes for county, municipal and school purposes in the amount of \$60,000 plus an additional sum. The additional sum is determined according to an index rate set by United States Secretary of Veterans Affairs. The amount for 2023 was \$109,986. The surviving spouse will continue to be eligible for the exemption as long as they do not remarry.

Surviving Spouse of Peace Officer or Firefighter. The unremarried surviving spouse of a peace officer or firefighter killed in the line of duty will be granted a homestead exemption for the full value of the homestead for as long as the applicant occupies the residence as a homestead.

Freeport Exemptions. Voters in the County have approved for exemption of the following types of tangible personal property from ad valorem taxation, known as "freeport" exemptions: (1) inventory of goods in the process of being manufactured, (2) inventory of finished goods manufactured or produced in the State held by the manufacturer or producer for a period not to exceed 12 months, (3) inventory of finished goods on January 1 that are stored in a warehouse, dock, or wharf which are destined for shipment outside the State for a period not to exceed 12 months, and (4) stock in trade of a fulfillment center which on January 1 are stored in the fulfillment center.

Conservation Use and Forest Land. A large proportion of amounts constituting real and personal property on the County's general tax digest was designated as conservation use property or forest land conservation use property. The FLCU property designation was created pursuant to the Forest Land Protection Act, a constitutional amendment that became effective on January 1, 2009, after approval by the State's voters in the preceding November 2008 general election. The FLCU designation allows for a lower tax rate for property owners that qualify for the designation. The FLCU designation is available for timber land that either (a) has been certified by the U.S. Department of Natural Resources as "environmentally sensitive property" or (b) is kept in accordance with a recognized sustainable forestry certification program. Real property receiving the FLCU designation is valued at 40% of its current use value and not 40% of its actual fair market value. FLCU property must remain employed for its current use for at least 15 years after its designation. Conservation Use property is real property that consists of timber land or agricultural land and is assessed at a value equal to the sum of (a) 65% of the capitalization of the net income generated from use of the property and (b) 35% of its current use value. The purpose of this tax treatment is designed to protect property owners of agricultural and timber lands from being pressured by property tax burdens to convert their land to residential or commercial use. Conservation Use property must remain undeveloped and employed for a qualifying use (i.e., agricultural or timber land) for at least ten years after its original designation. The value of conservation use property is not permitted to be increased or decreased by more than 3% from the current use valuation for the immediately preceding tax year or increased or decreased during the ten-year covenant period by more than 34.39% from its current use valuation in the initial year of the 10-year period.

Tax Abatements. The County is also subject to tax incentive agreements, usually in the form of property tax abatements, that the County's local development authority enters into with businesses. The tax incentives are negotiated with businesses for the purpose of attracting or retaining businesses within the County and have various requirements regarding job creation and capital investments. Incentives may be granted to any business located within or promising to relocate to the County. Typically, the tax incentive agreement contains a recapture provision that requires repayment of a portion of the abated taxes if the business fails to meet its jobs or investment goals.

Annual Tax Levy

The tax rate, or millage rate, of the County is set annually by the Board of Commissioners. The County determines a rate of levy for each fiscal year by computing a rate which, when levied upon the assessed value of taxable property within the territorial limits of the County, will produce the necessary amount of property tax revenues. The County then levies its *ad valorem* property taxes. A tax rate of one mill represents a tax liability of one dollar per \$1,000 of assessed value. Under Georgia law, there is no limitation on the annual rate of levy for the payment of principal of and interest on bonded indebtedness of the County. *Ad valorem* property taxes received for the payment of debt service on general obligation bonds of the County are required by law to be held and accounted for separately from other funds of the County.

Property Tax Collections

The County bills and collects its own property taxes. The County Tax Commissioner is responsible for collecting real and personal *ad valorem* property taxes. Real and personal property taxes are levied each year on the assessed value listed as of January 1. Taxes levied by the County are normally billed by October 1 and are payable 60 days from the date of mailing before interest may be charged. Pursuant to O.C.G.A. § 48-2-40, past due taxes bear interest at an annual rate equal to the bank prime loan rate as posted by the Board of Governors of the Federal Reserve System in statistical release H. 15 or any publication that may

supersede it, plus 3%, to accrue monthly until the tax is paid. Such annual interest rate is determined for each calendar year based on the first weekly posting of statistical release H. 15 on or after January 1 of each calendar year. Pursuant to O.C.G.A. § 48-2-44(b)(1), taxpayers who willfully fail to pay *ad valorem* taxes within 120 days of the date when due, shall be assessed a penalty of 5% of the amount of tax due and not paid at the time such penalty is assessed, together with interest as specified by law. Thereafter, additional penalties of 5% of any tax amount remaining unpaid are applied every 120 days from the imposition of the initial penalty, together with interest as specified by law. The aggregate amount of penalties imposed pursuant to O.C.G.A. § 48-2-44(b)(1) shall not exceed an amount equal to 20% of the principal amount of the tax originally due. These penalties do not apply to *ad valorem* taxes of \$500 or less on homestead property. Pursuant to O.C.G.A. § 48-2-44(b)(2), any city or county authorized as of April 22, 1981, by statute or constitutional amendment to receive a penalty of greater than 10 percent for failure to pay an *ad valorem* tax is authorized to continue to receive that amount.

All taxes levied on real and personal property, together with interest thereon and penalties for late payment, constitute a perpetual lien on and against the property arising after January 1 in the year in which taxed. The lien becomes enforceable 30 days after notification. Georgia law provides that taxes must be paid before any other debt, lien, or claim of any kind, except for certain claims against the estate of a decedent and except that the title and operation of a security deed is superior to the taxes assessed against the owner of property when the tax represents an assessment upon property of the owner other than the property specifically subject to the title and operation of the security deed.

Collection of delinquent real property taxes is enforceable by tax sale of such realty. Delinquent personal property taxes are similarly enforceable by seizure and sale of the taxpayer's personal property. There can be no assurance, however, that the value of the property sold, in the event of a tax sale, will be sufficient to produce the amount required to pay in full the delinquent taxes, including any interest or penalties thereon.

When the last day for the payment of taxes has arrived, the tax collector notifies the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. At any time after 30 days from giving the notice described in the preceding sentence, the Tax Commissioner, as *ex officio* sheriff, may issue an execution for nonpayment of taxes. The Tax Commissioner then publishes a notice of the sale in a local newspaper weekly for four weeks and gives the taxpayer ten days written notice by registered or certified mail. A public sale of the property is then made by the Tax Commissioner at the Emanuel County Courthouse on the first Tuesday of the month after the required notices are given.

Motor Vehicle Property Taxes

The State of Georgia Motor Vehicle Tax Unit assesses the value of all motor vehicles by make, model, and year and provides this information to each county's tax office. The State has two types of motor vehicle property taxes, the Title Ad Valorem Tax ("TAVT") and the Annual Ad Valorem Tax ("AAVT"). The TAVT applies to most vehicles purchased on March 1, 2013 or later, with a few exceptions. The AAVT applies to most vehicles purchased prior to March 1, 2013 and non-titled vehicles. The TAVT is a one-time tax that is paid at the time the vehicle is titled. It replaced motor vehicle sales tax and the AAVT and is paid every time vehicle ownership is transferred or a new resident registers the vehicle in Georgia for the first time. The current TAVT rate is 7.0% of the fair market value of the vehicle with respect to title transfers, 3.0% of the fair market value of the vehicle with respect to new resident registrations, and 0.5% of the fair market value of the vehicle for family member or inheritance title transfers. The AAVT applies to most vehicles not taxed under the TAVT method. The AAVT is a value tax that is assessed annually and must be paid at the time of registration. Payment of the AAVT is a prerequisite to receiving a tag or renewal decal. The AAVT is due each year on all vehicles whether they are operational or not, even if the tag or registration renewal is not being applied for. The AAVT must be paid by the last day of a vehicle owner's registration period (birthday) to avoid a 10% penalty. Tax amounts vary according to the current fair market value of the vehicle and the tax district in which the owner resides. Tax receipts are distributed by each county tax office to the State, and applicable county, school district and municipality.

M&O Tax Digest

Set forth below is information concerning the assessed and estimated actual value of taxable property within the County for the past five calendar years.

Categories of Property ¹	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Agriculture	\$56,398,178	\$63,521,296	\$68,556,420	\$73,714,294	\$78,973,000
Commercial	86,501,193	115,220,415	111,342,693	113,096,983	115,502,467
Historical	46,880	45,716	44,792	44,792	44,610
Industrial	50,747,128	56,798,429	59,943,807	85,250,655	84,647,000
Forrest Land Cons. Use	32,467,701	38,425,502	40,278,785	40,602,186	39,126,999
Preferential	1,012,989	800,506	748,440	722,128	664,872
Qualified Timberland	0	6,296	0	0	63,579
Residential	198,402,320	217,791,205	234,356,084	263,000,612	300,604,318
Public Utility ²	19,167,131	31,026,866	34,047,210	43,830,190	50,322,071
Conservation Use	104,812,224	99,373,632	96,780,988	95,767,699	96,405,884
Motor Vehicles ³	6,088,295	9,324,110	8,753,130	8,944,240	8,485,870
Mobile Homes ⁴	5,822,382	5,926,198	6,201,398	6,522,569	7,144,552
Timber (100%)	13,787,812	13,359,448	20,441,545	24,349,477	13,095,603
Heavy Equipment	0	20,148	0	39,545	424
Gross Tax Digest	575,254,233	651,639,767	681,495,292	755,885,370	795,081,249
Less M&O Exemptions	(104,721,064)	(101,403,734)	(104,233,419)	(111,942,220)	(112,66,723)
Net M&O Tax Digest ⁵	470,533,169	550,236,033	577,261,873	643,943,150	682,414,526
Estimated Actual Value ⁶	\$1,417,453,864	\$1,609,060,245	\$1,673,075,912	\$1,853,189,209	\$1,968,059,718

The State requires all counties to assess real estate and personal property at the rate of at least 40% of estimated actual value, with the exception of timber, which is assessed at 100%.

Source: Georgia Department of Revenue

² The State of Georgia Property Tax Unit assesses the value of the property of public utilities at the percentage of fair market value used by the County. The Property Tax Unit then divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these figures to the County which bills these taxes to the utilities with the amount of tax for each.

³ The State of Georgia Motor Vehicle Tax Unit assesses the value of motor vehicles by make, model, and year by county and provides this information to each county tax office. The State of Georgia assesses the value of motor vehicles at the percentage of fair market value used by the County. Any motor vehicle purchased on or after March 1, 2013 is not subject to annual ad valorem taxes, but are subject to a one time title ad valorem tax.

⁴ The State of Georgia assesses the value of mobile homes at the percentage of fair market value used by the County.

⁵ Total assessed value, after deducting exemptions, for purposes of levying tax for the M&O taxes.

⁶ Calculated by taking the Gross Tax Digest less Timber (assessed at 100%), divided by 40%, plus Timber at 100%.

Millage Rates

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value, or millage rates, for the past five calendar years for the County, the Emanuel County School District, and the municipalities located within the County. Since 2016, there has been no State levy for *ad valorem* taxation.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>County</u>					
County Incorporated	11.730	11.728	11.093	10.868	11.868
County Unincorporated	11.730	11.728	11.093	10.868	11.868
County SSD ¹	2.286	2.462	2.312	2.272	2.765
County SSD-Twin City #3	1.043	1.224	1.153	1.163	0.914
County Wide Development	1.000	1.000	1.000	1.000	1.000
Authority					
School District					
School M&O ²	14.000	13.997	13.231	12.960	12.528
School Bond ³	0.000	0.000	0.000	0.000	0.000
<u>Municipalities</u> ⁴					
City of Adrian	11.000	11.000	10.520	9.336	8.608
City of Garfield	6.405	6.405	6.552	6.552	6.552
City of Summertown	3.000	3.000	3.000	3.000	3.000
City of Swainsboro	19.353	19.405	14.405	14.191	12.000
Twin City	7.213	7.217	6.883	6.619	6.381

¹ Applicable to Adrian #5, Garfield #4, Nunez, Oak Park, Stillmore #7, Summertown #6 and Uninc. #1.

Source: Georgia Department of Revenue.

² The annual rate of levy for M&O of the School District may not exceed 20 mills.

³ The annual rate of levy for payment of debt service of the School District is without limitation as to rate or amount.

⁴ Other municipalities located within the County include Nunez, Oak Park and Stillmore, however such municipalities have not levied property taxes over the last five calendar years.

Ten Largest Taxpayers

Set forth below is information concerning the ten largest taxpayers in the County in calendar year 2023.

		2023	Percentage of Total 2023	2023
Taxpayer ¹	Type of Business	Assessed Value	Assessed Value ²	Taxes Levied ³
Crider Foods	Poultry	\$47,944,437	6.34%	\$950,838
Georgia Power Company	Public Utility	17,623,773	2.33	489,734
Nordson Corp.	Industrial	9,830,310	1.30	104,002
Pineland Telephone	Public Utility	6,771,255	0.90	185,186
Central Georgia Timber LLC	Timber Company	6,611,986	0.87	111,064
Altamaha EMC	Public Utility	6,286,336	0.83	176,119
Crider Inc.	Poultry	5,288,050	0.70	148,977
Georgia Transmission Corp.	Public Utility	5,241,440	0.69	146,779
Walmart	Retail	5,012,121	0.66	136,565
Interfor U.S. Inc.	Timber Company	4,823,147	0.64	106,076
Totals:		<u>\$115,432,855</u>	<u>15.54%</u>	\$2,555,340

Rank is based on assessed value of property.

A determination of the largest taxpayers within the County can be made only by manually reviewing individual tax records. Therefore, it is possible that owners of several small parcels may have an aggregate assessment in excess of those set forth in the table above. Furthermore, the taxpayers shown in the table above may own additional parcels within the County. No independent investigation has been made of, and consequently no representation can be made as to, the financial condition of any of the taxpayers listed above or that such taxpayers will continue to maintain their status as major taxpayers in the County.

Source: Emanuel County Tax Commissioner.

² Based on calendar year 2023 Gross Tax Digest of \$755,885,370.

³ Includes taxes levied for County, Special Service District, the Economic Development Authority and School District.

M&O Tax Levies and Collections for the County

The County levies M&O taxes based on assessed values of property as of January 1 of each year and normally bills said taxes by October 1. M&O taxes are due and payable on the earlier of December 20 or 60 days after the tax bill is mailed. Set forth below is information concerning total real and personal property tax and public utilities tax collections of the County reported as of the County's fiscal years ended September 30, 2019, through September 30, 2023, for the prior calendar year's tax levy. The County may place liens on property once the related tax payments become delinquent.

	Fiscal Years Ending September 30,					
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
Current Year Levy ¹	5,971,733.81	5,907,858.52	6,170,585.29	6,519,553.40	6,836,353.89	
Tax Collections Collection of Current Year's Taxes Collection of Prior Years' Taxes Total Tax Collections	5,783,887.03 162,976.09 5,946,863.12	5,704,705.93 186,642.52 5,891,348.45	6,027,460.80 205,818.72 6,233,279.52	6,316,088.74 170,130.29 6,486,219.03	6,646,815.63 148,286.59 6,795,102.22	
Current Years' Tax Collections as a Percent of Current Year's Levy	96.85%	96.56%	97.68%	96.88%	97.23%	
Total Tax Collections as a Percent of Current Year's Levy	99.58%	99.72%	101.02%	99.49%	99.40%	
Uncollected Current Year's Taxes	187,846.78	203,152.59	143,124.49	203,464.66	189,538.26	
Due Date of Taxes Collection Period Begins Collection Period Ends	12/20/18 10/01/18 09/30/19	12/20/19 10/01/19 09/30/20	12/20/20 10/01/20 09/30/21	12/20/21 10/01/21 09/30/22	12/20/22 10/01/22 09/30/23	

Relates to the preceding calendar year tax digest. For example, the County's fiscal year 2023 tax levy relates to the calendar year 2022 tax digest levy.

Source: Emanuel County.

Delinquent property taxes of the County are written off when the statute of limitations for their collection (seven years) expires or if no property is found to levy upon, whichever is earlier. The delinquent taxes written off are typically for personal property, which are more difficult to collect than taxes on real property.

LEGAL MATTERS

Litigation

The County and Authority, like other similar bodies, are subject to a variety of suits and proceedings arising in the ordinary conduct of their affairs. The County and Authority, after reviewing the current status of all pending and threatened litigation with their counsel, J Richard M. McNeely, P.C., Swainsboro, Georgia, believe that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or clams pending or threatened against the County or its officials in such capacity or against the Authority and its officials in such capacity will not have a material adverse effect upon the financial position or results of operations of the County or Authority.

There is no litigation now pending or, to the knowledge of the Authority or the County, threatened against either of these entities which seeks to restrain or enjoin the issuance or delivery of the Bonds, the provisions of the security therefor, or the use of the proceeds of the Bonds, or which questions or contests the validity of the Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization or existence of the Authority or the County, nor the title to the present members or other officials of the Authority or the County to their respective offices, is being contested or questioned. There is no litigation pending or, to the knowledge of the Authority or the County, threatened which in any manner questions the right of the Authority to adopt its Resolution, to enter into the Lease, or to secure the Bonds in the manner provided in the Resolution. No litigation and no proceedings are pending against the County or its officials, or to its knowledge are threatened against them, which would affect the sale of the Bonds, the security therefor, or the ability of the County to enter into and perform its obligations under the Lease.

Legal Proceedings

Validation of the Bonds. As required by the Revenue Bond Law, the Bonds and the security therefor will be confirmed and validated by judgment of the Superior Court of Emanuel County, Georgia, prior to the issuance of the Bonds. Under State law, the judgment of validation will be forever conclusive against the Authority and the County.

Opinions of Counsel. All legal matters incidental to authorization and issuance of the Bonds are subject to the approval of Gray Pannell & Woodward LLP, Savannah, Georgia, Bond Counsel. It is anticipated that the approving opinion of Gray Pannell & Woodward LLP will be in substantially the form included in Appendix D. Certain legal matters will be passed upon for the Authority and the County by Richard M. McNeely, P.C., Swainsboro, Georgia. The payment of legal fees is contingent upon issuance of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys or law firms rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the attorney or law firm does not become an insurer or guarantor of the transaction opined upon or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX STATUS

Federal Tax Exemption

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings, and judicial decisions, and assuming, among other things, the accuracy of certain representations and the continued compliance with certain covenants and tax law requirements, interest on the Bonds is excludable from gross income for federal income tax purposes under § 103 of the Code and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

State Tax Exemption

In the opinion of Bond Counsel, interest on the Bonds is exempt from present State of Georgia income taxation.

Maintenance of Tax Status

The Code and the regulations promulgated thereunder contain a number of restrictions, conditions and requirements that must be satisfied subsequent to the issuance of the Bonds in order for the interest thereon to be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause the inclusion of interest on the Bonds in the gross income of the holders thereof for federal income tax purposes retroactively to the date of issuance of the Bonds. The Authority and the County have covenanted to comply with each such requirement of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The opinion of Bond Counsel is subject to the condition that the Authority and the County comply with all such requirements. Bond Counsel has not been retained to monitor compliance with the described post-issuance tax requirements subsequent to the issuance of the Bonds. Bond Counsel has not undertaken to determine or to inform any person whether any action taken or not taken or any event occurring or not occurring after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Current and future legislative proposals, if enacted into law, clarification of the Code by the Treasury Department or the Internal Revenue Service, or future court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or otherwise prevent owners of the Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the market price for or marketability of the Bonds. Prospective purchasers of the Series 2024 Bonds are encouraged to consult their own tax advisors regarding any pending or proposed federal legislation, regulatory initiatives or litigation.

The opinions expressed by Bond Counsel are based upon existing law, legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, cover certain matters not directly addressed by such authorities, and represent Bond Counsel's judgment as to the treatment of the Bonds for federal income tax purposes. Such opinions are not binding on the Internal Revenue Service (the "IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority or the County or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority and the County have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Authority, the County or the beneficial owners of the Bonds regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties (such as the beneficial owners) other than the Authority, the County and appointed counsel would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination

of the Bonds is difficult, obtaining an independent review of IRS positions with which the Authority or the County legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Authority, the County or the beneficial owners of the Bonds to incur significant expense.

As to certain questions of fact material to the opinion of Bond Counsel, Bond Counsel has relied upon representations and covenants made on behalf of the Authority, the County and certificates of appropriate officers and public officials (including certifications as to the use of proceeds of the Bonds and of the property financed or refinanced thereby).

Reference is made to the proposed form of opinion of Bond Counsel relating to the Bonds attached hereto in Appendix D for the complete text thereof. See also "LEGAL MATTERS" herein.

Premium Bonds

Certain of the Bonds have been sold to the public at an original issue premium. The Bonds which have been purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (the "Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excludable from gross income. However, the purchaser's basis in a Premium Bond will be reduced by the amount of the amortizable bond premium properly allocable to such purchaser during each year. Proceeds received from the sale, exchange, redemption, or payment of a Premium Bond in excess of the owner's adjusted basis (as reduced pursuant to § 1016(a)(5) of the Code) will be treated as a gain from the sale or exchange of such Premium Bond and not as interest.

The federal income tax treatment of bond premium under the Code, including the determination of the amount of amortizable bond premium that is allocable to each year, is complicated and holders of Premium Bonds should consult an independent tax advisor in order to determine the federal income tax consequences to such holders of purchasing, holding, selling, or surrendering a Premium Bond at its maturity.

Other Tax Consequences

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers depending on their status and income. Prospective purchasers of the Bonds should consult independent advisors as to the consequences of owning the Bonds, including the effect of such ownership under applicable state and local laws and any collateral federal income tax and state tax consequences.

Information Reporting and Backup Withholding

Interest paid on the Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Bonds from gross income for federal income tax purposes, however, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Bonds, under certain circumstances, to "backup withholding" at the fourth lowest rate applicable to unmarried individuals with respect to payments on the Bonds and proceeds from the sale of the Bonds. Any amounts so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Bonds. This backup withholding generally applies if the owner of Bonds (i) fails to furnish the paying agent (or other person who otherwise would be required to withhold tax from such interest payments) such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnishes the paying agent an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances fails to provide the paying agent or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Bonds also may wish to consult with independent tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding and the procedures for obtaining exemptions from backup withholding.

Disposition of the Bonds

Unless a non-recognition provision of the Code applies, the sale, exchange, redemption, retirement, reissuance or other disposition of a Bond may result in a taxable event for federal income tax purposes.

RISK FACTORS

The following section is intended only as a summary of certain pertinent risk factors relating to an investment in the Bonds. This summary is not intended to be an exclusive summary of factors to be considered in connection with making an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, they should thoroughly review this entire Official Statement and the appendices hereto and confer with their own tax and financial advisors when considering a purchase of the Bonds.

Coronavirus (COVID-19)

Developments relating to COVID-19 and its variants continue to occur rapidly. Epidemiology experts predict continued multiple "waves" of infections from COVID-19. The duration and severity of COVID-19, and its ongoing impact on the State and County is unknown and will continue to evolve, particularly in light of the emergence of new COVID-19 variants. The County cannot predict what effect the spread of COVID-19 variants or the various governmental and private actions taken in response thereto will have on the finances or operations of the County.

Climate Change

Planning for climate change in the State and its impact on County's operations is an unknown challenge. The State's climate is exceedingly variable and projections of future conditions range significantly. While projections in the State indicate rising average temperatures, precipitation projections are much less clear and often contradictory. Other potential impacts include changes in the length, intensity, and frequency of droughts and floods. The financial impact of climate change is not yet known and therefore its future impact on the County cannot be quantified reliably at this time.

Cyber-Security

Computer networks and data transmission and collection are vital to the efficient operations of the County. Despite security measures, information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored there could be disrupted, accessed, publicly disclosed, lost or stolen. Any such disruption, access, disclosure or other loss of information could result in disruptions in operations and the services provided by the County, legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, and cause a loss of confidence in the commercial operations, which could materially adversely affect the operations of the County.

MISCELLANEOUS

Rating

Moody's Investors Service, has assigned the rating of "Aa3" to the Bonds. The rating reflects only the views of the rating agency furnishing such rating. There is no assurance that the rating will remain unchanged for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the liquidity and market price of the Bonds.

The rating reflects only the views of the rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. An explanation of the significance of the rating may be obtained from the rating agency furnishing such rating. The rating agency may be contacted as follows: Moody's Investors Service, Public Finance Department, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, telephone (212) 553-1362.

Underwriting

The Bonds were purchased at a competitive sale on September 16, 2024, by StoneX Financial Inc. (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase the Bonds at a price of \$10,960,611.73, which represents the par amount of the Bonds, \$10,110,000.00, less Underwriter's discount of \$85,080.17, and plus Original Issue Premium of \$935,691.90. The initial public offering yields of the Bonds are shown on the inside cover page of this Official Statement and may be changed from time to time by the Underwriter. The Underwriter may also allow concessions from the public offering prices to certain dealers and others.

Continuing Disclosure

Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") imposes continuing disclosure obligations on the issuers and obligors of certain state and municipal securities to permit participating underwriters to offer and sell the issuer's securities. In order to assist the Underwriter of the Bonds in complying with the Rule, the County will sign a Continuing Disclosure Certificate on the date of issuance and delivery of the Bonds, under the provisions of which it shall covenant for the benefit of the beneficial owners of the Bonds to provide (a) certain financial information and operating data relating to the County annually ("Annual Report") to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA"), an internet-based electronic filing system supported by the Municipal Securities Rulemaking Board, and (b) notices of the occurrence of certain events of the County ("Event Notices") to EMMA. The Annual Reports and Event Notices are described further in "Appendix C: FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants will be made by the County in order to assist the Underwriter in complying with the Rule.

The undertakings described above may be amended or modified from time to time in accordance with the terms of the Continuing Disclosure Certificate. The County will reserve the right to terminate its obligation to provide annual financial information and notices of enumerated events if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

The County agrees that its undertaking pursuant to the Rule described in the Continuing Disclosure Certificate is intended to be for the benefit of the holders and beneficial owners of the Bonds and shall be enforceable by such holders and beneficial owners; provided that the right to enforce the provisions of this undertaking shall be limited to a right to seek mandamus or specific performance to cause the County to comply with its obligations. Any failure by the County to comply with the provisions of the undertaking shall not be an event of default with respect to the Bonds under the Resolution. With respect to the Bonds, no party other than the County is obligated to provide, nor is expected to provide, any continuing disclosure information. The County fully anticipates satisfying all obligations in connection therewith.

The Authority has determined that no financial or operating data concerning the Authority is material to an evaluation of the offering of the Bonds or to any decision to purchase, hold or sell the Bonds and the Authority will not provide any such information.

Financial Statements

The financial statements of the County for the fiscal year ended September 30, 2023, attached hereto as Appendix A, have been audited by Mauldin & Jenkins, Certified Public Accountants, Macon, Georgia, to the extent and for the periods indicated in their report thereon which appears in such appendix. Such financial statements have been included herein in reliance upon the report of Mauldin & Jenkins, Certified Public Accountants

Financial Advisor

Davenport & Company LLC, Atlanta, Georgia, has been employed by the County as their financial advisor for the offering. The financial advisor has not conducted a detailed investigation of the affairs of the County to determine the completeness or accuracy of this Official Statement. Because of its limited participation, the financial advisor has not independently verified any of the data contained herein and has no responsibility for the accuracy or completeness thereof.

Miscellaneous

The references, excerpts, and summaries of all documents, statutes, and information concerning the Authority and the County and certain reports and statistical data referred to herein do not purport to be complete, comprehensive, and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds, and the rights and obligations of the owners thereof and to each such statute, report, or instrument.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

Forward-Looking Statements

Any statements made in this Official Statement, including in the Appendices, involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized.

The statements contained in this Official Statement, including in the Appendices, that are not purely historical, are forward-looking statements. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof and neither the Authority nor the County assumes any obligation to update any such forward-looking statements. It is important to note that the actual results could differ materially from those in such forward-looking statements. The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Authority and the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the

forward-looking statements included in this Official Statement, including in the appendices, would prove to be accurate.

Certification

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the Authority and the County.

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY

By: /S/ Jim Sherrod
Chairperson

EMANUEL COUNTY, GEORGIA

By: /S/ Hugh Foskey

Chairman

Board of Commissioners

Appendix A

AUDITED FINANCIAL STATEMENTS OF EMANUEL COUNTY, GEORGIA FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

The financial statements of the County as of and for the year ended September 30, 2023, included as part of this Appendix A, have been audited by Mauldin & Jenkins, Certified Public Accountants, Macon, Georgia, to the extent and for the period indicated in their report thereon which also appears in this Appendix A. Such financial statements have been included herein in reliance upon the report of Mauldin & Jenkins, Certified Public Accountants.



FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners of Emanuel County, Georgia Swainsboro, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Emanuel County, Georgia** (the "County"), as of and for the year ended September 30, 2023, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Emanuel County Board of Health which represents 100% of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Emanuel County Board of Health, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

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

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



Required Supplementary Information

Management has omitted the Management's Discussion and Analysis ("MD&A") that GAAP requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board ("GASB") who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The accompanying Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds are presented for the purpose of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, and the Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Emanuel County, Georgia's internal control over financial reporting and compliance.

Macon, Georgia April 29, 2024



Mauldin & Jerkins, LLC



STATEMENT OF NET POSITION SEPTEMBER 30, 2023

			Primary Government				Co	mponent Unit
	G	overnmental		Business-type	<u> </u>		Board of	
		Activities		Activities		Total		Health
ASSETS								
Cash and cash equivalents	\$	13,685,785	\$	881,106	\$	14,566,891	\$	1,218,198
Investments		7,940,992		-		7,940,992		-
Taxes receivable		748,195		-		748,195		-
Sales tax receivable		553,546		-		553,546		-
Accounts receivable, net of allowances		167,135		-		167,135		39,476
Due from other governments		986,440		-		986,440		-
Inventories		36,604		_		36,604		_
Notes receivable		-		425,949		425,949		_
Land and building held for resale		_		1,562,932		1,562,932		-
Right-to-use leased equipment, net of				, ,		, ,		
accumulated amortization		9,180,288		_		9,180,288		_
Capital assets, non-depreciable		3,335,502		2,768,643		6,104,145		_
Capital assets, depreciable, net of		0,000,002		2,700,040		0,104,140		
accumulated depreciation		17,518,102		5,702,800		23,220,902		47,818
Net OPEB asset		17,510,102		3,702,000		23,220,902		54,300
Total assets		54,152,589	-	11,341,430		65,494,019		
rotal assets		54, 152,589	_	11,341,430		65,494,019		1,359,792
DEFERRED OUTFLOWS OF RESOURCES								
Pension and OPEB		_		_				615,836
LIABILITIES								
Accounts payable		495,581		803		496,384		6,713
Accrued liabilities		175,998		_		175,998		´ -
Unearned revenues		21,597		_		21,597		_
Financed purchases due within one year		342,077		_		342,077		-
Financed purchases due in more than one year		1,417,279		_		1,417,279		_
Lease liabilities due within one year		815,455		_		815,455		_
Lease liabilites due in more than one year		9,039,794		_		9,039,794		_
Compensated absences due		0,000,707				0,000,707		
within one year		214,902		_		214,902		_
Compensated absences due in more		214,302				214,302		
		53,723				E2 702		55,772
than one year		55,725		27.060		53,723		55,772
Notes payable due within one year		-		37,869		37,869		-
Notes payable due in more than one year		-		3,203,667		3,203,667		-
Landfill closure and post-closure care								
costs due in more than one year		1,222,831		-		1,222,831		-
Net pension liability		=		-		-		1,163,656
Net OPEB liability								73,198
Total liabilities		13,799,237		3,242,339		17,041,576		1,299,339
DEFERRED INFLOWS OF RESOURCES								
Pension and OPEB		-		-				137,826
NET POSITION								
		19,094,248		6,032,529		25,126,777		47,818
Net investment in capital assets		19,094,240		0,032,329		25,120,777		47,010
Restricted for:		700.050				700.050		
Public safety		729,252		-		729,252		-
Economic development		468,085		-		468,085		-
Capital projects		9,125,585		2,066,562		11,192,147		
Health and welfare programs - PYPI		-		-		-		977,210
HBI Road Map Strategist Initiative - PYPI		-		-		-		3,872
Unrestricted		10,936,182		-		10,936,182		(490,437)
Total net position	\$	40,353,352	\$	8,099,091	\$	48,452,443	\$	538,463

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

			Program Revenues					
Functions/Programs		•		harges for Services	Operating			Capital Grants and ontributions
Primary government:								
Governmental activities:								
General government	\$	3,441,741	\$	2,178,651	\$	346,051	\$	-
Judicial		1,306,841		760,841		-		-
Public safety		8,191,289		1,212,200		-		-
Public works		5,409,689		-		-		3,358,856
Health and welfare		3,472,520		-		-		-
Culture and recreation		583,698		-		-		-
Housing and development		1,122,085		-		-		-
Interest on long-term debt		26,392		-		-		-
Total governmental activities		23,554,255		4,151,692		346,051		3,358,856
Business-type activities:								
Development Authority of Emanuel								
County and the City of Swainsboro		729,715		31,541		1,841,652		-
Emanuel County Revolving Loan		-		2,578		-		-
Total business-type activities		729,715		34,119		1,841,652		
Total primary government	\$	24,283,970	\$	4,185,811	\$	2,187,703	\$	3,358,856
Component units:								
Board of Health	¢	1,193,609	¢	570,504	\$	641,809	\$	
Total component units	<u>φ</u>	1,193,609	\$	570,504	\$	641,809	\$	
rotal component anto	<u> </u>	1, 193,009	φ	370,304	φ	041,009	Ψ	
		neral revenues:						

Property taxes Sales taxes

Insurance premium tax Alcoholic beverages taxes

Other taxes
Unrestricted investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position, beginning of year Net position, end of year

Net (Expenses)	Revenues and
Changes in I	Net Position

_		Changes in	101	1 00101011	Con	ponent Units
(Governmental	Business-type				Board of
`	Activities	Activities		Total		Health
_	Activities	Activities		Total	-	Tieattii
\$	(917,039)	\$ -	\$	(917,039)	\$	_
•	(546,000)	· -	•	(546,000)	•	_
	(6,979,089)	-		(6,979,089)		_
	(2,050,833)	-		(2,050,833)		-
	(3,472,520)	-		(3,472,520)		-
	(583,698)	-		(583,698)		-
	(1,122,085)	-		(1,122,085)		-
	(26,392)	-		(26,392)		-
	(15,697,656)	-		(15,697,656)		_
	<u>, </u>					
	-	1,143,478		1,143,478		-
	-	2,578		2,578		-
	-	1,146,056		1,146,056		
	(15,697,656)	1,146,056		(14,551,600)		-
	-	-		-		18,704
	-	-		-		18,704
	7,379,628	-		7,379,628		-
	7,347,458	-		7,347,458		-
	986,440	-		986,440		-
	51,993	-		51,993		-
	550,209	-		550,209		-
	444,509	1,319		445,828		-
						295
	16,760,237	1,319		16,761,556		295
	1,062,581	1,147,375		2,209,956		18,999
	39,290,771	6,951,716		46,242,487		519,464
\$	40,353,352	\$ 8,099,091	\$	48,452,443	\$	538,463

BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2023

	 General	 Local Resources Fund	 LMIG Fund	TSPLOST Fund
ASSETS				
Cash and cash equivalents	\$ 3,435,503	\$ 2,606,621	\$ 1,127,707	\$ 2,014,274
Investments	7,940,992	-	-	-
Property taxes receivable	674,072	-	-	-
Sales taxes receivable	163,831	-	-	70,890
Accounts receivable	166,538	-	-	-
Due from other governments	986,440	-	-	-
Inventories	 36,604		 	-
Total assets	\$ 13,403,980	\$ 2,606,621	\$ 1,127,707	\$ 2,085,164
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 365,184	\$ 10,124	\$ -	\$ 7,940
Accrued liabilities	158,216	-	-	-
Unearned revenue	 -		 	-
Total liabilities	523,400	 10,124		 7,940
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues:				
Property taxes	 584,385	 <u>-</u>	 -	 -
Total deferred inflows of resources	 584,385	 	 -	 -
FUND BALANCES				
Fund balances:				
Nonspendable:	00.004			
Inventories	36,604	-	-	-
Restricted for:				
Public safety	-	-	-	-
Economic development	-	0.500.407	4 407 707	- 0.077.004
Capital projects	-	2,596,497	1,127,707	2,077,224
Assigned for:				
Jail commissary activities	10.050.504	-	-	-
Unassigned	 12,259,591	 2 506 407	 1 107 707	 2.077.004
Total fund balances Total liabilities, deferred inflows of resources and	 12,296,195	 2,596,497	 1,127,707	 2,077,224
rotal liabilities, deletted iffllows of resources and	13,403,980	2,606,621	\$	2,085,164

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore,

are not reported in the funds. These assets consist of:

Land

Construction in progress

Buildings and improvements

Land Improvements

Right-to-use leased equipment

Machinery and equipment

Infrastructure

Other long-term assets are not available to pay for current period expenditures and, therefore,

are deferred in the funds.

Accrued Interest on long-term liabilities are not due and payable in the current period and, therefore,

are not reported in the funds.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

These liabilites consist of:

Financed purchases

Lease liabilites

Compensated absences

Landfill closure and Post-closure care

Net position of governmental activities

	SPLOST 6		Nonmajor Governmental Funds		Total Governmental Funds
\$	3,077,379	\$	1,424,301	\$	13,685,785
•	-	Ť	-	•	7,940,992
	-		74,123		748,195
	318,825		-		553,546
	-		597		167,135
	-		-		986,440
\$	3,396,204	\$	1,499,021	\$	36,604 24,118,697
_	· · · ·	<u> </u>	<u> </u>	Ė	<u> </u>
\$	91,228	\$	21,105	\$	495,581
•		Ť	15,595	*	173,811
	-		21,597		21,597
	91,228	_	58,297		690,989
	-		41,709		626,094
	-	_	41,709	_	626,094
	-		-		36,604
	-		729,252		729,252
	2 204 076		468,085		468,085
	3,304,976		19,181		9,125,585
	-		213,383		213,383
	-	_	(30,886)		12,228,705
	3,304,976	_	1,399,015		22,801,614
\$	3,396,204	\$	1,499,021		
\$	1,359,517 1,975,985 8,152,229 1,661,454 9,180,288 3,097,221 4,607,198				30,033,892 626,094
					020,004
					(2,187)
\$	1,759,356				
	9,855,249				
	268,625 1,222,831				(13,106,061)
				\$	40,353,352

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

		Local		
	General Fund	Resources Fund	LMIG Fund	TSPLOST Fund
Revenues				
Property taxes	\$ 6,834,967	\$ -	\$ -	\$ -
Sales taxes	1,966,139	_	_	_
Timber taxes	192,703	_	_	_
Motor vehicle taxes	1,220,011	_	_	_
Mobile home taxes	60,550			
Franchise taxes	72,701	_	_	_
	986,440	_	_	_
Insurance premium taxes		-	-	-
Other taxes	602,202	-	-	-
Licenses and permits	35,971	-	4 070 504	
Intergovernmental	346,051	-	1,079,501	2,208,376
Charges for services	1,918,060	-	-	-
Fines and forfeitures	742,247	-	-	-
Interest income	405,654	-	-	-
Miscellaneous	441,429			138,260
Total revenues	15,825,125		1,079,501	2,346,636
Expenditures				
Current:				
General government	3,201,634	-	-	-
Judicial	1,306,841	_	_	-
Public safety	5,127,867	_	_	_
Public works	3,405,163	_	36,903	311,726
Health and welfare	352,398	_	-	-
Culture and recreation	548,542	_	_	_
Housing and development	547,085	_	_	_
Intergovernmental	047,000			
Capital outlay	-	11,297,988	1,090,522	712,076
Debt service:	-	11,291,900	1,090,522	112,010
				240.044
Principal	-	-	-	340,014
Interest and fiscal charges	- 44.400.500		4 407 405	26,392
Total expenditures	14,489,530	11,297,988	1,127,425	1,390,208
Excess (deficiency) of				
revenues over (under)				
expenditures	1,335,595	(11,297,988)	(47,924)	956,428
Other financing sources (uses)				
Sale of assets	-	140,347	-	-
Leases issued	-	9,974,899	-	-
Transfers in	-	2,844,720	120,000	-
Transfers out	(3,219,720)	_	-	(120,000)
Total other financing				•
sources (uses)	(3,219,720)	12,959,966	120,000	(120,000
Net change in fund balances	(1,884,125)	1,661,978	72,076	836,428
und balances,				
beginning of year	14,180,320	934,519	1,055,631	1,240,796
Fund balances, end of year	\$ 12,296,195	\$ 2,596,497	\$ 1,127,707	\$ 2,077,224

	SPLOST 6 Fund	Nonmajor Governmental Funds	_	Total Governmental Funds	
•		•	575.004	•	7.440.040
\$	-	\$	575,881	\$	7,410,848
	3,835,354		-		5,801,493
	-		-		192,703
	-		-		1,220,011
	-		-		60,550
	-		-		72,701
	-		-		986,440
	-		-		602,202
	-				35,971
	-		7,311		3,641,239
	-		720,086		2,638,146
			89,921		832,168
	63,668		38,855		508,177
		_	65,718	_	645,407
	3,899,022	_	1,497,772	_	24,648,056
	-		-		3,201,634
	-		-		1,306,841
	-		934,653		6,062,520
	256,583		13,003		4,023,378
	-		-		352,398
	-		-		548,542
	-		575,000		1,122,085
	3,120,122		-		3,120,122
	1,299,435		223,894		14,623,915
	-		-		340,014
	-			_	26,392
	4,676,140		1,746,550	_	34,727,841
	(777,118)		(248,778)		(10,079,785)
					140 247
	-		-		140,347
	-		275 000		9,974,899
	-		375,000		3,339,720
		_		_	(3,339,720)
		_	375,000	_	10,115,246
	(777,118)		126,222		35,461
	4,082,094		1,272,793		22,766,153
\$	3,304,976	\$	1,399,015	\$	22,801,614

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	\$ 35,461
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	10,689,622
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to change net position.	(11,619)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(31,220)
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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(9,515,235)
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.	(104,428)
Change in net position of governmental activities	\$ 1,062,581

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Bu	dget				Variance With
	 Original		Final	 Actual		Final Budget
Revenues						
Property taxes	\$ 6,635,000	\$	6,935,000	\$ 6,834,967	\$	(100,033)
Sales taxes	1,550,000		1,700,000	1,966,139		266,139
Timber taxes	225,000		225,000	192,703		(32,297)
Motor vehicle taxes	1,260,000		1,260,000	1,220,011		(39,989)
Mobile home taxes	60,000		60,000	60,550		550
Franchise taxes	70,000		70,000	72,701		2,701
Insurance premium taxes	865,000		865,000	986,440		121,440
Other taxes	477,500		507,500	602,202		94,702
Licenses and permits	32,500		32,500	35,971		3,471
Intergovernmental	192,875		192,875	346,051		153,176
Charges for services	1,781,250		1,731,250	1,918,060		186,810
Fines and forfeitures	962,000		699,000	742,247		43,247
Investment income	85,000		235,000	405,654		170,654
Miscellaneous	275,000		425,000	441,429		16,429
Total revenues	 14,471,125		14,938,125	 15,825,125		887,000
Expenditures						
Current:						
General government:	400.070		400.070	407.074		0.404
Elections	123,272		130,272	127,871		2,401
General administration	491,000		591,000	588,093		2,907
Computer equipment	148,000		151,500	143,533		7,967
Financial administration	693,700		709,700	696,150		13,550
Tax commissioner	359,400		359,400	323,625		35,775
Tax assessor	421,100		436,600	413,016		23,584
Board of equalization	3,500		3,500	1,125		2,375
Public buildings	 804,500		958,500	 908,221		50,279
Total general government	 3,044,472		3,340,472	 3,201,634		138,838
Judicial:						
Superior court	443,250		452,250	493,179		(40,929)
Clerk of superior court	101,150		116,150	112,611		3,539
District attorney	206,000		206,000	205,619		381
Magistrate court	132,334		138,334	145,326		(6,992)
Probate court	183,540		183,540	181,669		1,871
Public defender	122,000		132,000	128,468		3,532
Juvenile court	40,750		40,750	39,969		781
Total judicial	 1,229,024		1,269,024	 1,306,841		(37,817)
Public safety:						
Sheriff	2,100,000		2,260,000	2,610,616		(350,616)
Jail	1,688,000		1,878,000	1,849,018		28,982
Special details	55,850		55,850	52,658		3,192
Inmates	50,000		50,000	39,063		10,937
Fire	215,565		244,565	260,501		(15,936)
Coroner	44,450		44,450	45,620		(1,170)
Animal control	85,000		85,000	86,297		(1,297)
Emergency management	20,965		20,965	21,398		(433)
Emergency medical services	415,410		415,410	162,696		252,714
Total public safety	 4,675,240		5,054,240	5,127,867	_	(73,627)
Public works:						
Highways and streets	1,768,143		1,813,143	1,799,638		13,505
Solid waste collection	1,285,500		1,285,500	1,347,300		(61,800)
Maintenance and shop	322,200		322,200	258,225		63,975
Total public works	 3,375,843		3,420,843	 3,405,163	_	15,680

(Continued)

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Bu	dget		Variance With Final Budget		
	Original	Final	Actual			
Expenditures (Continued)						
Current (Continued):						
Health and welfare:						
Health department buildings	\$ 357,836	\$ 357,836	\$ 352,398	\$ 5,438		
Total health and welfare	357,836	357,836	352,398	5,438		
Culture and recreation:						
Recreation	575,000	575,000	548,542	26,458		
Total culture and recreation	575,000	575,000	548,542	26,458		
Housing and development:						
Agricultural resources	114,700	114,700	103,507	11,193		
Georgia Forestry Commission	30,450	30,450	30,269	181		
Code enforcement	105,460	117,460	118,127	(667)		
Economic development	54,000	74,000	78,070	(4,070)		
Airport	200,000	200,000	217,112	(17,112)		
Total housing and development	504,610	536,610	547,085	(10,475)		
Total expenditures	13,762,025	14,554,025	14,489,530	64,495		
Excess of revenues over expenditures	709,100	384,100	1,335,595	951,495		
Other financing uses						
Transfers out	(375,000)	(375,000)	(3,219,720)	(2,844,720)		
Total other financing uses	(375,000)	(375,000)	(3,219,720)	(2,844,720)		
Net change in fund balance	334,100	9,100	(1,884,125)	(1,893,225)		
Fund balance, beginning of year	14,180,320	14,180,320	14,180,320			
Fund balance, end of year	\$ 14,514,420	\$ 14,189,420	\$ 12,296,195	\$ (1,893,225)		

STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2023

ASSETS	Development Authority of Emanuel County and the City of Swainsboro			Emanuel County Development Authority		Emanuel County Revolving Loan		Totals
CURRENT ASSETS								
Cash	\$	756,469	\$	-	\$	124,637	\$	881,106
Total current assets		756,469		-		124,637		881,106
NON-CURRENT ASSETS								
Notes receivable		370,588		-		55,361		425,949
Land and building held for resale Capital assets:		802,622		760,310		-		1,562,932
Non-depreciable		2,768,643		-		-		2,768,643
Depreciable, net of accumulated depreciation		5,702,800		-		-		5,702,800
Total non-current assets		9,644,653		760,310		55,361		10,460,324
Total assets		10,401,122		760,310		179,998		11,341,430
LIABILITIES								
CURRENT LIABILITIES								
Accounts payable		803		-		-		803
Revenue bonds payable, current portion		37,869		<u>-</u>		-		37,869
Total current liabilities	-	38,672						38,672
LONG-TERM LIABILITIES								
Revenue bonds payable, net of current portion		3,203,667		-		-		3,203,667
Total long-term liabilities		3,203,667		-		-		3,203,667
Total liabilities		3,242,339		<u> </u>				3,242,339
NET POSITION								
Net investment in capital assets		6,032,529		-		-		6,032,529
Unrestricted		1,126,254		760,310		179,998		2,066,562
Total net position	\$	7,158,783	\$	760,310	\$	179,998	\$	8,099,091

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	A Ema aı	evelopment uthority of nuel County nd the City Swainsboro	Dev	nuel County velopment uthority		nuel County evolving Loan	Totals
Operating revenues					_		
Operating grants	\$	1,841,652	\$	-	\$	-	\$ 1,841,652
Miscellaneous		31,541				2,578	 34,119
Total operating revenues		1,873,193				2,578	 1,875,771
Operating expenses							
Personnel services		159,272		-		-	159,272
Purchased/contracted services		348,778		-		_	348,778
Depreciation		137,696		-		-	137,696
Total operating expenses		645,746					 645,746
Operating income		1,227,447				2,578	 1,230,025
Non-operating revenues (expenses)							
Interest income		1,319		-		-	1,319
Interest expense		(83,969)		-		-	(83,969)
Total non-operating expenses, net		(82,650)		-		-	(82,650)
Change in net position		1,144,797				2,578	 1,147,375
Net position, beginning of year		6,013,986	\$	760,310	\$	177,420	 6,951,716
Net position, end of year	\$	7,158,783	\$	760,310	\$	179,998	\$ 8,099,091

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

		evelopment uthority of nuel County nd the City Swainsboro	Emanuel County Development Authority		Emanuel County Revolving Loan			Totals
CASH FLOWS FROM OPERATING ACTIVITIES Receipts from customers	\$	2,271,393	\$		\$	45,247	\$	2,316,640
Payments to suppliers and service providers	φ	(1,344,446)	φ	_	φ	45,247	φ	(1,344,446)
Payments to employees		(159,272)		_		_		(159,272)
Net cash provided by operating activities		767,675				45.247		812,922
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Acquisition of property and equipment Proceeds from the issuance of notes payable Interest paid on notes payable Interest paid on notes payable Proceeds from the issuance of notes receivable Payments received notes receivable Net cash used in capital and related financing activities CASH FLOWS FROM INVESTING ACTIVITIES Interest on investments Net cash provided by investing activities Net increase in cash and cash equivalents		(772,342) 532,630 (37,869) (83,969) (150,000) 72,259 (439,291) 1,319 1,319 329,703		- - - - - - - -		- - - - - - - - - - - - - - - - - - -		(772,342) 532,630 (37,869) (83,969) (150,000) 72,259 (439,291) 1,319 1,319 374,950
Cash and cash equivalents								
Beginning of year		426,766				79,390		506,156
End of year	\$	756,469	\$		\$	124,637	\$	881,106
Reconciliation of operating income to net cash provided by operating activities: Operating income Adjustments to reconcile operating Income to net provided by cash operating activities:	\$	1,227,447	\$	-	\$	2,578	\$	1,230,025
Depreciation		137,696		-		-		137,696
Decrease in accounts receivable		398,200		-		42,669		440,869
Decrease in accounts payable		(597,468)		-		-		(597,468)
Decrease in unearned revenues		(398,200)						(398,200)
Net cash provided by operating activities	\$	767,675	\$		\$	45,247	\$	812,922

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS SEPTEMBER 30, 2023

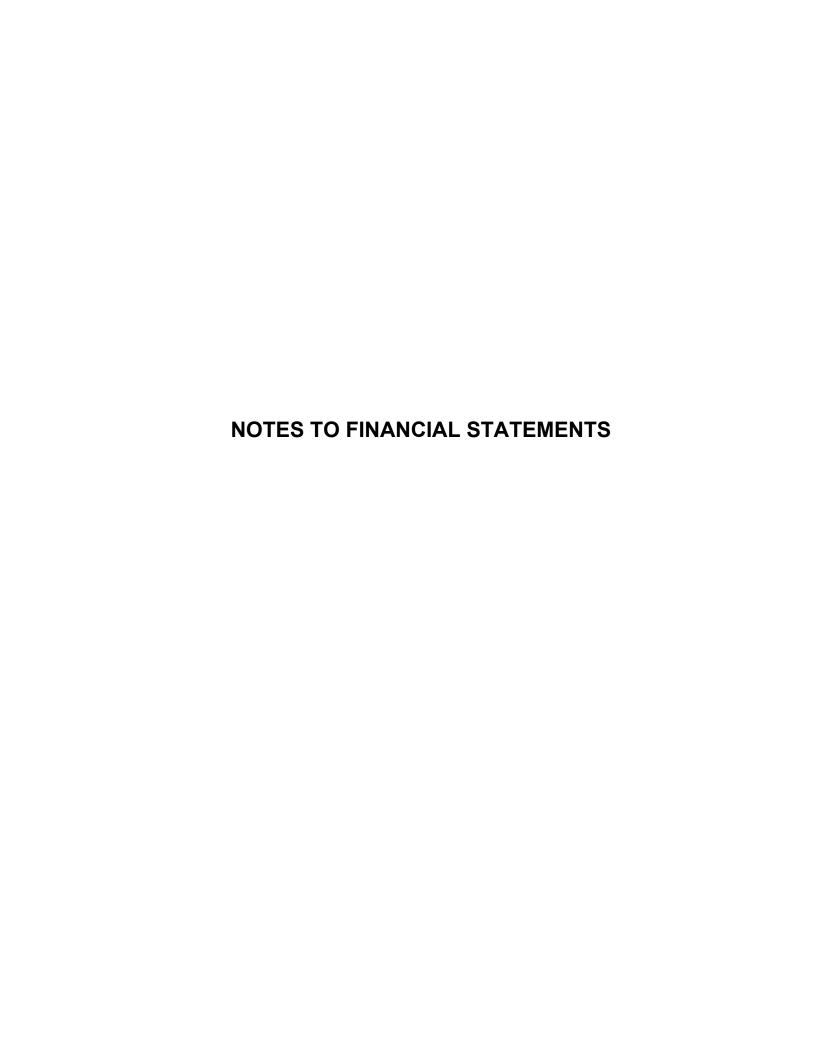
ASSETS	Custodial Funds
Cash Taxes receivable Total assets	\$ 1,186,253 751,620 \$ 1,937,873
LIABILITIES	
Due to others Uncollected taxes Total liabilities	\$ 311,368 751,620 \$ 1,062,988
NET POSITION	
Restricted for individuals, organizations, and other governments	\$ 874,885

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

ADDITIONS	Custodial Funds
Taxes collected Fines and fees collected Total additions	\$ 21,164,733 2,642,038 23,806,771
DEDUCTIONS	
Taxes disbursed Fines and fees disbursed Total deductions	21,070,494 2,540,760 23,611,254
Change in fiduciary net position	195,517
Net position, beginning of year	679,368
Net position, end of year	\$ 874,885

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



NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

The County is a political subdivision of the State of Georgia and is governed by a five-member Board of County Commissioners. All five members represent a geographical district within the County. There are additional officers elected County-wide. State law pertaining to County government provides for the independent election of these County officials. The officials are all part of the County's legal entity. These elected officials are the Sheriff, Tax Commissioner, Magistrate Court Judge, Probate Court Judge, and Superior Court Clerk. The offices of the independently elected officials are not separate from the County and, therefore, are reported as part of the primary government.

The state constitution and state law pertaining to County government provide for the independent election of the Superior Court Judges and the District Attorney. The cost of operations of the Superior Court Judges and the District Attorney Offices is shared with the State of Georgia and the counties of Candler, Emanuel, Jefferson, and Washington. Only that portion of the cost for which the County is responsible is reported in this financial report.

As required by GAAP, the financial statements of the reporting entity include those of Emanuel County, Georgia (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 14, as amended, by Statements No 39 and 61, the financial statements of the component unit are discretely presented in the government-wide financial statements.

The County's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the County throughout the year. It is included at both the government-wide and fund financial reporting levels.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Blended Component Units

Development Authority of Emanuel County and the City of Swainsboro

The Development Authority of Emanuel County and the City of Swainsboro (the "Development Authority") promotes business and industry in Emanuel County by providing financing and incentive packages for Emanuel County. A majority of the Board of Directors is appointed by the Emanuel County Commissioners.

Emanuel County Development Authority

The Emanuel County Development Authority promotes business and industry in Emanuel County by providing financing and incentive packages for Emanuel County. The Board of Directors is appointed by the Emanuel County Commissioners.

Emanuel County Revolving Loan Fund

The Emanuel County Revolving Loan Fund promotes business and industry by providing direct loans to businesses in Emanuel County.

Discretely Presented Component Unit

The discretely presented component unit is reported only at the government-wide financial reporting level. The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component unit. They are reported separately to emphasize that they are legally separate from the County.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

A brief description of the discretely presented component unit is as follows:

Emanuel County Board of Health (the "Board of Health")

The Emanuel County Board of Health (the "Board of Health") works to promote and preserve the health of the citizens of the County. The Board of Health consists of seven members, four of these members are appointed by the County Commission and three members represent the County Chairman of the Commission, the Mayor of the City of Swainsboro and the Emanuel County School Superintendent. 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 is reported on a June 30 fiscal year.

Separately issued financial statements may be obtained from:

Emanuel County Health Department P.O Box 436 Swainsboro, Georgia 30401

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The County does not allocate indirect expenses to functions in the Statement of Activities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

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

Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

The County reports the following major governmental funds:

The **General Fund** accounts for all financial resources except those required to be accounted for in another fund. The General Fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

The **Local Resource Fund** is a Capital Projects Fund that accounts for money that the County receives from the sale of assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Local Maintenance Improvement Grant ("LMIG") Fund** is a Capital Projects Fund that accounts for the allocation of monies based on the total centerline road miles for each local road system and the total population of each county or city as compared with the total statewide centerline road miles and total statewide population.

The *Transportation Special Purpose Local Option Sales Tax* ("*TSPLOST"*) *Fund* is a Capital Projects Fund that accounts for the proceeds of a 1% Special Purpose Local Option Sales Tax. Funds are used for various capital outlay projects included but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

The **Special Purpose Local Option Sales Tax** ("SPLOST") 6 Capital Projects Fund is utilized to account for the proceeds of a 1% Special Purpose Local Option Sales Tax for funding various capital outlay projects including but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

The **Proprietary Fund** reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The three proprietary funds are all blended component units and classified as enterprise funds. All enterprise funds are reported as major.

The *Fiduciary Funds* reporting focuses on assets and liabilities. The County's fiduciary funds are all custodial funds. The County has five custodial funds which account for the receipts and disbursements of funds by the Tax Commissioner, Sheriff, Magistrate Court Judge, Probate Court Judge, and Clerk of Superior Court.

Revenues - Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Revenues - Non-Exchange Transactions (Continued)

Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 5). Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are susceptible to accrual: property taxes, sales taxes, charges for services and federal and state grants.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposit as well as short-term investments with a maturity date within three months of the date acquired by the County. Time deposits are classified as cash and cash equivalent without regard to maturity date.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states;
- Obligations of the United States Government;
- Obligations fully insured or guaranteed by the United States Government or Government agency;

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents (Continued)

- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia local government investment pool (i.e., Georgia Fund 1);
- · Repurchase agreements; and
- Obligations of the other political subdivisions of the State of Georgia.

E. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

F. Interfund Receivables and Payables

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

G. Inventory

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in/first-out ("FIFO") basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in/first-out ("FIFO") basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased (i.e., the purchases method). At year-end, fund balance is set-aside as nonexpendable in a like amount of inventory on hand.

H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide Statement of Net Position but does not report these assets in the government fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of \$5,000. The County's infrastructure consists of roads and bridges. The County's infrastructure was reported retroactively in 2003. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation for both governmental and business-type assets are computed using the straightline method over the following useful lives:

Asset Category	Years
Buildings	25 – 50
Vehicles and equipment	5 – 20
Furniture and fixtures	5 – 10
Right-to-use lease equipment	5 – 15
Infrastructure	20 – 40

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. As accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's experience of making termination payments.

All compensated absences liability includes salary-related payments, where applicable. The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Notes are recognized as a liability in the governmental fund financial statements when due.

K. Fund Equity

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

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

- Non-spendable Fund balances are reported as non-spendable when amounts cannot
 be spent because they are either: a) not in spendable form (i.e., items that are not
 expected to be converted to cash), or b) legally or contractually required to be maintained
 intact.
- Restricted Fund balances are reported as restricted when there are limitations
 imposed on their use either through the enabling legislation adopted by the County or
 through external restrictions imposed by creditors, grantors or laws or regulations of other
 governments.
- Committed Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the "Board") through the adoption of a resolution. Only the Board may modify or rescind the commitment.
- Assigned Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through policy, authorization to assign fund balance remains with the Board.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

Fund Balances (Continued) -

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

Flow Assumptions — When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

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

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

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

L. Use of Estimates

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Non-operating revenues are investment earnings and operating grants. Non-operating expenses include the loss on the disposition of capital assets.

N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

O. Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. One item, 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.

P. Leases

The County is a lessee for noncancellable leases of equipment and vehicles. The County recognizes a lease liability and an intangible right-to-use 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 a 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Leases (Continued)

Key estimates and judgments 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 prices that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the 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 liabilities on the Statement of Net Position.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 13,602,265
Depreciation expense	(2,912,643)
Net adjustment to increase net changes in fund balances - total governmental	
funds to arrive at change in net position - governmental activities	\$ 10,689,622

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation staes that "the issuance of long-term debt (e.g., bonds, financed purchses) 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 transaciton, however, has any effect on net position. Also, governmental funds report the effect of premiums, discoutns, and similar iterms when debt is first issued, whereas these amounts are deferred and amortized in the "Statement of Activities". The details of this difference as as follows:

Financed purchase repayments	\$ 340,014
Proceeds from right-to-use lease equipment	(9,974,899)
Right-to-use lease equipment repayments	119,650
Net adjustment to decrease net changes in fund balances - total	
governmental funds to arrive at changes in net position -	
governmental activities	\$ (9,515,235)

Another element of that reconciliation states that "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." The details of this difference are as follows:

Change	ın:
_	

Compensated absences	\$ (24,430)
Landill closure and Post-closure care	(79,998)
Net adjustment to decrease net changes in fund balances - total	
governmental funds to arrive at changes in net position -	
governmental activities	\$ (104,428)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

Budgetary Data

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

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINTUED)

A. Budgets and Budgetary Accounting (Continued)

Budgetary Data (Continued)

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. Department heads have the authority to transfer appropriations within a department (within the same fund) from one line item to another subject to the approval of the County Administrator.

Any change in total to a fund or departmental appropriation within a fund requires approval of the Board. The Board also must approve budget transfers within departments.

B. Excess Expenditures over Appropriations

For the year ended September 30, 2023, expenditures exceeded budget in the applicable governmental funds, as follows:

Department	Excess
General Fund	
Superior court	\$ (40,929)
Magistrate court	(6,992)
Sheriff	(350,616)
Fire	(15,936)
Coroner	(1,170)
Animal control	(1,297)
Emergency management	(433)
Solid waste collection	(61,800)
Code enforcement	(667)
Economic development	(4,070)
Airport	(17,112)

These over expenditures were funded by additional unanticipated revenues.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits. The County's cash and investment policy limits deposits to demand and money market accounts, and time deposits at local banks. The County's deposits shall be secured by Federal Depositary Insurance Corporation ("FDIC") coverage and/or bank pledges. State statues require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110% of the public funds held.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of September 30, 2023, the deposits of the County and its component units were properly insured and collateralized as defined by GASB pronouncements and the Official Code of the State of Georgia.

Primary government cash and cash equivalents reconciliation:

Balances per Statement of Net Position:		
Cash and Cash Equivalents- Primary government	\$	14,566,891
Investments - Primary government		7,940,992
Balances per Statement of Fiduciary Net Position:		
Cash - Custodial funds		1,186,253
	\$	23,694,136
Cook deposited with financial institutions	¢	15 750 144
Cash deposited with financial institutions	\$	15,753,144
MBS Securities		7,940,992
	\$	23,694,136

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of September 30, 2023:

Investment	Level 1	Lev	Level 2 Level 3		F	air Value	
U.S. Treasury Securities	\$ 991,875	\$		\$		\$	991,875
Total investments measured at fair value	\$ 991,875	\$		\$			991,875
Investments not subject to level disclosure:							
Certificates of deposit							6,949,117
Total investments						\$	7,940,992

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTE 5. RECEIVABLES

The Board levy property taxes in September of each year. Property taxes were levied on September 5, 2023. Bills are payable on or before December 20, 2023, after which the applicable property is subject to lien, penalties and interest are assessed. Property taxes are attached as an enforceable lien on property as of December 20, 2023. The County bills and collects its own property taxes and also collects for the County Board of Education and the State of Georgia. The County also collects vehicle and mobile home taxes for the cities located in the County and the State of Georgia. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in a custodial fund.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2023 is as follows:

	 Beginning Balance	 Increases	Decreases		Decreases Transfers		Ending Balance	
Governmental activities Capital assets, not being depreciated:								
Land	\$ 1,338,965	\$ 20,552	\$	_	\$	-	\$	1,359,517
Construction in progress	567,758	1,408,227		_		-		1,975,985
Total	 1,906,723	1,428,779		-		-		3,335,502
Capital assets, being depreciated:								
Buildings and improvements	13,011,405	199,358		-		-		13,210,763
Land Improvements	1,112,222	549,232		-		-		1,661,454
Right-to-use leased equipment	-	9,974,840		-		-		9,974,840
Machinery and equipment	10,070,106	1,422,983		(166,740)		-		11,326,349
Infrastructure	 6,215,450	 27,073				<u>-</u>		6,242,523
Total	30,409,183	12,173,486		(166,740)		-		42,415,929
Less accumulated depreciation for:								
Buildings and improvements	(4,748,509)	(310,025)		-		-		(5,058,534)
Right-to-use leased equipment	-	(794,552)		-		-		(794,552)
Machinery and equipment	(6,744,843)	(1,639,406)		155,121		-		(8,229,128)
Infrastructure	(1,466,665)	(168,660)		-		-		(1,635,325)
Total	(12,960,017)	(2,912,643)		155,121				(15,717,539)
Total capital assets, being depreciated, net	17,449,166	9,260,843		(11,619)				26,698,390
Governmental activities capital assets, net	\$ 19,355,889	\$ 10,689,622	\$	(11,619)	\$		\$	30,033,892

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

Governmental activities:	
General government	\$ 300,037
Public safety	453,718
Public works	1,329,180
Culture and recreation	35,156
Total depreciation expense -	
governmental activities	\$ 2,118,091
Governmental activities:	
General government	\$ 19,594
Public safety	733,105
Public works	 41,853
Total amortization expense -	
governmental activities	\$ 794,552

NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	 Increases		Decreases		Transfers		Ending Balance
Business-type activities								
Capital assets, not being depreciated: Construction in process Total	\$ 1,996,301 1,996,301	\$ 772,342 772,342	\$	<u>-</u>	\$		\$	2,768,643 2,768,643
Capital assets, being depreciated:								
Building and Improvements	6,884,777	_		_		_		6,884,777
Furniture	1,785	-		-		_		1,785
Machinery and equipment	10,997	-		-		-		10,997
Total	6,897,559	_				-		6,897,559
Less accumulated depreciation for:								
Buildings	(1,044,281)	(137,696)		-		_		(1,181,977)
Furniture	(1,785)	-		-		_		(1,785)
Machinery and equipment	(10,997)	-		-		-		(10,997)
Total	(1,057,063)	(137,696)		-		-		(1,194,759)
Total capital assets, being depreciated, net	 5,840,496	(137,696)				_		5,702,800
Business-type activities capital assets, net	\$ 7,836,797	\$ 634,646	\$	_	\$		\$	8,471,443

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

Business-type activities:

Development Authority of Emanuel

County and the City of Swainsboro

Total depreciation expense
business-type activities

\$ 137,696

NOTE 7. LONG-TERM DEBT

Primary Government

The following is a summary of long-term debt activity for the primary government for the year ended September 30, 2023:

	Beginning Balance		Additions		Reductions			Ending Balance	Due Within One Year		
Governmental activities:											
Financed purchases	\$	2,099,370	\$	-	\$	340,014	\$	1,759,356	\$	342,077	
Lease liabilities		-		9,974,899		119,650		9,855,249		815,455	
Compensated absences		244,195		143,470		119,040		268,625		214,902	
Landfill closure and											
Post-closure care		1,142,833		79,998		-		1,222,831		-	
Governmental activities											
Long-term liabilities	\$	3,486,398	\$	10,198,367	\$	578,704	\$	13,106,061	\$	1,372,434	
B											
Business-type activities:	•	0 740 775	•	500.000	•	07.000	•	0.044.500	•	07.000	
Notes payable	\$	2,746,775	\$	532,630	\$	37,869	\$	3,241,536	\$	37,869	
Business-type activities Long-term liabilities	\$	2,746,775	\$	532,630	\$	37,869	\$	3,241,536	\$	37,869	

For governmental activities, compensated absences are generally liquidated by the General Fund.

Governmental Activities:

Financed Purchases

2021 John Deere Financed Purchase - On September 21, 2021, the County entered into a financed purchase of ten Motorgraders for \$2,801,571 at an interest rate of 1.25%. The financed purchase matures September 21, 2026. The current outstanding balance as of September 30, 2023 was \$1,759,356.

The annual requirements for debt service on the financed purchases at September 30, 2023 are as follows:

Fiscal Year Payable	Principal	I	nterest	 Total
2024	\$ 342,077	\$	22,118	\$ 364,195
2025	348,617		17,790	366,407
2026	1,068,662		13,407	1,082,069
	\$ 1,759,356	\$	53,315	\$ 1,812,671

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Governmental Activities (Continued):

Lease liabilities

Enterprise liabilities - On September 23, 2022, the County entered into a Right-to-use leases with Enterprise Fleet Management for 32 vehicles for \$1,073,033 at an interest rate of 3.67% to 4.08%. The right-to-use lease matures July 1, 2028. The current outstanding balance as of September 30, 2023 was \$953,383.

Motorola liabilities - On January 1, 2023, the County entered into a Right-to-use lease with Motorola for 32 vehicles for \$8,901,966 at an interest rate of 4.19%. The right-to-use lease matures January 1, 2023. The current outstanding balance as of September 30, 2023 was \$8,901,966.

The annual requirements for debt service on the financed purchases at September 30, 2023 are as follows:

Fiscal Year Payable	Principal Interes		Interest		Total	
	_		_		_	
2024	\$	815,455	\$	273,888	\$	1,089,343
2025		781,116		249,477		1,030,593
2026		753,756		227,018		980,774
2027		770,977		204,643		975,620
2028		731,706		182,000		913,706
2029 – 2033		6,002,239		534,392		6,536,631
	\$	9,855,249	\$	1,671,418	\$	11,526,667

Business-type Activities:

GEFA loan GF2017004 - On November 14, 2017, the County issued a note for \$920,000 at an interest rate of 2.39%. The note will be used to finance the costs of acquiring, constructing, and installing a water tank, treatment building, and water lines for the I-16 Park. The note matures December 11, 2040. The current outstanding balance as of September 30, 2023 was \$817,997.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Business-type Activities (Continued):

GEFA loan GF2017004 - On October 16, 2018, the County issued a note for \$3,000,000 at an interest rate of 2.75%. The note will be used to finance the costs of acquiring, constructing, and installing pump stations and sewer lines for the I-16 Park. Currently the note is still in the draw down phase. The current outstanding balance as of September 30, 2023 was \$2,423,539, and is excluded from the maturity schedule below.

The annual requirements for debt service on the Development Authority of Emanuel County and City of Swainsboro GEFA Loans at September 30, 2023 are as follows:

Fiscal Year Payable	P	rincipal	nterest	Total
2024	\$	37,869	\$ 19,127	\$ 56,996
2025		39,721	18,189	57,910
2026		40,681	17,230	57,911
2027		41,664	16,247	57,911
2028		42,671	15,240	57,911
2029 - 2033		229,329	60,228	289,557
2034 - 2038		258,408	31,149	289,557
2039 – 2041		127,654	3,564	131,218
	\$	817,997	\$ 180,974	\$ 998,971

NOTE 8. LANDFILL CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations required the County to place a final cover on the Emanuel County Landfill site when it stopped accepting waste in 1998 and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The landfill's final cover was completed in 2000 and the final closure certificate was issued January 12, 2001. The estimated post-closure cost of \$46,000 per year plus inflation for the 30 years is based on engineers' estimates at November 1, 1995. This represents all the post-closure cost liability (none remaining to be recognized) but it must be updated annually to adjust for inflation or deflation, and changes in technology, or applicable laws or regulations. The County has estimated a \$1,222,831 liability for closure and post-closure.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of September 30, 2023 represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that: 1) interfund goods or services are provided or reimbursable expenditures occur, or 2) transactions are recorded in the accounting period, and 3) no payments between funds are made in the current year.

Interfund transfers as of September 30, 2023 are as follows:

Transfers In	Transfers Out	 Amount		
Nonmajor Governmental Funds	General Fund	\$ 375,000		
LMIG Fund	TSPLOST Fund	120,000		
Local Resource Fund	General Fund	2,844,720		
		\$ 3,339,720		

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 3) transfer funds for debt service.

NOTE 10. RETIREMENT PLANS

Primary Government

Plan Description

The County adopted a non-contributory defined contribution plan on August 31, 1998, and it went into effect on February 3, 1999. All full-time employees with two years of service are eligible for coverage. Coverage begins on the next entry date immediately following the anniversary hire date.

Emanuel County Board of Commissioners Retirement Saving Plan (the "Plan"), is administered by GEBCorp. The County has the authority to establish or amend plan provisions. The investment objective of the Plan is to protect against loss of principal while providing returns more than money market funds and one-year treasury bills.

The County is responsible for establishing or amending the defined contribution plan contribution requirements. The County's defined contribution plan contribution for the fiscal year ended September 30, 2023 was \$358,772 on covered payroll of \$5,800,818.

Employees, at their option, may contribute as much as 25% of their salary to a 457 deferred compensation plan. Employees do not contribute to the 401(a) plan.

NOTE 10. RETIREMENT PLANS (CONTINUED)

Primary Government (Continued)

Plan Description (Continued)

The County makes contributions to a 401(a) plan based on the employee's contributions to the 457 plan as follows:

Employee	County
Contribution	Contribution
4.00%	4.00%
5.00%	5.00%
6.00%	6.00%
7.00%	7.00%

NOTE 11. RISK MANAGEMENT

Interlocal Risk Management Agency: The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency ("IRMA") for property and liability insurance and the ACCG-Group Self-Insurance Workers' Compensation Fund ("WCSIF"), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Association County Commissioners of Georgia ("ACCG") administers both risk pools.

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

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

Settled claims in the past three years have not exceeded the coverage.

NOTE 12. CONTINGENCIES AND COMMITMENTS

Grant Contingencies: The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their representatives. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

Litigation: The County was a defendant in several lawsuits at September 30, 2023. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

Commitments: The County has entered into a contract with Emanuel County Hospital ("Hospital Authority") wherein the County is obligated to make payments to the Hospital Authority sufficient to pay the principal of and interest on \$4,715,000 Emanuel County Hospital Authority (Georgia), Refunding and Improvement Revenue Anticipation Certificates, Series 1997 and \$10,000,000 Emanuel County Hospital Authority (Georgia) Revenue Anticipation Certificates, Series 2002 as the same become due and payable, to the extent funds of the Hospital Authority pledged to such payment are insufficient for such purposes. The County is obligated under the contract to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rate within the seven-mil limit or such greater millage limit hereafter authorized to produce in each year revenues which are sufficient to fulfill the County's obligations under the contract. The certificates do not constitute a debt of the County.

NOTE 13. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities or counties in the middle Georgia area, is a member of Heart of Georgia Altamaha Regional Commission ("RC") and is required to pay annual dues thereto. Membership in an RC is required by the O.C.G.A §50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC.

Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Development Center 5405 Oak Street Eastman, Georgia 31023



COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2023

	Special Revenue			Capital Projects	Total Nonmajor Governmental Funds		
ASSETS	•	4 405 400	•	10.101			
Cash Receivables:	\$	1,405,120	\$	19,181	\$	1,424,301	
Property taxes		74,123				74,123	
Accounts		74,123 597		-		74,123 597	
Total assets	\$	1,479,840	\$	19,181	\$	1,499,021	
Total added	<u>Ψ</u>	1,470,040	Ψ	10,101	Ψ	1,400,021	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$	21,105	\$	-	\$	21,105	
Accrued liabilities		15,595		-		15,595	
Unavailable revenue		21,597		-		21,597	
Total liabilities		58,297		-		58,297	
DEFERRED INFLOWS OF RESOURCES Unavailable revenues:							
Property taxes		41,709				41,709	
Total deferred inflows of resources		41,709		-		41,709	
FUND BALANCES Restricted for:							
Public safety		729,252		-		729,252	
Economic development		468,085		-		468,085	
Capital projects Assigned for:		-		19,181		19,181	
Jail commissary activities		213,383		_		213,383	
Unassigned		(30,886)		_		(30,886)	
Total fund balances		1,379,834		19,181		1,399,015	
Total liabilities, deferred inflows of							
resources and fund balances	\$	1,479,840	\$	19,181	\$	1,499,021	

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Property taxes	\$ 575,881	\$ -	\$ 575,881
Intergovernmental		7,311	7,311
Fines and forfeitures	89,921	-	89,921
Charges for services	720,086	-	720,086
Interest income	38,855	-	38,855
Miscellaneous	65,718	<u> </u>	65,718
Total revenues	1,490,461	7,311	1,497,772
Expenditures Current:			
Public safety	934,653	_	934,653
Housing and economic development	575,000	_	575,000
Public works	_	13,003	13,003
Capital outlay	199,391	24,503	223,894
Total expenditures	1,709,044	37,506	1,746,550
Deficiency of revenues			
under expenditures	(218,583	(30,195)	(248,778)
Other financing sources			
Transfers in	375,000	-	375,000
Total other financing sources	375,000		375,000
Net change in fund balances	156,417	(30,195)	126,222
Fund balances, beginning of year	1,223,417	49,376	1,272,793
Fund balances, end of year	\$ 1,379,834	\$ 19,181	\$ 1,399,015

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Development Authority Fund is used to account for monies that serve to improve the quality of life for all who live and work in the County by creating jobs and developing affordable housing.

Emergency Telephone System Fund is used to account for the cost of operating and maintaining the County E-911 System. Financing is provided by a charge to each telephone subscriber whose exchange access lines are in the areas served by the County's E-911 system and by a transfer from the General Fund.

Juvenile Services Fund is used to account for monies collected under Georgia law for probation services to juvenile offenders. Such monies are restricted to providing treatment to juvenile offenders.

Jail Fund is used to account for the expenditures made towards maintenance and operations of the County jail.

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

Fire Protection and Control Fund is used to support projects that enhance the safety of the public and firefighters from fire and related hazards.

Opioid Settlement Fund accounts for the monies received from the national settlements from companies that made, distributed, or sold opioid pain killers and disbursed for approved expenditures stated in the settlments.

CAPITAL PROJECTS FUNDS

Major Grants Fund is used to account for the Community Development Block Grant ("CDBG") funds.

Special Purpose Local Option Sales Tax ("SPLOST") 5 Fund is utilized to account for the proceeds of a 1% Special Purpose Local Option Sales Tax for funding various capital outlay projects including but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS SEPTEMBER 30, 2023

			•	cial Re	venue Fund	is		
	velopment Authority Fund	Te	nergency elephone stem Fund	-	uvenile vices Fund	Jail Fund		DATE Fund
ASSETS								
Cash	\$ 460,941	\$	-	\$	19,562	\$	213,383	\$ 190,512
Receivables:								
Property taxes	48,853		-		-		-	
Accounts	-		597				-	-
Total assets	\$ 509,794	\$	597	\$	19,562	\$	213,383	\$ 190,512
LIABILITIES								
Accounts payable	\$ -	\$	15,888	\$	-	\$	-	\$ -
Accrued liabilities	-		15,595		-		-	
Unavailable revenue	-		-		-		-	
Total liabilities	 -		31,483		-			-
DEFERRED INFLOWS								
OF RESOURCES								
Unavailable revenues:								
Property taxes	 41,709							 -
Total deferred inflows	_		_		_		_	
of resources	 41,709		<u>-</u>					 -
FUND BALANCES								
Restricted for:								
Public safety	-		-		19,562		-	190,512
Economic development	468,085		-		-		-	
Assigned for:								
Jail commissary activities	-		-		-		213,383	-
Unassigned	 -		(30,886)				_	
Total fund balances (deficit)	 468,085		(30,886)		19,562		213,383	190,512
Total liabilities, deferred inflows of								
resources and fund balances	\$ 509,794	\$	597	\$	19,562	\$	213,383	\$ 190,512

Special R	evenue	Funds		Total Nonmajor		
Opioid ement Fund		Protection Control Fund	Special Revenue Funds			
\$ 65,718	\$	455,004	\$	1,405,120		
-		25,270		74,123 597		
\$ 65,718	\$	480,274	\$	1,479,840		
\$ - - - -	\$	5,217 - 21,597 26,814	\$	21,105 15,595 21,597 58,297		
		<u>-</u>		41,709		
-		-		41,709		
65,718 -		453,460 -		729,252 468,085		
 - - 65,718		- - 453,460		213,383 (30,886) 1,379,834		
\$ 65,718	\$	480,274	\$	1,479,840		

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

			Spec	cial Reve	nue Func	İs			
	Development Authority Fund		Emergency Telephone System Fund		Juvenile Services Fund		Jail Fund		DATE Fund
Revenues									
Property taxes	\$ 575,881	\$	-	\$	-	\$	-	\$	-
Charges for services	-		404,584		825		-		
Fines and forfeitures	-		-		-		71,327		18,594
Interest income	23,833		-		759		7,082		7,181
Miscellaneous	 				-				-
Total revenues	 599,714		404,584		1,584		78,409		25,775
Expenditures									
Current:									
Public safety	_		849,524		564		_		_
Housing and economic development	575,000		· -		-		-		-
Capital outlay	-		_		_		_		_
Total expenditures	 575,000		849,524		564		_		-
Excess (deficiency) of revenues									
over (under) expenditures	 24,714		(444,940)		1,020		78,409		25,775
Other financing sources									
Transfers in	_		375,000		_		_		_
Total other financing sources	 		375,000		-		_		-
Net change in fund balances	24,714		(69,940)		1,020		78,409		25,775
Fund balances, beginning of year	 443,371		39,054		18,542		134,974		164,737
Fund balances (deficit), end of year	\$ 468,085	\$	(30,886)	\$	19,562	\$	213,383	\$	190,512

Special Revenue Funds					Total
Opioid Settlement Fund		Fire Protection and Control Fund		Nonmajor Special Revenue Funds	
\$	-	\$	-	\$	575,881
	-		314,677		720,086
	-		-		89,921
	-		-		38,855
	65,718		-		65,718
	65,718		314,677		1,490,461
	-		84,565		934,653
	-		.		575,000
	<u>-</u>		199,391		199,391
			283,956		1,709,044
	65,718		30,721		(218,583)
	_		_		375,000
	-		-		375,000
	65,718		30,721		156,417
	-		422,739		1,223,417
\$	65,718	\$	453,460	\$	1,379,834

COMBINING BALANCE SHEET NONMAJOR CAPITAL PROJECT FUNDS SEPTEMBER 30, 2023

	Capital	Total			
	Major Gran Fund	t SPLOST 5 Fund	-	Nonmajor Capital Project Funds	
ASSETS					
Cash	\$ 19,1	181 \$	- \$ 19	9,181	
Total assets	\$ 19,1	181 \$	- \$ 19	9,181	
FUND BALANCES Restricted for:					
Capital projects	19,1	181	- 19	9,181	
Total fund balances	\$ 19,1	181 \$		9,181	

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECT FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

		Capital Projects Funds				
	Ma	Major Grant Fund			Nonmajor Capital Projec Funds	
Revenues						
Intergovernmental	\$	7,311	\$	-	\$	7,311
Total revenues		7,311				7,311
Expenditures						
Current:						
Public works		13,000		3		13,003
Capital outlay		24,503		-		24,503
Total expenditures		37,503		3		37,506
Deficiency of revenues						
under expenditures		(30,192)		(3)		(30,195)
Net change in fund balances		(30,192)		(3)		(30,195)
Fund balances, beginning of year	\$	49,373	\$	3	\$	49,376
Fund balances, end of year	\$	19,181	\$		\$	19,181

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CUSTODIAL FUNDS

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

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

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

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

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

COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS SEPTEMBER 30, 2023

ASSETS	Co	Tax emmissioner	Clerk of Superior Court	obate Court	gistrate Court	 Sheriff	 Total
Cash Taxes receivable	\$	380,839 751,620	\$ 601,442 -	\$ 107 -	\$ 7,206 -	\$ 196,659 -	\$ 1,186,253 751,620
Total assets	\$	1,132,459	\$ 601,442	\$ 107	\$ 7,206	\$ 196,659	\$ 1,937,873
LIABILITIES							
Due to others Uncollected taxes	\$	224,360 751,620	\$ 58,796 -	\$ - -	\$ 6,205	\$ 22,007	\$ 311,368 751,620
Total liabilities	\$	975,980	\$ 58,796	\$ 	\$ 6,205	\$ 22,007	\$ 1,062,988
NET POSITION							
Restricted for individuals, organizations and other governments	\$	156,479	\$ 542,646	\$ 107	\$ 1,001	\$ 174,652	\$ 874,885

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

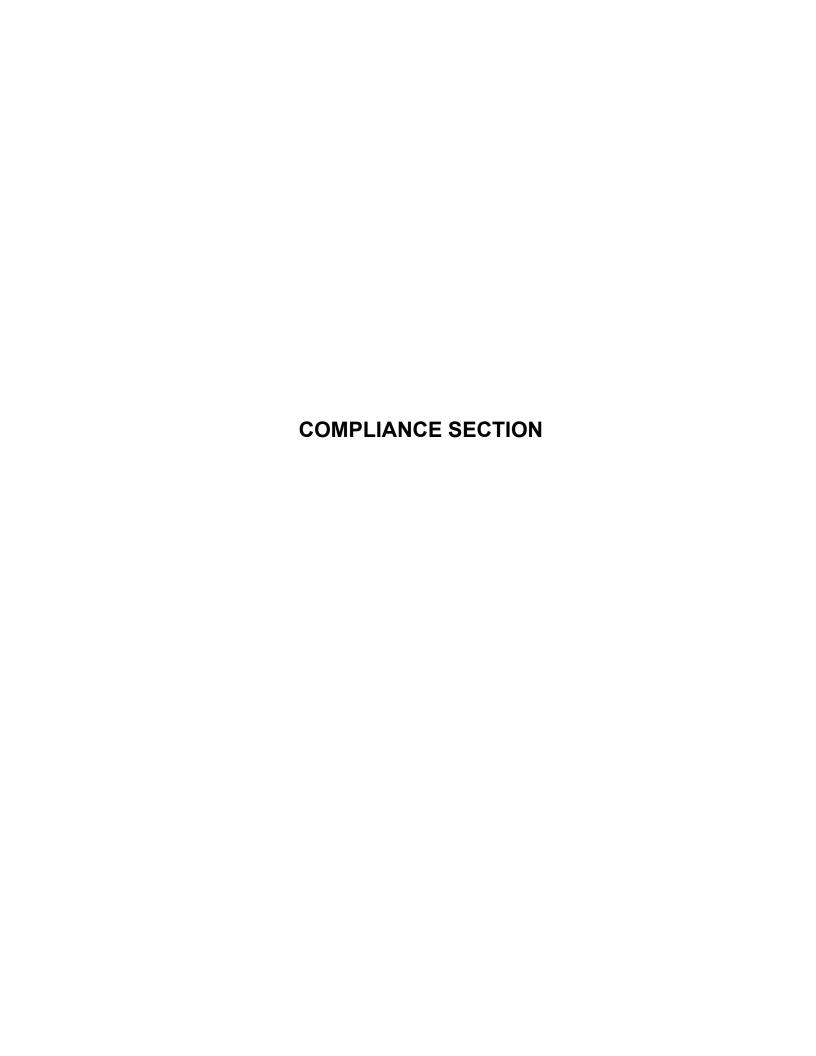
ADDITIONS	Co	Tax ommissioner	 Clerk of Superior Court	 Probate Court	M	agistrate Court	 Sheriff	Total
Taxes collected Fines and fees collected	\$	21,164,733	\$ - 1,640,955	\$ - 72,910	\$	- 356,790	\$ 571,383	\$ 21,164,733 2,642,038
Total additions		21,164,733	 1,640,955	 72,910		356,790	 571,383	 23,806,771
DEDUCTIONS								
Taxes disbursed Fines and fees disbursed		21,070,494	 - 1,584,709	 - 72,900		- 356,566	 - 526,585	 21,070,494 2,540,760
Total deductions		21,070,494	 1,584,709	 72,900		356,566	 526,585	 23,611,254
Change in net position		94,239	56,246	10		224	44,798	195,517
Net position, beginning of year	\$	62,240	\$ 486,400	\$ 97	\$	777	\$ 129,854	\$ 679,368
Net position, end of year	\$	156,479	\$ 542,646	\$ 107	\$	1,001	\$ 174,652	\$ 874,885

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2010 ISSUE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Original Estimated	Revised Estimated			Expe	nditures	
Project Description	 Cost	 Cost	F	Prior Years	Curre	nt Year	 Total
General Obligation Bonds	\$ 828,379	\$ 828,379	\$	1,793,753	\$	-	\$ 1,793,753
Hospital Authority Bonds	4,775,062	4,775,062		4,855,709		-	4,855,709
SPLOST Bond Principal	1,560,000	1,560,000		2,494,326		-	2,494,326
Interest	1,000,000	1,000,000		625,954		3	625,957
City of Adrian	232,996	232,996		241,213		-	241,213
City of Garfield	66,000	66,000		78,515		-	78,515
City of Nunez	63,008	63,008		79,634		-	79,634
City of Oak Park	151,402	151,402		183,486		-	183,486
City of Stillmore	292,832	292,832		270,104		-	270,104
City of Summertown	61,378	61,378		71,034		-	71,034
City of Swainsboro	2,728,866	2,728,866		2,967,983		-	2,967,983
City of Twin City	694,456	694,456		716,167		-	716,167
County Buildings	2,565,621	2,565,621		2,306,878		-	2,306,878
Solid Waste	100,000	100,000		869,426		-	869,426
Airport Hanger and Infrastructure	1,000,000	1,000,000		1,851,366		-	1,851,366
Capital Outlay	 	 		708,539			 708,539
Total	\$ 16,120,000	\$ 16,120,000	\$	20,114,088	\$	3	\$ 20,114,091

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2018 ISSUE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Original	Revised		E	penditures	
Project Description	 Estimated Cost	Estimated Cost	 Prior Years	С	urrent Year	Total
Hospital Debt	\$ 5,600,000	\$ 5,600,000	\$ 4,592,383	\$	1,839,114	\$ 6,431,497
Courthouse	825,000	825,000	123,236		97,200	220,436
Tier 1 Facility Improvements	900,000	900,000	241,255		105,816	347,071
Animal Shelter Improvements	150,000	150,000	84,002		31,028	115,030
Theatre Improvements	225,000	225,000	-		-	-
Economic Development	225,000	225,000	-		225,000	225,000
Recreation Improvements	200,000	200,000	101,876		70,086	171,962
Road Department V&E	1,390,194	1,390,194	1,005,038		530,879	1,535,917
Road Improvements	250,000	250,000	-		-	-
Solid Waste V&E	325,000	325,000	353,484		241,745	595,229
Rural Fire Facilities V&E	330,000	330,000	38,208		319,546	357,754
EMS V&E	525,000	525,000	379,885		-	379,885
Gun Range	150,000	150,000	-		-	-
Building Improvements	200,000	200,000	14,960		-	14,960
E-911 Facility and Equipment	350,000	350,000	333,728		81,681	415,409
Public Safety V&E	335,000	335,000	115,706		49,406	165,112
TC Recreation Improvements	60,000	60,000	-		-	-
Technology Equipment	125,000	125,000	78,790		28,631	107,421
Municipal Payments	 3,859,806	 3,859,806	 3,265,811		1,056,008	 4,321,819
Total	\$ 16,025,000	\$ 16,025,000	\$ 10,728,361	\$	4,676,140	\$ 15,404,501





INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners of Emanuel County, Georgia Swainsboro, 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 discretely presented component unit, each major fund and the aggregate remaining fund information of Emanuel County, Georgia (the "County") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 29, 2024. Our report includes a reference to other auditors who audited the financial statements of the Emanuel County Board of Health (the "Board of Health"), as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting 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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Emanuel County, Georgia's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity'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.

Macon, Georgia April 29, 2024



Mauldin & Jenkins, LLC

SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION I SUMMARY OF AUDIT RESULTS

<u>Financial Statements</u>	
Type of auditor's report issued on whether	Unmodified
the financial statements were prepared in	
accordance with GAAP.	
Internal control over financial reporting:	
Material weaknesses identified?	X YesNone Reported
Significant deficiencies identified not considered	
to be material weaknesses?	Yes _X_None Reported
Noncompliance material to financial statements noted?	Yes <u>X</u> No

Federal Awards

There was not an audit of major federal award programs for the year ended September 30, 2023 due to the total amount of expended being less than \$750,000.

SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2023-001 - Segregation of Duties - Cash Accounts and Other Operational Functions

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

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of these elected officials with no consistent review of the reconciled statements being performed. Specifically, we noted the following:

- Tax Commissioner's Office one individual with the authority to prepare and sign checks also reconciles the bank statements.
- Magistrate Court one individual has the authority to open mail, receipt monies and prepare the deposits.
- Superior Court one individual with the authority to prepare and sign checks also reconciles the bank statements.
- Sheriff one individual with the authority to prepare and sign checks also reconciles the bank statements. In addition, we noted all bank reconciliations are not properly reviewed.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: Failure to properly segregate duties can lead to misappropriation of funds that is not detected during the normal course of business.

Cause: The lack of segregation of duties is primarily due to the limited number of individuals in each office available to perform all of the duties.

Recommendation: We recommend the duties of recording, distributing, and reconciling of accounts be segregated among employees. Also, we recommend greater separation of duties relative to: making deposits, opening the mail, posting receipts, and signing of checks.

Views of Responsible Officials and Planned Corrective Action: We agree there is a lack of segregation of duties in the offices of the above mentioned areas due to minimum staffing in those departments. Procedures are continuing to be reviewed and implemented. Currently bank statements are being reconciled in these areas and then sent up to finance for review and approval.

SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2023-002 - Clerk of Court Duties

Criteria: Internal controls should be in place to ensure money received by the Superior Court is deposited and paid out in a timely manner.

Condition: During our audit of the Superior Court, we noted several instances where deposits were held for several weeks, before being deposited in the bank. We noted deposit slips were prepared daily, but due to time constraints, were placed in a locked safe for weeks until being deposited. This shows a lack of good cash controls and timely deposits of funds. We also noted several instances where monthly payouts were not made for several months at a time. Per review of activity after year-end, Mauldin & Jenkins noted several payments posted for months prior. These payments were delayed due to time constraints and deposits not being made in a timely manner. This shows a lack of good cash controls and timely payout of funds.

Context: We addressed the matter with the County to determine the appropriate actions are taken so as to properly complete the Superior Court Duties at September 30, 2023.

Effects: The lack of internal controls over the timely recording of cash can lead to misappropriation of funds that is not detected during the normal course of business.

Cause: There was a lack of appropriate controls implemented at the Superior Court during the fiscal year to ensure cash balances were properly recorded.

Recommendation: We recommend the Superior Court implement procedures to deposit and pay out funds received in a timely manner.

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

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

STATUS OF PRIOR YEAR FINDINGS

2022-001 - General Accounting Matters/Close-Out Procedures

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Condition: During our audit, we noted accounting, reporting and reconciling not being properly performed and reviewed consistently during the fiscal year which required a significant effort to close the Development Authority's fiscal year.

Status: Resolved.

2022-002 - Restatement - Proper Recognition of Capital Leases

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

Condition: During the prior year, the Development Authority did not properly record capital assets at the government-wide level and at the fund level

Status: Resolved.

2022-003 - Segregation of Duties - Cash Accounts and Other Operational Functions

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

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of these elected officials with no consistent review of the reconciled statements being performed.

Status: Unresolved. See finding 2023-001.

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

STATUS OF PRIOR YEAR FINDINGS (CONTINUED)

2022-004 - Budgetary Requirements

Criteria: Georgia statutes (O.C.G.A. §36-81) establish budgetary requirements for governmental entities that there be a legal level of control at a minimum to be at the department level.

Condition: For the year ended September 30, 2023, the County was in violation of State budget statutes: An annual budget was not adopted for the following fund:

ARPA Fund

Status: Resolved.

2022-005 - Schedule of Expenditures of Federal Awards

Criteria: 2 CFR 200.302(b)(1) states that all non-federal entities must identify in its accounts all federal awards received and expended. The Schedule of Expenditures of Federal Awards ("SEFA"), as required by 2 CFR 200.510(b), should be derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements of the County.

Condition: During our audit, we noted that internal controls were not in place to accurately prepare the SEFA.

Status: Resolved.

2022-006 - Clerk of Court Duties

Criteria: Internal controls should be in place to ensure money received by the Superior Court is deposited and paid out in a timely manner.

Condition: During our audit of the Superior Court, we noted several instances where deposits were held for several weeks, before being deposited in the bank. We noted deposit slips were prepared daily, but due to time constraints, were placed in a locked safe for weeks until being deposited. This shows a lack of good cash controls and timely deposits of funds. We also noted several instances where monthly payouts were not made for several months at a time. Per review of activity after year-end, Mauldin & Jenkins noted several payments posted for months prior. These payments were delayed due to time constraints and deposits not being made in a timely manner. This shows a lack of good cash controls and timely payout of funds.

Status: Unresolved. See finding 2023-002.



Appendix B

FORM OF RESOLUTION AND LEASE CONTRACT



EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY

BOND RESOLUTION

Adopted September 16, 2024

Providing for the issuance of the

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY
REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024

in an aggregate principal amount of \$10,110,000

Section 406.	Balance of Bond Proceeds	1
	ARTICLE V	
	APPLICATION OF PROJECTS REVENUE:	
	FLOW OF FUNDS; PARITY BONDS; DEFEASANCE	
	TEOW OF TONDS, TAKETT BONDS, DEFEASANCE	
Section 501.	Bonds as Limited Obligations of the Authority	
Section 502.	Sinking Fund	1
Section 503.	Disbursements from Sinking Fund	1
Section 504.	Bonds Constitute First Lien	
Section 505.	Pledge Binding on All Parties	1
Section 506.	Priority of Bonds Preserved	1
Section 507.	Parity Bonds	
Section 508.	Bonds to be Canceled on Payment	2
Section 509.	Defeasance	2
	ARTICLE VI	
	DEPOSITORIES OF FUNDS AND SECURITY FOR DEPOSITS;	
	AUTHORIZED INVESTMENTS	
Section 601.	Funds Constitute Trust Funds	2
Section 602.	Deposits in Excess of FDIC Guarantee	
Section 603.	Designation of Bond Registrar, Paying Agent, Sinking Fund Custodian,	
	and Custodian of the Construction Fund	2
Section 604.	Investment of Funds	
Section 605.	Authorized Investments	
Section 606.	Paying Agent Instructions	
Section 607.	Paying Agent	
Section 608.	Qualifications of Paying Agent; Resignation; Removal	
	ARTICLE VII	
	PARTICULAR COVENANTS OF THE AUTHORITY	
Section 701.	Pledge of Security; Payment of Bonds	2
Section 701.	Basic Rent to be Deposited Directly to Sinking Fund	2
Section 703.	Performance of Covenants	
Section 703.	Title and Instruments of Further Assurance	
Section 704.	Recording and Filing	
Section 705.	Transfer of Funds.	
Section 706. Section 707.	Authority Will Not Cancel Lease	
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BOND RESOLUTION

THIS BOND RESOLUTION (this "Resolution"), adopted September 16, 2024, by the EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY, a political subdivision of the State of Georgia and a public corporation thereof (the "Authority");

PREAMBLE

- 1. The Authority was created by an act of the General Assembly of the State of Georgia, Ga. Laws 2023, p. 3739 (the "Act"), which authorizes the Authority to construct, reconstruct, acquire, own, alter, repair, remodel, maintain, extend, improve, operate manage and equip "projects" located on land owned or leased by the Authority; such "projects" are defined in the Act to include real and personal property, land, buildings, structures, sanitary and surface water sewers, utilities,, including natural gas distribution, telecommunications, fiber, cable, and broadband services, and other public property determined by the Authority to be desirable for the efficient operation of any department, board, office, commission, or agency of Emanuel County, the Emanuel County School District, or any municipality or political subdivision located in Emanuel County, or the State of Georgia in the performance of its governmental, proprietary, and administrative functions.
- 2. The Act also provides for the issuance of revenue bonds by the Authority in accordance with the provisions of Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated (the "Revenue Bond Law") for the purpose of paying all or any part of the costs of a project and for the purpose of refunding revenue bonds or other obligations previously issued.
- 3. Pursuant to Article IX, Section III, Paragraph I of the Constitution of the State of Georgia, any municipality or other political subdivision of the State of Georgia may contract for any period not exceeding 50 years with any public authority for joint services, for the provision of services or for the joint or separate use of facilities or equipment, provided such contracts deal with activities, services or facilities which the contracting parties are authorized by law to undertake or provide. Under the Act, the Authority is further empowered to make contracts for the construction of projects or with respect to the use of projects which it causes to be erected or acquired and to contract with any political subdivision or municipality of the State of Georgia located in Emanuel County, Georgia, upon such terms and for such purposes as may be deemed advisable.
- 4. Emanuel County (the "County") is a political subdivision of the State of Georgia and the County and the Authority are each a "governmental body", as defined by the Revenue Bond Law and are authorized to finance any revenue "undertaking" described therein or under the provisions of the Act.
- 5. In furtherance of its public purposes, and at the request of the Board of Commissioner of Emanuel County, as the governing body of the County, the Authority proposes to provide funds to finance the renovation, construction and equipping of two new governmental administrative buildings (the "Projects"), for use by the County, pursuant to a Lease Contract (the "Lease") between the Authority and the County, through the issuance of its EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY (GEORGIA) REVENUE BONDS (EMANUEL COUNTY PROJECTS),

Bond Resolution

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

- Section 101. <u>Definitions of Certain Terms.</u> In addition to the words and terms elsewhere defined in this Resolution, the following words and terms used herein shall have the following meanings:
- "Act" means the act of the General Assembly of the State of Georgia, Ga. Laws 2023, p. 3739.
- "Authentication Agent" means U.S. Bank Trust Company, National Association, Atlanta, Georgia, or such other bank or trust company so designated by the Authority for the Series 2024 Bonds.
 - "Authority" means the Emanuel County Public Facilities Authority and its successors.
- "Authorized Authority Representative" means the person or persons at the time designated to act on behalf of the Authority by written certificate furnished to the Lessee, containing the specimen signature of each such person, signed on behalf of the Authority by its Chairperson.
- "Authorized Lessee Representative" means the person or persons at the time designated to act on behalf of the Lessee by written certificate furnished to the Authority, containing the specimen signature of each such person, signed on behalf of the Lessee by its Chairman.
- "Basic Rent" means all sums required to be paid on the dates and in the amounts set forth in the Lease, which sums shall be sufficient to pay the principal of and interest on the Bonds as the same become due and payable.
 - "Bond Date" means the date of issuance and delivery.
- "Bond Registrar" means U.S. Bank Trust Company, National Association, Atlanta, Georgia, or such other bank or trust company so designated by the Authority for the Series 2024 Bonds.
- "Bondholder," "Bondholders," "Holder," "Bondowner" or "Owner" or "Registered Owner" means the registered owner of any Bond or its assigns and does not mean any beneficial owner of the Bonds whether through the book-entry only system of DTC or otherwise.
- "Bonds" means the Series 2024 Bonds, and from and after the issuance of any Parity Bonds, such Parity Bonds.
- "Cede & Co." means Cede & Co., the nominee of DTC or any successor nominee of DTC with respect to the Bonds.
 - "Code" means the Internal Revenue Code of 1986, as amended

SERIES 2024 (the "Series 2024 Bonds"), in the aggregate principal amount of \$10,110,000, pursuant to the terms of this Resolution.

- 6. The Projects are within the purposes of the Act and the County is authorized to enter into a intergovernmental lease contract and/or intergovernmental contract with the Authority for the financing of the Projects in accordance with the Act and other provisions of the Constitution and laws of the State of Georgia.
- 7. Surveys, plans, and specifications for the Projects, and estimated costs of the Projects are on file in the offices of the County and, by this reference thereto, are incorporated herein and made a part hereof as fully as if set forth herein in their entirety. The County and the Authority have determined that it would be in the best interests of the citizens of the County for the Authority to finance the Projects. Upon payment in full of the Series 2024 Bonds, any parity bonds or other obligations issued by the Authority to finance the Projects, the Authority will convey title to the Projects to the County without any further consideration.
- 8. The County, a political subdivision of the State of Georgia, is authorized to levy taxes, without limitation as to rate or amount, and to expend tax money of the County and other available funds and to obligate the County to make payment to the Authority of the amounts, and upon such terms as are provided for in the Lease between the Authority and the County. The Act provides that revenue bonds issued by the Authority shall not be deemed to constitute a debt of the State of Georgia or any political subdivision thereof which may contract with the Authority, and that no contract entered into by the Authority with any such political subdivision shall create a debt of such political subdivision within the meaning of Article IX, Section V, Paragraph I of the Constitution of the State of Georgia, but any such political subdivision may obligate itself to make the payments required under such contract from moneys received from taxes and from any other source without creating a debt within the meaning of Article IX, Section V, Paragraph I of the Constitution of the State of Georgia.
- **NOW, THEREFORE, BE IT RESOLVED** by the Emanuel County Public Facilities Authority in a public meeting properly and lawfully called and assembled, and it is hereby resolved by authority of the same, as follows:

Bond Resolution

"Construction Fund" means the Emanuel County Public Facilities Authority Construction Fund 2024, created in Section 403.

- "Construction Fund Custodian" means Queensboro National Bank & Trust, Swainsboro, Georgia, or such other bank or trust company so designated from time to time by the Authority.
- "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the County and dated the date of issuance and delivery of the Series 2024 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.
- "Cost" or "Costs" in connection with the Projects, means all expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition, construction, or installation of the Projects, or which otherwise may be financed under the Act, including, without limiting the generality of the foregoing:
- (a) amounts payable to contractors and costs incident to the award and performance of contracts:
- (b) cost of labor, materials, facilities, and services furnished by the County, and its
 employees or others, materials and supplies purchased by the County or others, and permits and
 licenses obtained by the County or others;
- (c) engineering, architectural, legal, accounting, and other professional and advisory fees, as well as the fees and expenses, if any, of the Bond Registrar and Paying Agent;
- (d) costs, fees, and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;
 - (e) costs of equipment;
- (f) amounts required to repay temporary loans or advances of the County's funds made to finance preliminary expenditures relating to the Projects, such as engineering, architectural, surveying, and similar costs; and
- (g) $\,$ costs of site improvements, including demolition, performed in anticipation of the Projects.
- "Costs of Issuance" means the reasonable and necessary costs and expenses incurred by the Authority and the County with respect to the issuance of a series of Bonds, the Lease this Resolution, and any transaction or event contemplated by the Lease or this Resolution, including fees and expenses of engineers, accountants, attorneys, financial advisors and underwriters, and financial fees and expenses, advertising, recording, validation and printing expenses, and all other expenses incurred in connection with the issuance of a series of Bonds.
- "Costs of Issuance Account" means the account authorized to be established by Section 501(a) of this Resolution.

- $\mbox{\bf ``County''} \mbox{ or ``Lessee''} \mbox{ means Emanuel County, Georgia, a political subdivision of the State of Georgia.}$
- "DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, or its nominee, or any other person, firm, association, or corporation designated in any resolution of the Authority supplemental hereto to serve as securities depository for a series of Certificates.
- "DTC Participant" means securities brokers and dealers, banks, trust companies, clearing corporations, and certain other corporations which have access to the DTC system.
- "Fiscal Year" means the fiscal year of the County, which at the time of the adoption of this Resolution is the twelve months from October 1 through September 30.
- "Government Obligations" means bonds or other obligations of the United States of America or obligations representing an interest therein which as to principal and interest constitute direct obligations of the United States of America or are fully guaranteed as to payment by the United States of America.
- "Interest Payment Date" shall have the meaning given such term in Section 202 of this Resolution.
- "Lease" means the Lease Contract between the Authority, as Lessor, and the County, as Lessee, together with such other supplements or amendments as may be hereafter made to add or delete parcels or tracts of land comprising the Projects or to provide for the issuance of additional Parity Bonds.
 - "Lessee" means the County.
 - "O.C.G.A." means Official Code of Georgia Annotated.
- $\hbox{\bf "Outstanding"} \ or \ \hbox{\bf "Bonds Outstanding"} \ means all \ Bonds \ which \ have been \ executed \ and \ delivered \ pursuant \ to \ this \ Resolution \ except:$
 - Bonds canceled because of payment;
 - (b) Bonds for the payment of which funds or securities in which such funds are invested shall have been theretofore deposited with a duly designated Paying Agent for the Bonds (whether upon or prior to the maturity date of any such Bonds); and
 - (c) Bonds in lieu of which other Bonds have been executed and delivered under Sections 203 and 204 of this Resolution.
- "Parity Bonds" means any revenue bonds which may be issued on a parity with the Bonds in accordance with the terms of this Resolution.
- "Paying Agent" means U.S. Bank Trust Company, National Association, Atlanta, Georgia, or such other bank or trust company so designated by the Authority for the Series 2024 Bonds

Bond Resolution

ARTICLE II

AUTHORIZATION, TERMS AND FORM OF BONDS

Section 201. Designation and Authorization of Bonds. Revenue bonds designated EMANUEL COUNTY PROJECTS), SERIES 2024, in the aggregate principal amount of \$10,110,000 (the "Series 2024 Bonds"), are hereby authorized to be issued for the purposes aforesaid pursuant to the Revenue Bond Law of Georgia, codified in O.C.G.A. § 36-82-60 et seq., the Constitution of the State of Georgia, the general laws of the State of Georgia, the laws of the State of Georgia relating to the Authority, including the Act, and pursuant to this Resolution, and all the covenants, agreements, and provisions of this Resolution shall be for the equal and proportionate benefit and security of all owners of the Bonds without preference, priority, or distinction as to the charge, lien, or otherwise of any one Bond over any other Bond.

Section 202. <u>Maturities, Interest Payment Dates, Date, Denominations, and Other Particulars of the Bonds</u>.

(a) The Series 2024 Bonds shall bear interest at the rates set forth below, calculated on the basis of a 360-day year of twelve 30-day months, payable on March 1 and September 1 (each an "Interest Payment Date") in each year, beginning March 1, 2025, and shall mature and be paid on September 1 in the years and principal amounts as follows:

Year	Principal Amount	Interest Rate	Year	Principal Amount	Interest Rate
2025	\$295,000	5.000%	2035	\$525,000	4.000%
2026	255,000	5.000	2036	545,000	5.000
2027	270,000	5.000	2037	575,000	5.000
2028	280,000	5.000	2038	600,000	5.000
2029	295,000	5.000	2039	635,000	4.000
2030	410,000	5.000	2040	660,000	4.000
2031	430,000	5.000	2041	685,000	4.000
2032	455,000	5.000	2042	710,000	4.000
2033	475,000	5.000	2043	740,000	4.000
2034	500,000	5.000	2044	770,000	4.000

- (b) The Series 2024 Bonds shall be dated as of the date of issuance and delivery (the "Bond Date"). Except as provided in this Section, each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication of such Bond to which interest on the Bonds has been paid, unless (i) the date of authentication is an Interest Payment Date to which interest has been paid, in which case from such Interest Payment Date, or (ii) no interest has been paid on the Bonds, in which case from the Bond Date.
- (c) The person in whose name any Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding any registration of transfer or exchange subsequent to such Record Date and prior to such Interest Payment Date; provided, however, that if and to the extent a default shall occur in the payment of interest due on such Interest Payment Date, such past due interest shall be paid to the persons in whose name outstanding Bonds are

- "Projects" means the renovation, construction and equipping of two governmental administrative buildings for use by the County, as more specifically described and defined in the plans and specifications therefor on file with the County, as the same may be hereafter amended, which plans and specifications are incorporated herein by this reference.
- "Record Date" means the 15th day of the calendar month preceding each Interest Payment Date.
- "Resolution" means this bond resolution, including any supplements or amendments
- "Series 2024 Bonds" means the EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024, to be issued pursuant to the terms of this Resolution in the aggregate principal amount of \$10,110,000.
 - "Sinking Fund" means the fund described in Section 502.
- "Sinking Fund Custodian" means Queensboro National Bank & Trust, Swainsboro, Georgia, or such other bank or trust company so designated from time to time by the Authority.
 - "State" means the State of Georgia.
 - Section 102. Rules of Construction. Unless the context clearly indicates to the contrary:
- (a) "herein," "hereby," "hereunder," "hereof," "herein-before," "hereinafter," and other equivalent words refer to this Resolution and not solely to the particular portion thereof in which any such word is used.
 - (b) any pronoun used herein shall be deemed to cover all genders;
- (c) all references herein to particular Articles or Sections are references to Articles or Sections of this Resolution;
- (d) the titles preceding each Section of this Resolution are for convenience of reference only and are not intended to define, limit, or describe the scope or intent of any provisions of this Resolution

[END OF ARTICLE I]

Bond Resolution

registered on a subsequent date of record established by notice given by mail by the Paying Agent to the Owners of the Bonds not less than 30 days preceding such subsequent date of record.

(d) The principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The principal of the Bonds shall be payable upon the presentation and surrender of the same at the designated corporate trust office of the Paying Agent. The interest on the Bonds shall be paid by check or draft mailed by the Paying Agent on the date said interest is due by first class mail to the respective owners of the Bonds at their addresses as they appear on the bond register kept by the Bond Registrar (or by wire transfer to the registered owner of Bonds in the minimum aggregate principal amount of \$1,000,000 at a wire transfer address which said registered owner has provided to the Paying Agent not less than five business days prior to an Interest Payment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary).

Section 203. Execution of Bonds.

- (a) Pursuant to the provisions of O.C.G.A. § 36-82-140, the Bonds will be executed with the manually executed or engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Chairperson or Vice Chairperson of the Authority and the facsimile seal of the Authority will be imprinted or otherwise reproduced and attested by the manually executed or facsimile signature of the Secretary of the Authority. The Bonds will be issued in fully registered form.
- (b) In case any officer whose facsimile signature shall appear on the Bonds shall cease to be such officer before delivery of the Bonds, such signature, nevertheless, shall be valid and sufficient for all purposes the same as if such officer had remained in office until delivery, and the Bonds may, nevertheless, be issued and delivered as though the person whose signature appears on the Bonds had not ceased to be such officer. Any of the Bonds may be executed and sealed on behalf of the Authority by the facsimile signatures of such officers who may, at the time of the execution of the Bonds, hold the proper offices of the Authority although on the date of the Bonds or on the date of any lawful proceedings taken in connection therewith such persons may not have held such offices.
- Section 204. Delivery and Authentication of Bonds. The Authority shall execute and deliver to the Authentication Agent and the Authentication Agent shall authenticate the Bonds and deliver them to the purchasers as shall be directed by the Authority. Each Bond shall bear thereon a certificate of authentication substantially in the form hereinafter prescribed, executed by the Authentication Agent with a manually executed signature. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Authentication Agent and such certificate of the Authentication Agent shall be conclusive evidence that the Bond so authenticated has been duly authenticated, registered, and delivered under the Resolution and that the owner thereof is entitled to the benefits of the Resolution. The Authentication Agent is signed manually by an authorized officer of the Authentication Agent if signed manually by an authorized officer of the Authentication Agent fits signed manually by an authorized officer of the Authentication Agent fits signed manually by an authorized officer of the Authentication Agent fits signed manually by an authorized

that the same officer or authorized representative sign the certificate of authentication on all the

Section 205. Mutilated, Destroyed, or Lost Bonds. In the event any Bond is mutilated, lost, stolen, or destroyed, the Authority will execute and deliver a new Bond of like tenor as that mutilated, lost, stolen, or destroyed, provided that, in the case of any such mutilated, lost, stolen or destroyed Bond, there is first furnished evidence of such loss, theft or destruction satisfactory to the Bond Registrar and the Authority, together with indemnity satisfactory to them. No service charge shall be made for any such transaction, but a charge may be made to cover any actual expense incurred. All responsibility with respect to the issuance of any such new bonds shall be on the Authority and not on the Clerk of the Superior Court whose signature shall appear on the validation certificate, and said Clerk shall have no liability in the event of an over-issuance occurs. In the event any such Bond shall have matured or become due, in lieu of issuing a duplicate Bond, the Paying Agent may pay such Bond without surrender thereof.

Section 206. Persons Treated as Owners of Bonds. The Authority and its agents, including the Paying Agent and Bond Registrar, may deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment of the principal thereof and the interest thereon and for all other purposes whatever. All such payments of principal, premium, if any, and interest made to any such owner or upon such owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority nor any such agent shall be affected by any notice to the contrary.

Section 207. Validation Certificate. A validation certificate of the Clerk of the Superior Court of Emanuel County, State of Georgia, bearing the manual signature or the engraved, imprinted, stamped or otherwise reproduced facsimile signature of such Clerk and the impressed, imprinted, or otherwise reproduced seal of said court will be endorsed on each Bond and will be essential to its validity.

Section 208. <u>Book-Entry Bonds</u>. The Series 2024 Bonds shall be issued in book-entry only form, as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity, in the aggregate principal amount of such maturity, and will be deposited with DTC.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants (which include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations), which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "Beneficial Owner") is in turn to be recorded on the records of the Direct Participants and others such as U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners, however, are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners.

Bond Resolution

OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT, (B) THE PAYMENT BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS, (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BONDOWNERS, OR (D) OTHER ACTION TAKEN BY DTC OR CEDE & CO. OR SUCH OTHER DTC NOMINEE, AS OWNER.

The form of the Series 2024 Bonds shall contain the following text:

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Emanuel County Public Facilities Authority or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

The Emanuel County Public Facilities Authority has established a Book Entry system of registration for this Bond. Except as specifically provided otherwise in the hereinafter defined Resolution, Cede & Co., as nominee of The Depository Trust Company, will be the registered owner and will hold this Bond on behalf of each beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, each beneficial owner of this Bond shall be deemed to have agreed to such arrangement. Cede & Co., as registered owner of this Bond, will be treated as the owner of this Bond for all purposes.

Section 209. Delivery of Bonds. The Authority shall execute the Bonds and deliver them to the Bond Registrar, and the Bond Registrar shall authenticate the Bonds and deliver them to the purchaser or purchasers as shall be designated by the Authority.

Section 210. <u>Destruction of Canceled Bonds</u>. All Bonds paid, purchased, or redeemed, either at or before maturity, shall be canceled and delivered to the Bond Registrar when such payment is made. All Bonds so canceled shall be destroyed upon their delivery to the Bond Registrar in accordance with the practice then prevailing with the Authority and record of such destruction shall be made and preserved in the permanent records of the Authority.

Section 211. Form of Bonds. The Series 2024 Bonds and the certificate of validation and certificate of authentication to be endorsed thereon will be in substantially the terms and form as set forth in Exhibit A, with such variations, omissions, substitutions and insertions as may be required, in accordance with this Resolution, to complete properly each Series 2024 Bond and as may be approved by the officer or officers executing each Series 2024 Bond by manual or facsimile signature, which approval shall be conclusively evidenced by such execution.

[END OF ARTICLE II]

Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee, do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are redited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Principal and interest payments on the Bonds will be made by the Paying Agent to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such

If (a) DTC determines not to continue to act as securities depository for Bonds or (b) the Authority determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the Authority or the Beneficial Owners of the Bonds, the Authority shall discontinue the book-entry system with DTC. If the Authority fails to identify another qualified securities depository to replace DTC, the Authority will cause the Paying Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

If a book-entry system of evidence and transfer of ownership of Bonds is discontinued pursuant to the provisions of this Section, Bonds shall be delivered solely as fully registered Bonds without coupons in the denominations of \$5,000 or any integral multiple thereof, shall be lettered "R" and numbered separately from 1 upward, and shall be payable, executed, authenticated, registered, exchanged, and canceled pursuant to the provisions of Article II hereof. In addition, the Authority will pay all costs and fees associated with the printing of the Bonds and issuance of the same in certificated form.

SO LONG AS CEDE & CO. OR SUCH OTHER DTC NOMINEE, AS NOMINEE FOR DTC, IS THE SOLE BONDOWNER, THE AUTHORITY AND THE BOND REGISTRAR WILL TREAT CEDE & CO. OR SUCH OTHER NOMINEE AS THE ONLY OWNER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING, AND REQUESTING OR DIRECTING THE AUTHORITY OR THE PAYING AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION. THE AUTHORITY HAS NO RESPONSIBILITY OR OBLIGATION TO THE DIRECT OR INDIRECT PARTICIPANTS OR THE BENEFICIAL

Bond Resolution

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ARTICLE III

REDEMPTION OF BONDS BEFORE MATURITY; EFFECT OF REDEMPTION CALL; PURCHASE OF SERIES 2024 BONDS

Section 301. Optional Redemption of the Series 2024 Bonds. The Series 2024 Bonds maturing on September 1, 2035, and thereafter are subject to redemption by the Authority, at the direction of the County, in whole or in part, at any time, beginning September 1, 2034 (if less than all of the Series 2024 Bonds of a maturity are to be redeemed, the actual Series 2024 Bonds of such maturity shall be selected by lot in such manner as may be designated by DTC while the Series 2024 Bonds are held as book-entry bonds and by the Paying Agent if the Series 2024 Bonds are no longer held as book-entry bonds), in such order as may be designated by the Authority at a redemption price of 100% of the principal amount of the Series 2024 Bonds called for redemption plus accrued interest to the redemption date.

The Series 2024 Bonds shall be called for redemption by the Bond Registrar pursuant to this Section 301 upon receipt by the Bond Registrar at least 30 days prior to the redemption date of a certificate of the Authority, at the request of the County, directing such redemption. Such certificate may be conditional and shall specify the maturity or maturities of the Series 2024 Bonds to be redeemed, the redemption date, the principal amount of the Series 2024 Bonds or portions thereof so to be called for redemption, the applicable redemption price or prices, and the provision or provisions of this Resolution pursuant to which such Series 2024 Bonds are to be called for redemption.

Section 302. [Reserved].

Section 303. Notice of Redemption. The Bond Registrar shall give notice of redemption pursuant to this Article III one time not less than 30 days nor more than 45 days prior to the date fixed for redemption to the Holders of each of the Series 2024 Bonds being called for redemption by first class mail (electronically while the Series 2024 Bonds are held as book-entry bonds) at the address shown on the register of the Bond Registrar. Said notice may be conditional and shall contain the complete official name of the Series 2024 Bonds being redeemed, CUSIP number, certificate numbers, amounts called of each certificate (for partial calls), redemption date, redemption price, the Paying Agent's name and address (with contact person and phone number), date of issue of the Series 2024 Bonds, interest rate, and maturity date. Said notice shall also be given not less than 30 days nor more than 45 days prior to the date fixed for redemption, to the Electronic Municipal Market Access system (EMMA) operated by the Municipal Securities Rulemaking Board or such other securities depository registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, which disseminate redemption notices. No transfer or exchange of any Bond so called for redemption shall be allowed. If any Holder of any Bond being redeemed pursuant to the provisions of this Article shall fail to present for redemption any such Bond within 60 days after the date fixed for redemption, a second notice of the redemption of such Bond shall be given to said Owner at the address of said Owner as shown on the bond register of the Bond Registrar within 90 days after the date fixed for redemption. The failure of the Bond Registrar to give such notice shall not affect the validity of the proceedings for the redemption of any Bond as to which no such failure occurred. Any notice mailed or delivered as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Holder receives the notic

Section 304. Manner of Redemption. Series 2024 Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In the case of the Series 2024 Bonds of denominations greater than \$5,000, if less than all of such Series 2024 Bonds of a single maturity then outstanding are to be called for redemption then for all purposes in connection with redemption of \$5,000 of face value shall be treated as though it were a separate Bond in the denomination of \$5,000 unit or it is determined that one or more, but not all of the \$5,000 units of face value represented by any Bond are to be called for redemption, then upon notice of the intention to redeem such \$5,000 unit or units, the Owner of such Bond shall forthwith surrender such Bond to the Paying Agent for payment of the redemption price (including the redemption remium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption and there shall be issued to the Holder thereof, without charge therefor, fully registered Series 2024 Bonds for the unredeemed balance of the principal amount thereof, in any of the authorized denominations. If the Owner of any such Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Paying Agent for payment in exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only); interest shall cease to accrue on the portion of the principal amount of such Bond represented by such \$5,000 unit or units of face value on and after the date fixed for redemption and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent and being available for the redemption) such Bond shall not be entitled to the benefit and security of this Resolution to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for re

Section 305. Effect of Redemption Call. Notice having been given in the manner and under the conditions prescribed herein, and money for the payment of the redemption price being held by the Paying Agent, all as provided in this Resolution, the Series 2024 Bonds or the portion thereof so called for redemption shall become and be due and payable on the redemption date designated in such notice at the redemption price provided for redemption of the Bonds on such date. Interest on the Series 2024 Bonds or the portion thereof so called for redemption shall cease to accrue from and after the date fixed for redemption unless default shall be made in payment of the redemption price thereof upon presentation and surrender thereof. Such Series 2024 Bonds shall cease to be entitled to any lien, benefit or security under this Resolution and the Owners of such Series 2024 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and such Bond or the portion thereof so called shall not be considered to be outstanding. Upon surrender of such Bond paid or redeemed in part only, the Authority shall execute and the Bond Registrar shall deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same type, of authorized denominations in the aggregate principal amount equal to the unpaid or unredeemed portion of the Bond.

Section 306. Purchase of Series 2024 Bonds in Market. Nothing herein contained shall be construed to limit the right of the Authority to purchase Series 2024 Bonds in the open market, at a price not exceeding the then applicable redemption price of the Series 2024 Bonds to be acquired, or at par and accrued interest for Series 2024 Bonds not then subject to redemption, from funds in the Sinking Fund. Any such Series 2024 Bonds so purchased shall not be reissued and shall be cancelled.

Bond Resolution

ARTICLE IV

APPLICATION OF PROCEEDS; CONSTRUCTION FUND

Section 401. <u>Application of Proceeds of Series 2024 Bonds</u>. The proceeds derived from the sale of the Series 2024 Bonds, including premium, if any, shall be applied by the Authority, concurrently with the delivery of the Series 2024 Bonds to the initial purchaser or purchasers thereof, as follows:

- (a) all Costs of Issuance, including without limitation the fees and expenses of accountants, attorneys, financial advisors and underwriters, shall be paid by the Authority to those persons who shall be entitled to receive the same or a portion of the proceeds estimated to be sufficient to pay all or a portion of the Costs of Issuance may be deposited in either the Construction Fund created pursuant to Section 403 hereof or a Costs of Issuance Account to be created by the Authority and establish with either the Construction Fund Custodian or Paying Agent and said funds shall be disbursed to pay, or reimburse the County for, all or a portion of the Costs of Issuance. If the Costs of Issuance Account is created and established, said fund shall be held separate and apart from all other deposits or funds. The Authority hereby appoints the County or Costs of Issuance Account. Such disbursements for Costs of Issuance from the Construction Fund or Costs of Issuance Account, Such disbursements shall not require the hereinafter described requisition and certificate but shall require an invoice for such payment; however, the County shall keep and maintain adequate records pertaining to the Construction Fund or Costs of Issuance Account may be invested, pending disbursement or use, in accordance with Section 605. After all Costs of Issuance have been paid, any amount remaining in a Costs of Issuance Account, if created, shall be deposited by the Authority to the Construction Fund.
- (b) all costs of the Projects which were incurred by the County prior to issuance of the Series 2024 Bonds, which costs may be reimbursed from Series 2024 Bond proceeds, if any, shall be paid to the County in compliance with Treasury Regulation § 1.150-2; and
- (c) the balance of the proceeds from the sale of the Series 2024 Bonds shall be deposited by the Authority in the Construction Fund.

Section 402. Acquisition, Construction, and Equipping of the Projects. The Authority will accept the transfer from the County or such other subordinate authority or entity of the County which may hold title, easements, or rights of use or possession to any property comprising the Projects, and the County, as Lessee, either directly or through one or more of its subordinated authorities, departments, or agencies, on behalf of the Authority, will proceed with the acquisition, construction, and equipping of the Projects, substantially in accordance with recommendations, plans, and specifications prepared for and on file with the County and the Authority.

The Authority may also acquire such construction easements as may be required for construction of portions or phases of the Projects. All or a portion of the property, or interests therein, comprising parts of the Projects may be acquired by the Authority with proceeds of the Series 2024 Bonds subsequent to execution of the Lease and the issuance and delivery of the Series 2024 Bonds. Any such portion of the Projects acquired with proceeds of the Series 2024 Bonds, subsequent to the execution of the Lease, shall immediately become subject to the provisions

Section 307. Redemption of Parity Bonds. Additional Parity Bonds may be made subject to redemption either mandatorily or at the option of the Authority prior to maturity at the times and upon such terms and conditions as may be prescribed in the respective resolutions of the Authority supplemental to this Resolution relating to such Parity Bonds. If Parity Bonds are issued hereafter, such Parity Bonds of any such future issue or issues may be redeemed in whole or in part before the maturity of the Series 2024 Bonds, subject to the Sinking Fund requirements herein prescribed, and subject to the call provisions of such future Parity Bond series; provided, however, the Authority is not restricted hereby from acquiring as a whole, by redemption or otherwise, all Outstanding Bonds of all such issues from any money which may be available for that purpose.

[END OF ARTICLE III]

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thereof, and the Authority and the County will take such actions as are necessary to amend the Lease to reflect the inclusion of such property under the provisions thereof.

Section 403. Creation of Construction Fund. A construction fund is hereby authorized to be created prior to the issuance of the Series 2024 Bonds, designated the EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY CONSTRUCTION FUND 2024 (the "Construction Fund"). There shall be deposited to the credit of the Construction Fund the amount of the proceeds from the sale of the Series 2024 Bonds as specified in Section 401(c) and any other funds acquired by gift, donation, grant, or otherwise for the acquisition and installation of the Projects, and any additional funds which may be required to be furnished by the Authority or the County. Any proceeds of insurance maintained pursuant to Article VII of the Lease which are received by the Authority or the Lessee, and sums received by reason of performance bonds with respect to any portions of the Projects shall be paid into the Construction Fund. Such money as are deposited in the Construction Fund shall be held by the Construction Fund Custodian and withdrawn only in accordance with the provisions and restrictions set forth in this Article, and the Authority will not cause or permit to be paid therefrom any sums except in accordance herewith; provided, however, that any money in the Construction Fund not needed at the time for the payment of current obligations during the course of the acquisition and the installation of the Projects, upon direction frund Authorized Authority Representative, may be invested and reinvested by the Construction Fund Custodian in such investments as are set forth in Section 605 of this Resolution. Any such investments shall mature not later than such times as shall be necessary to provide money when needed for payments to be made from the Construction Fund, and shall be held shall be held by the Custodian for the account of the Construction Fund until maturity or until sold, and at maturity or upon such sale the proceeds received therefrom, including premium, if any, shall be immediately deposited by said Custodian in the Construction Fund and sh

Section 404. Disbursements for Acquisition. Construction. and Equipping of the Projects. From and after the initial disbursements from the Construction Fund as approved by the Authorityed Authority Representative, the Authority will cause the Lessee which, by the provisions of the Lease, has been and hereby is designated as the agent of the Authority for such purpose, to complete, on behalf of the Authority, the acquisition, construction, and equipping of the Projects, including the acquisition or property, rights-of-ways and easements, as soon as may be practicable, delays incident to strikes, riots, acts of God and the public enemy and similar acts beyond the reasonable control of the Authority and the Lessee, only, excepted. The Authority will cause the Lessee promptly to pay all expenses incurred in and about such acquisition, construction, and equipping of the Projects, and shall make disbursements from the appropriate fund or account within the Construction Fund for all such costs on the requisition of the Lessee, which requisition shall be signed on behalf of the Lessee by the Authorized Lessee Representative. No provisions of this Resolution shall be construed as prohibiting the County from proceeding with the acquisition or condemnation of property, rights-of-way, and easements, and the acquisition and installation of equipment and other facilities comprising the Projects in its name or from subsequently selling or otherwise transferring such property or rights in property to the Authority.

Section 405. <u>Lien on Construction Fund for Series 2024 Bondowners</u>. All proceeds held in the Construction Fund or obligations held for such fund shall be subject to a lien or charge

in favor of the owners of the Series 2024 Bonds and shall be held for the future security of such owners until paid out as herein provided.

Section 406. Balance of Bond Proceeds. When the Projects shall have been completed, the Authorized Lessee Representative shall file with the Bond Registrar and Paying Agent and the Construction Fund Custodian a certificate of completion, and should there then be remaining any balance of the proceeds from the sale of the Series 2024 Bonds, such balance, at the option of the Lessee, may be used to pay for additional improvements, equipment or other facilities relating to the Projects or be deposited in the Sinking Fund and used, to the extent practicable and feasible, for the purchase and retirement of Series 2024 Bonds or applied against the payment of Basic Rent.

[END OF ARTICLE IV]

Bond Resolution

Section 504. Bonds Constitute First Lien. All payments of Basic Rent due under the Lease and all money in the Construction Fund (subject, however, to the application thereof for the acquisition and installation of the Projects) and in the Sinking Fund are pledged to the payment of the principal of and interest on the Bonds and shall be subject to and there is hereby created thereon a first and prior charge or lien for the purpose of paying the principal of and interest on the Bonds.

Section 505. Pledge Binding on All Parties. All Basic Rent so pledged shall immediately be subject to the charge or lien created in Section 504 without any physical delivery thereof or further act and such pledge shall be valid and binding against the Authority and against all parties having claims of any kind against the Authority whether such claims shall have arisen in contract, tort or otherwise and irrespective of whether such parties have notice thereof.

Section 506. <u>Priority of Bonds Preserved.</u> The Authority will not hereafter issue any other bonds or obligations of any kind or nature payable from or enjoying a charge or lien on the revenues of the Projects prior to the charge or lien herein created for the payment of the Series 2024 Bonds

Section 507. Parity Bonds. Parity Bonds may be issued by the Authority, from time to time, ranking as to the lien on the revenue of the Authority derived from the land and other property comprising the Projects pari passu with the Series 2024 Bonds herein authorized for the specific purpose of completing the financing of the Projects or financing improvements or additions, real or personal, to any portion of the Projects, provided all the following conditions are met:

- (a) The payments covenanted to be made hereunder have been and are being made as required;
- (b) The Authority and the County shall enter into an amendment to lease, reaffirming and extending through the final maturity of the Parity Bonds then proposed to be issued all applicable covenants, terms, and provisions of the Lease. Under the terms of such amendment to lease the County shall obligate itself to pay to the Authority amounts sufficient to pay the principal of and the interest on the Bonds then outstanding and on the Parity Bonds then proposed to be issued, and for the payment of the reasonable fees and charges of the Paying Agent and Bond Registrar, if any, less the interest and principal requirements on any bonds or obligations to be paid or redeemed from any or all of the funds to be made available by the sale of the Parity Bonds proposed to be issued.
- (c) The Authority shall pass proper proceedings reciting that all of the above requirements have been met and authorizing the issuance of such Parity Bonds and shall provide in such proceedings, among other things, for the date, the rate or rates of interest, maturity dates and redemption provisions, if any, which such Parity Bonds shall bear. The interest on any such Parity Bonds shall fall due on the Interest Payment Dates in each year, and the Parity Bonds shall mature in annual installments on either Interest Payment Date, but not necessarily in each year or in equal installments.
- (d) Any such proceeding or proceedings shall require the payments then being made for deposit into the Sinking Fund to be increased to the extent necessary to pay the principal of and interest on the Outstanding Bonds and on the Parity Bonds proposed to be issued, less the principal and interest requirements on any bonds or obligations to be redeemed from any or all of

ARTICLE V

APPLICATION OF PROJECTS REVENUE; FLOW OF FUNDS; PARITY BONDS; DEFEASANCE

Section 501. Bonds as Limited Obligations of the Authority. The Bonds are limited obligations of the Authority payable solely from the special funds and accounts established under this Resolution derived from proceeds received from the sale of the Bonds and from the revenue, rents, and other amounts received by the Authority under the Lease. The Bonds shall not constitute a debt or a loan or pledge of the faith and credit of the State of Georgia or of any political subdivision thereof, including the Authority, but shall be payable from revenues derived from the Lease as provided herein. The issuance of the Bonds shall not obligate the State of Georgia or any political subdivision thereof, including the Authority, to levy or pledge any form of taxation whatever for the payment thereof. No holder of the Bonds or receiver or trustee in connection therewith shall have the right to enforce payment thereof against any property of the State of Georgia or any political subdivision thereof, including the Authority (other than the funds specifically pledged therefor pursuant to this Resolution), nor shall the Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any such property. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds against any officer, director or member of the Authority. The Authority has no taxing power.

Section 502. Sinking Fund.

- (a) There is hereby created and established, and the Authority will maintain for so long as up of the Bonds remain outstanding and unpaid or provision for the payment thereof has not been made in accordance with the provisions hereof, a special fund designated EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY SINKING FUND SERIES 2024 (the "Sinking Fund"), to be held by the Authority.
- (b) So long as any of the principal of or interest on the Bonds remains outstanding and unpaid, the Authority will cause to be paid by the Lessee, directly to the Sinking Fund, the Basic Rent for which provision is made in the Lease for the purpose of paying the principal of and interest on the Bonds. The Sinking Fund will be used only for payment of the principal of and interest on the Bonds as the same shall become due without preference or priority of any one Bond over any other Bond.
- (c) Nothing herein shall be construed so as to prohibit the Authority from maintaining directly or through the Sinking Fund Custodian a consolidated fund for outstanding Bonds provided that accurate and complete records are maintained at all times to show the amount within such consolidated fund credited to the Sinking Fund.
- Section 503. Disbursements from Sinking Fund. Subject to the terms and conditions of this Resolution, money in the Sinking Fund will be disbursed for (a) the payment of interest on the Bonds as such interest falls due, (b) the payment of the principal on the Bonds either at maturity or by proceedings for mandatory redemption, (c) the redemption of Bonds before maturity at the price and under the conditions provided therefor in Article III hereof, and (d) the purchase, at prices not to exceed par and accrued interest, and retirement of the Bonds before their maturity.

Bond Resolution

the funds to be made available by the sale of the Parity Bonds proposed to be issued. Any such proceeding or proceedings shall restate and reaffirm by reference all of the applicable terms, conditions, and provisions of this Resolution.

(e) Such Parity Bonds and all proceedings relative thereto, and the security therefor, shall be validated as prescribed by law.

Section 508. <u>Bonds to be Canceled on Payment</u>. All Bonds paid or purchased, either at or before maturity, shall be canceled when payment therefor is made. Canceled Bonds shall be delivered to the Authority, and such Bonds so canceled shall be mutilated and destroyed. A record of such mutilation and destruction shall be preserved in the records of the Authority.

Section 509. <u>Defeasance</u>.

- (a) Any funds paid to or received by the Authority at any time for the purchase and retirement of Bonds shall be placed in a special fund to be created by the Authority and applied to such purpose as far as possible in the same manner that funds in the Sinking Fund are applied. If and when sufficient funds are deposited in such special fund to pay all Outstanding Bonds, including interest due or to become due thereon together with the reasonable charges and fees of the Paying Agent and Bond Registrar, such deposit shall constitute payment in full of the Bonds.
- (b) Bonds shall also be deemed to have been paid in full and the lien of this Resolution shall be discharged as to such Bonds,
 - (i) after there shall have been deposited in an irrevocable trust fund created for that purpose (A) sufficient money and/or (B) Government Obligations which shall not contain provisions permitting the redemption thereof prior to their stated maturity, the principal of and the interest on which money and/or Government Obligations when due, will be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (said earnings to be held in trust also), for the payment of the principal of and premium, if any, on such Bonds, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein);
 - (ii) after there shall have been paid, or satisfactory provision shall have been made for payment, to the Bond Registrar and Paying Agent all fees and expenses due or to become due in connection with the payment of such Bonds or there shall be sufficient money deposited with the Bond Registrar and Paying Agent to make said payments; and
 - (iii) unless all Bonds being defeased pursuant to this Section 509 are to mature or be redeemed within the next 60 days, the Authority shall have given the Bond Registrar and Paying Agent irrevocable instructions to give notice, as soon as practicable, to the Owners of such Bonds, by first class mail, postage prepaid, at their last addresses appearing upon the books of registration, that the deposit required by subsection (b)(i) of this Section 509 has been made and that such Bonds are deemed to have been paid in accordance with this Section 509.

- In addition to the foregoing provisions of this Section 509, the lien of this Resolution as to all Bonds which are being defeased shall only be discharged pursuant to this Section 509 if the Authority delivers an opinion of bond counsel providing that all conditions precedent to the discharge of the lien of this Resolution pursuant to this Section 509 have been satisfied and such deposit and discharge will not adversely affect the exclusion of the interest on such Bonds from federal income taxation.
- In the event provision for the payment in full of all Outstanding Bonds is to be made at the same time, the funds for such payment may be deposited to and such Bonds may be redeemed or paid from the Sinking Fund.
- After provision shall have been made for the payment of all Bonds and the interest thereon and all expenses and charges herein required to be paid, any balance attributable solely to the Bonds and remaining in such fund shall be paid to the Lessee.
- At such time as payment in full of Bonds shall be accomplished in accordance with the provisions of this Section, the lien of such Bonds created by this Resolution on the revenues of the Projects securing such payment shall be discharged, and such Bonds shall no longer be considered to be outstanding for any purpose except for the payment of the principal thereof and the interest thereon and for the registration and transfer thereof.

[END OF ARTICLE V]

Bond Resolution

in each respective fund and all authorized investments held in and for such fund, and the income therefrom, are hereby pledged to and charged with the payments required by this Resolution to be made from such fund

The Authorized Authority Representative at any time and from time to time may direct any depository of or custodian for any fund to make specific investments of money on deposit in such fund in accordance with Section 605 or may provide any such depository or custodian with general and continuing authorization to invest money in any such fund in accordance with the provisions of Section 605. Any such investments shall mature no later than such times as shall be necessary to provide money when needed for payments to be made from the

Section 605. <u>Authorized Investments</u>.

- (a) Construction Fund Money. Subject to the provisions of this Resolution, money in the Construction Fund may be invested and reinvested by the Construction Fund Custodian in any of the following investments (presently authorized by O.C.G.A. § 36-82-7), if and to the extent the same are at the time legal for investment of bond proceeds:
 - The local government investment pool created in O.C.G.A. § 36-83-8; or
 - The following securities and no others:
 - (A) Bonds or other obligations of the County, or bonds or obligations of the State or other states or of counties, municipal corporations, and political subdivisions of the State:
 - Bonds or other obligations of the United States or of subsidiary corporations of the United States government, which are fully guaranteed by such government;
 - Obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;
 - Bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to payment of both principal and interest by a pledge of annual ontributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

ARTICLE VI

DEPOSITORIES OF FUNDS AND SECURITY FOR DEPOSITS; AUTHORIZED INVESTMENTS

Section 601. Funds Constitute Trust Funds. All money deposited in any fund created hereby shall constitute trust funds for which the Authority shall be responsible as trustee and will be applied in accordance with the terms hereof and for the purposes set forth herein and will not be subject to lien or attachment by any creditor of the Authority, and, except as otherwise provided herein, all funds received by the Authority under the terms hereof, subject to the giving of security as hereinafter provided, will be deposited with a depository in the name of the Authority.

Section 602. <u>Deposits in Excess of FDIC Guarantee.</u> No money belonging to any of the funds created hereunder will be deposited or remain on deposit with any depository or custodian in an amount in excess of the amount guaranteed or insured for public bodies by the Federal Deposit Insurance Corporation or other agency of the United States of America which may succeed to the functions of said corporation unless such depository shall have pledged, for the benefit of the Authority and the owners of the Bonds as collateral security for the money deposited, Government Obligations, or other marketable securities eligible as security for the deposit of public trust funds under regulations of the Board of Governors of the Federal Reserve System and under applicable Georgia law and having a market value (exclusive of accrued interest) at least equal to the amount of such deposits and having a face or par value at least equal to the amount prescribed by applicable Georgia law.

Section 603. <u>Designation of Bond Registrar, Paying Agent, Sinking Fund Custodian, and Custodian of the Construction Fund.</u>

- U.S. Bank Trust Company, National Association, Atlanta, Georgia, is hereby designated the Bond Registrar, Paying Agent, and Authentication Agent for the Series 2024 Bonds. Queensboro National Bank & Trust, Swainsboro, Georgia, is hereby designated as Sinking Fund Custodian and as Custodian of the Construction Fund.
- (b) A successor Bond Registrar and Paying Agent or depository for or custodian of any fund or account may, from time to time, be designated provided such successor agrees to comply with all of the provisions of this Resolution. During such time as the Paying Agent is a bank or trust company, any corporation into which the Paying Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation to which substantially all the corporate trust business of the Paying Agent may be transferred, shall, subject to the terms of this Resolution, be Paying Agent under this Resolution without further act.

Section 604. Investment of Funds.

(a) Any investments authorized herein shall be held in the respective fund until paid at maturity, redeemed, or sold, and the proceeds thereof, including interest, principal, and premium, if any, shall be immediately deposited to the credit of such fund. When a fixed amount is required to be maintained in any fund, the investments for such fund shall be valued in terms of current market value as of the last day of the Fiscal Year next preceding the determination of value. Money

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- Certificates of deposit of national or state banks located within the State which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depositary, custodian, or trustee for any proceeds of the Bonds; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State or with a trust office within the State, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State or other states or any county or municipal corporation in the State, obligations of the United States or subsidiary corporations included in subparagraph (B) above, obligations of the agencies and instrumentalities of the United States government included in subparagraph (C) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities included in subparagraph (D) above; and
- Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:
 - (i) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in subparagraph (B) and (C) above and repurchase agreements fully collateralized by any such obligations;
 - (ii) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian:
 - (iii) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset
 - securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State; and

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- Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the money so placed to be available for use at the time provided with respect to the investment or reinvestment of such money
- (b) Sinking Fund Money. Money in the Sinking Fund may be invested by the custodian for such fund in the following investments if and to the extent the same are at the time legal for
 - (1) Any of the following investments (presently authorized by O.C.G.A. \S 36-80-3 and O.C.G.A. \S 36-83-4), if and to the extent the same are at the time legal for investment of such money:
 - (A) Obligations of the United States and of its agencies and instrumentalities, or obligations fully insured or guaranteed by the United States government or by one of its agencies;
 - (B) Obligations of any corporation of the United States government;
 - Bonds or certificates of indebtedness of the State and of its agencies (C) and instrumentalities, or of other states;
 - (D) Obligations of other political subdivisions of the State;
 - (E) Certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured;
 - (F) Prime bankers' acceptances;
 - Repurchase agreements; and
 - (H) The local government investment pool established by O.C.G.A. § 36-83-8; and
 - (2) any other investments to the extent at the time hereafter permitted by the applicable law of the State for the investment of public funds.

Section 606. Paying Agent Instructions. Not less than two business days prior to any Interest Payment Date, the Paying Agent shall ascertain whether amounts sufficient to make the

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by this Resolution by giving at least 60 days' notice to the County. The Paying Agent may be removed at any time by an instrument, signed by the Chairman of the County, filed with such Paying Agent.

In the event of the resignation or removal of the Paying Agent, the Paying Agent, prior to its resignation or removal, shall deliver any money and any Bonds and its related books and records held by it in such capacity to its successor, or, if there be no successor, to the County.

[END OF ARTICLE VI]

interest and/or principal payment due on the Bonds on such Interest Payment Date are on deposit in the Sinking Fund, and, if so, shall make appropriate arrangements with the Sinking Fund Custodian for the transfer of such sufficient amount to the Paying Agent in order to effect timely payment of the Bonds on such Interest Payment Date in accordance with the terms thereof. In the event amounts on deposit in the Sinking Fund are insufficient to make the payment due on any Interest Payment Date as aforesaid, the Paying Agent shall immediately notify the Authority, and the Authority shall deposit to the Sinking Fund the amounts necessary to pay the amounts due on said Interest Payment Date.

Section 607. Paying Agent. The Authority shall appoint any succeeding Paying Agent for the Bonds, subject to the conditions set forth in Section 608 hereof. The Paying Agent shall designate to the County and the Authority its principal office for all purposes hereof and signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Authority under which the Paying Agent will agree, particularly:

- (i) to hold all sums held by it for the payment of the principal of and interest on the Bonds in trust for the benefit of the Owners of the Bonds until such sums shall be paid by it to such Owners of the Bonds or otherwise disposed of as herein provided;
 - to authenticate and cancel Bonds as provided herein;
 - to perform its obligations under Article II of this Resolution; and
- to keep such books and records relating to its duties as Paying Agent as shall (iv) be consistent with prudent industry practice and, upon reasonable notice, to make such books and records available for inspection by the County at all reasonable times.

The County shall cause the necessary arrangements to be made and to be thereafter continued whereby:

- funds derived from the sources specified in this Resolution will be made available at the principal office of the Paying Agent for the timely payment of principal of and interest on the Bonds;
- Bonds shall be made available for authentication, exchange, and registration of transfer by the Paying Agent at the principal office of the Paying Agent; and
- (c) the Paying Agent shall be furnished such records and other information, at such times, as shall be required to enable the Paying Agent to perform the duties and obligations imposed upon it hereunder.

Section 608. Qualifications of Paying Agent; Resignation; Removal.

(a) The Paying Agent shall be a commercial bank or national banking association with trust powers or trust company duly organized under the laws of the United State of America of any state or territory thereof, having a combined capital stock, surplus and undivided profits of at least \$10,000,000 and authorized by law to perform all the duties imposed upon it by this Resolution. The Paying Agent may at any time resign and be discharged of the duties and obligations created

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ARTICLE VII

PARTICULAR COVENANTS OF THE AUTHORITY

Section 701. Pledge of Security; Payment of Bonds. The Bonds are limited obligations of the Authority and the Authority will pay or cause to be paid promptly the principal of and the interest on the Bonds at the place, on the dates, and in the manner herein specified according to the true intent and meaning thereof. There are hereby pledged and assigned for the payment of the principal of and interest on the Bonds, subject to the provisions hereof permitting the application thereof for the purposes and on the terms and conditions set forth herein, (i) the proceeds from the sale of the Series 2024 Bonds; (ii) the Lease, including the revenues and other receipts of the Authority derived from the Lease; (iii) the funds established by this Resolution, including the investments, if any, thereof; and (iv) any insurance proceeds and condemnation awards payable to the Sinking Fund in accordance with the provisions of the Lease. No Bond issued hereunder shall constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the Authority other than such revenue

Section 702. Basic Rent to be Deposited Directly to Sinking Fund. So long as the Lease shall remain in effect, the Authority covenants that it will cause the Basic Rent due under the Lease to be deposited directly to the Sinking Fund.

Section 703. <u>Performance of Covenants</u>. The Authority will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution, in any and every Bond executed and delivered hereunder, and in all proceedings pertaining thereto. The Authority is duly authorized under the Constitution and laws of the State of Georgia to issue the Series 2024 Bonds and to execute the Lease and to pledge the Basic Rent paid under the Lease and other amounts hereby pledged in the manner and to the extent herein set forth. All action on the part of the Authority for the adoption of this Resolution has been duly and effectively taken, and the Series 2024 Bonds in the hands of the owners thereof shall be valid and enforceable obligations of the Authority according to the true intent and meaning thereof

Section 704. <u>Title and Instruments of Further Assurance.</u> The Authority has not made, done, executed, or suffered, and will not make, do, execute, or suffer, any act or thing whereby its estate or interest in and title to any of the facilities comprising the Projects or any part thereof is now or at any time hereafter shall or may be impaired or charged or encumbered in any manner whatsoever except as may be herein authorized. The Authority will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such instruments supplemental hereto and such further acts and instruments as may reasonably be required for the better assuring, pledging and confirming of the pledge hereby made of the revenue derived from the Lease to the payment of the principal of and interest on the Series 2024 Bonds.

Section 705. Recording and Filing. The Authority covenants that, solely from additional rent as provided in the Lease, it will cause the Lease and all supplements thereto to be kept, recorded, and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the Bondowners and the rights of the Authority hereunder.

Section 706. Transfers of Funds. All transfers from any fund for which provision is made herein and all payments from any such fund will be made by wire transfer or by checks signed by the Authorized Authority Representative; provided, however, that transfers of funds for investment in accordance with Sections 604 and 605 may be made by the depository or custodian of the fund for which such investment is being made when written authorization therefor is given by the Authorized Authority Representative.

Section 707. Authority Will Not Cancel Lease. The Authority will not cancel, terminate, modify, or consent to the cancellation, termination, or modification of the Lease except as is specifically provided, authorized, or contemplated therein or herein unless and until the principal of and the interest on every Bond secured by said Lease shall have been paid in full or provision for such payment shall have been made in accordance with the provisions hereof.

Section 708. Tax Covenants. In order to maintain the exclusion from federal gross income of interest on the Series 2024 Bonds, the Authority covenants to comply with the applicable requirements of the Code and the regulations prescribed thereunder. In furtherance of this covenant, for the benefit of the owners of the Series 2024 Bonds, the Authority agrees to comply with the provisions of a Federal Tax Certificate to be executed by an authorized officer of the Authority and delivered simultaneously with the issuance and delivery of the Series 2024 Bonds.

Section 709. Continuing Disclosure. No financial or operating data concerning the Authority is material to an evaluation of the offering of the Bonds or to any decision to purchase, hold or sell the Series 2024 Bonds and the Authority will not provide any such information. The Authority shall have no liability to the beneficial owners of the Series 2024 Bonds or any other person with respect to Securities and Exchange Commission Rule 15c2-12(b)(5). Pursuant to Section 2.07(g) of the Lease, the County has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the Bondowners or any other person with respect to Securities and Exchange Commission Rule 15c2-12.

[END OF ARTICLE VII]

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(g) The Lessee shall fail to perform or observe any agreement, covenant, term, condition, or undertaking contained in the Lease resulting in a default thereunder.

Section 802. Remedies. Upon the happening and continuance of any event of default in any one of the ways specified in the preceding Section, the registered owner of any such Bond may proceed, subject to the provisions of Section 804, with any other right or remedy independent of or in aid of the foregoing powers such as owner may deem best, including the right to secure specific performance by the Authority of any covenant or agreement herein contained; the right to protect and enforce the rights of the owners of the Bonds by suit, action, or special proceedings in equity or at law in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy deemed most effectual to protect and enforce such rights; the right to the appointment, as a matter of right and without regard to the sufficiency of the security afforded hereby, of a receiver for all or any parts of the Projects and the earnings, revenue, and income therefrom; and the right to enforce remedies afforded to Bondowners under the Georgia Revenue Bond Law. The rights herein specified are cumulative of all other available rights, remedies; or powers and shall not be exclusive of any.

Section 803. <u>Termination of Proceedings</u>. In case any proceeding taken by the owner of any Bond on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to such owner, then and in every such case, the Authority and the owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers, and duties of the owners of the Bonds shall continue as though no such proceedings had been taken.

Section 804. <u>Limitation on Rights.</u> No one or more owners of the Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided herein or to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had, and maintained for the equal benefit and protection of all owners of such outstanding Bonds.

Section 805. Remedies Cumulative. No remedy herein conferred upon the Bondowners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 806. <u>Delay Not a Waiver</u>. No delay or omission of any Bondowner to exercise any right or power accruing upon any default occurring and continuing as aforesaid shall impair any such right or power or be construed as a waiver of any default or an acquiescence therein and every power and remedy given by this Article to the owners of the Bonds may be exercised from time to time and as often as may be deemed expedient.

Section 807. Application of Revenue on Default. During the continuance of an event of default, funds and revenue received pursuant to any right given or action taken under the provisions of this Article shall be applied to the payment of principal and interest on the Bonds as follows and in the following order:

 (a) prior to the principal of all the Bonds becoming due or being declared to be due and payable, ARTICLE VIII

REMEDIES

Section 801. Events of Default. Each of the following events is hereby declared an event of default:

- (a) Payment by the Authority of the principal of any of the Bonds shall not be made when the same shall become due and payable;
- $\begin{tabular}{ll} (b) & Payment by the Authority of interest shall not be made when the same shall become due and payable; \end{tabular}$
- (c) The Authority, for any reason, shall be rendered incapable of fulfilling its obligations hereunder;
- (d) An order or decree shall be entered with the consent or acquiescence of the Authority appointing a receiver or receivers of any of the Projects or of the revenue therefrom or any proceedings shall be instituted with the consent or acquiescence of the Authority for the purpose of effecting a composition between the Authority and its creditors or for the purpose of adjusting claims of such creditors pursuant to any federal or state statute now or hereafter enacted if the claims of such creditors are, under any circumstances, payable out of the revenue of the Projects, or if such order or decree, having been entered without the consent and acquiescence of the Authority, shall not be vacated or discharged or stayed on appeal within 60 days after entry thereof or if such proceeding, having been instituted without such consent or acquiescence, shall not be withdrawn or any orders entered shall not be vacated, discharged or stayed on appeal, within 60 days after the institution of such proceedings or the entry of such order;
- (e) Final judgment for the payment of money shall be rendered against the Authority, if such judgment, under any circumstances, is payable out of the revenue of the Authority derived from the ownership and leasing of the Projects and any such judgment shall not be discharged within 60 days from the entry thereof or no appeal shall be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment was granted or entered in such manner so as to set aside conclusively any execution or enforcement of or levy under such judgment, order, decree, or process;
- (f) The Authority shall default in the due and punctual performance of any other of the covenants, conditions, agreements or provisions contained in the Bonds or in this Resolution on its part to be performed, other than as specified in (a) or (b) above, and such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority by the owner of any Bond unless action to remedy such default shall have been undertaken and more than 30 days is required for its completion in which event the Authority may permit such default to remain undischarged during the time required for the completion of such action and any appeal therefrom, irrespective of whether such period extends beyond the 30 day period after the giving of notice, unless by such action, the lien or charge hereof on any part of the revenue of the Projects shall be materially endangered or the Projects or the revenue therefrom or any part thereof shall be subject to loss or forfeiture, in which event, such default shall be promptly remedied; or

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- (i) to the payment to the persons entitled thereto of all interest then due in the order in which such interest became due, and
- (ii) to the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably according to the amounts of principal due on such date to the persons entitled thereto, without preference, priority or distinction; and
- (b) subsequent to the principal of all the Bonds becoming due or being declared to be due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal or of any interest in arrears over any other interest in arrears or of any Bond over any other bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without preference, priority, or distinction.

Section 808. Rights to Enforce Payment. Nothing in the Resolution or in the Bonds shall affect or impair the right of action of the owner of any Bond, which is absolute and unconditional, to enforce payment of such Bond in accordance with the provisions of this Resolution.

Section 809. Lessee Authorized to Cure Default. As to any alleged default by the Authority hereunder, the Authority hereby authorizes and designates the Lessee as its attorney-in-fact and agent and gives it full power to perform in the name and stead of the Authority, any covenant or obligation of the Authority which is alleged to constitute a default, and the Lessee shall be and hereby is fully empowered to do any and all things and perform all acts to the same extent that the Authority could do and perform.

[END OF ARTICLE VIII]

ARTICLE IX

SUPPLEMENTAL PROCEEDINGS

- Section 901. Supplemental Proceedings Not Requiring Consent of Bondowners. The Authority may without the consent of or notice to any of the Bondowners, enter into such resolution or resolutions supplemental to this Resolution, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:
- (a) To cure any ambiguity or formal defect or omission or inconsistent provision in this Resolution:
- (b) To grant to or confer upon the Bondowners any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Bondowners;
- To subject to the lien and pledge of this Resolution additional revenues or collateral; and
- (d) To provide for the issuance of Parity Bonds in accordance with the provisions of this Resolution.

Section 902. Supplemental Resolutions Requiring Consent of Bondowners

- Exclusive of supplemental resolutions covered by Section 901 and subject to the terms and provisions contained in this Section, and not otherwise, the owners of not less than twothirds in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve, in writing, the execution by the Authority of such other resolution or resolutions supplemental hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution or in any supplemental resolution; provided, that without the written consent of the owners of all the Bonds then outstanding, the Authority may not enter into any supplemental resolution that has the effect of permitting (a) the extension of the maturity of any installment of principal of or interest on any Bond; (b) a reduction in the principal amount or the rate of interest on any Bond; (c) the creation of a lien or charge on any of the Projects or the revenues from any of the Projects, including Basic Rent, ranking prior to or on a parity with the lien or charge thereon contained in this Resolution; (d) the establishment of preferences or priorities between the Bonds; or (e) a reduction in the aggregate principal amount of Bonds the owners of which are required to consent to such supplemental resolution
- (b) If at any time the Authority shall desire to enter into any such supplemental proceedings for any of the purposes of this Section, the Authority shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental proceedings to be published one time in a financial journal of general circulation in the Borough of Manhattan, City and State of New York, published in the English language, regularly at least five consecutive business days each week, and the Authority shall mail a copy of such notice to the registered owners of all of the Bonds but no failure to publish any such notice nor any defect in any notice, including failure of a bondowner to receive such notice by mail, shall affect the right

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such notice, and any such failure shall not affect the validity of such amendment when consented to and approved as provided in this Section. If the owners of not less than two-thirds in aggregate principal amount of the Bonds outstanding hereunder at the time of the execution of any such amendment shall have consented to and approved the execution thereof as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein or the operation thereof or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such amendment as in this Section permitted and provided, the Lease shall be deemed to be modified and amended in accordance therewith.

Section 905. No Notation on Bonds Required. Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Article shall thereafter form a part of this Resolution, and all the terms and conditions contained in any such supplemental resolution as to any provision authorized to be contained therein shall be a part of the terms and conditions of this Resolution and shall be effective as to all owners of the then Outstanding Bonds and no notation or legend of such modifications and amendments shall be required to be made on any such outstanding bonds.

Section 906. Proof of Execution and Ownership.

- Any request, waiver, direction, consent, or other instrument required by this Resolution to be signed or executed by the owners of Bonds may be in any number of concurrent writings, of similar tenor and may be signed or executed by such Bondowners in person or by agent or attorney appointed in writing. Proof of the execution of any such instrument, or of the writing appointing such agent, and of the ownership of Bonds, if made in the following manner, shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the Authority with regard to any action taken by it under such instrument. The fact and date of the execution by any person of any such instrument may be proved by an affidavit of a witness to such execution or by the certificate of any officer in any jurisdiction, who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof. The ownership at any given time of a registered Bond may be proved by a certificate of the Bond Registrar stating that on the date stated the registered Bond described was registered on its books in the name of the stated party. The Authority may conclusively assume that such ownership continues until written notice to the
- Any request or consent of the owner of any Bond shall bind every future owner of the same Bond in respect of anything done by the Authority in pursuance of such request or consent. No revocation of such consent shall be effective after the owners of two-thirds in aggregate principal amount of the Bonds outstanding have, prior to such attempted revocation, consented to and approved the amendment or amendments referred to in such revocation.

[END OF ARTICLE IX]

of the Authority to effect the validity of such supplemental resolution if all necessary consents are obtained. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy of the same is on file with the Authority. If the owners of not less than twothirds in aggregate principal amount of the Bonds outstanding hereunder at the time of the execution of any such supplemental resolution shall have consented to and approved the execution thereof as herein provided, no Bondowner shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental resolution as in this Section permitted and provided, this Resolution shall be deemed to be modified and amended in accordance therewith.

Anything herein to the contrary notwithstanding, a supplemental resolution adopted under this Article while the Lessee is not in default under the Lease or this Resolution, shall not become effective unless and until the Lessee shall have consented in writing to the execution and delivery of such supplemental resolution. In this regard, the Authority shall cause notice of the proposed execution and delivery of any such supplemental resolution to which the Lessee has not already consented, together with a copy of the proposed supplemental resolution and a written consent form to be signed by the Lessee, to be mailed by certified or registered mail to the Lessee at least 30 days prior to the proposed date of execution and delivery of any such supplemental resolution or shall otherwise obtain the written consent of the Lessee.

Section 903. Amendments to Lease Not Requiring Consent of Bondowners. The Authority and the Lessee, without the consent of or notice to the Bondowners, may amend the Lease for the purpose of (i) making any change required by the Lease or this Resolution; (ii) substituting or adding additional property; (iii) providing for the issuance of Parity Bonds in accordance with the provisions of this Resolution; (iv) releasing any portion of the Projects as a result of additions, deletions, alterations, modifications, or improvements to the Projects as authorized in Article VI of the Lease; (v) curing ambiguities, defects, or inconsistent provisions; or (vi) providing for any other amendment which does not adversely affect the interests of the

Section 904. Amendments to Lease Requiring Consent of Bondowners

- (a) Except for the amendments as provided in Section 903, neither the Authority nor the Lessee may amend the Lesse without the written approval or consent of the owners of not less than two-thirds in aggregate principal amount of the Bonds at the time outstanding given and procured as in this Section provided; provided that, without the written consent of the owners of all the Bonds then outstanding, no such amendment shall ever affect the obligation of the Lessee to pay Basic Rent when due under the provisions of the Lease.
- (b) If at any time the Authority and the Lessee shall propose any such amendment to the Lesse, the Authority, upon being satisfactorily indemnified with respect to expenses, shall cause notice of such proposed amendment to be given in the same manner as provided by Section 902 hereof with respect to supplemental resolutions. Such notice shall briefly set forth the nature of such proposed amendment and shall state that copies of the instrument embodying the same are on file at the principal office of the Authority for inspection by all Bondowners. The Authority shall not, however, be subject to any liability to any Bondowner by reason of its failure to provide

Bond Resolution 34

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Merger of Paying Agent. During such times as the Paying Agent is a bank or trust company, any bank or trust company with or into which the Paying Agent may be merged or consolidated or to which the assets and the business of the paying agent may be sold shall be the successor paying agent for the purpose of this Resolution.

Section 1002. Resolution Constitutes Contract. The provisions, terms, and conditions of this Resolution shall constitute a contract by and between the Authority and the owners of the Bonds, and, after the issuance of the Bonds, this Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interest of the owners of the Bonds nor shall the governing body of the Authority adopt any resolution in any way ever adversely affecting the rights of such owners so long as any of the Bonds or the interest thereon shall remain unpaid; provided, however, that the provisions of this Section shall not be construed to restrict or impair any rights reserved to the Authority by the provisions of Article IX.

Section 1003. Limitation on Liability from Sinking Fund.

- (a) Should any Bonds not be presented for payment when due, the Authority shall retain in the Sinking Fund, from the funds transferred thereto for the purpose of paying the Bonds and the interest thereon, for the benefit of owners thereof, a sum of money sufficient to pay such Bonds when the same are presented by the owners thereof for payment. All liability of the Authority to the owners of such Bonds, and all rights of such owners against the Authority under the Bonds, or under this Resolution shall thereupon terminate, and the sole right of such owners shall thereafter be against such funds on deposit in the Sinking Fund.
- If any Bond shall not be presented for payment within the period of five years following the date when such Bond becomes due, the Authority may transfer to its general fund all funds theretofore held by it in the Sinking Fund for payment of such Bond or the interest thereon, and such Bond shall, subject to the defense of any applicable statute of limitations, thereafter be an unsecured obligation of the Authority.

Section 1004. <u>Validation</u>. The Series 2024 Bonds shall be validated in the manner provided by law, and, to that end, notice of the adoption of this Resolution and a copy hereof shall be served upon the District Attorney of the Middle Judicial Circuit of Georgia in order that proceedings for the above purpose may be instituted in the Superior Court of Emanuel County, and said notice shall be executed by the Chairperson or Vice Chairperson and the seal of the Authority shall be impressed thereon and attested by the Secretary of the Authority.

Section 1005. Partial Invalidity. In case any one or more of the provisions of this Resolution or of the Bonds shall for any reason be held to be illegal or invalid by a court of competent jurisdiction, such illegality or invalidity shall not affect any other provisions hereof or of the Bonds unless expressly so held, but this Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained herein or therein, and this Resolution shall be construed to adopt, but not to enlarge upon, all the applicable provisions of the Georgia Revenue Bond law, and, if any provisions hereof conflict with any applicable provision of said law, the latter as adopted by the legislature and as interpreted by the courts of this state shall prevail and shall be substituted for any provisions hereof in conflict or not in harmony therewith

Section 1006. Award of Bid for Series 2024 Bonds. In accordance with the Official Notice of Sale dated September 9, 2024, distributed on behalf of the Authority and the County by Davenport & Company, LLC, as financial advisor to the Authority and the County, the Authority received electronic bids for the purchase of the Series 2024 Bonds on September 16, 2024, and the County Administrator, with the assistance of Davenport & Company, LLC, reviewed the bids and determined that the best bid for the Series 2024 Bonds was submitted by StoneX Financial Inc. Said bid is hereby approved and accepted on behalf of the Authority, subject to the terms of this Resolution.

Section 1007. Approval of Official Statement. The Authority has caused to be prepared and distributed a Preliminary Official Statement with respect to the Series 2024 Bonds and shall prepare, execute, and deliver an Official Statement Bonds in final form, and the execution and delivery of said Official Statement Bonds in final form are hereby authorized and approved. The use and distribution of a Preliminary Official Statement with respect to the Series 2024 Bonds be and the same is hereby ratified and confirmed, and the Chairperson or Vice Chairperson of the Authority is duly authorized to "deem final" the Preliminary Official Statement within the meaning of Securities Exchange Act Rule 15c2-12. The Chairperson or Vice Chairperson of the Authority is hereby authorized to execute and deliver the Official Statement for and on behalf of the Authority and said Official Statement shall be in substantially the form of the Preliminary Official Statement, subject to such changes, insertions, or omissions as may be approved by the Chairperson as hereby authorized shall be conclusive evidence of any such approval. The distribution of the Preliminary Official Statement and Official Statement for and on behalf of the Authority is hereby authorized and approved.

Section 1008. Authorization of Lease. The execution, delivery, and performance of the Lease by and between the Authority and the County be and the same are hereby authorized. The Lease shall be in substantially the form attached hereto as Exhibit B, with such changes, insertions, or omissions as may be approved by the Chairperson or Vice-Chairperson of the Authority. The Lease shall be executed by the Chairperson or Vice-Chairperson of the Authority and the seal thereof impressed thereon and attested by the Secretary of the Authority.

Section 1009. General Authorization. The proper officers of the Authority are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of this Resolution and are further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Series 2024 Bonds.

Section 1010. <u>Performance Audit.</u> The Authority hereby specifically waives the requirements of O.C.G.A. § 36-82-100 that the expenditure of the proceeds of the Bonds be subject to an ongoing performance audit or performance review, and authorizes such waiver to be published in the notice of hearing relating to the validation of the Bonds.

Bond Resolution 37

APPROVED AND ADOPTED in public meeting, this September 16, 2024.

_		
By:		
Chairpercon		

EMANUEL COUNTY
PUBLIC FACILITIES AUTHORITY

Section 1011. <u>Table of Contents and Headings Not Part of Resolution</u>. The Table of Contents preceding the body of this Resolution and the headings preceding the several articles and sections hereof are solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

Section 1012. Reimbursement of Expenditures. The County reasonably expects that, prior to issuance of the Series 2024 Bonds, it may be necessary to expend funds on the Projects and wishes to be reimbursed for such expenditures from proceeds from the sale of the Series 2024 Bonds. The Authority hereby declares its official intent to cause the Series 2024 Bonds to be issued in the aggregate principal amount of \$10,110,000 and to reimburse original expenditures incurred by the County on the Projects in a principal amount not to exceed \$10,110,000 with proceeds from the sale of the Series 2024 Bonds (to the extent permitted by § 1.150-2 of the U.S. Treasury Regulations). The County will pay original expenditures on the Projects from a construction or other account maintained by the County. The Authority will make its reimbursement allocations not later than 18 months after the later of (i) the date the original expenditure is paid or (ii) the date the Projects is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

Section 1013. Effective Date. This Resolution shall take effect immediately upon its adoption.

Section 1014. <u>Repealer</u>. Any and all resolutions or parts of resolutions in conflict with this Resolution shall be and the same hereby are repealed.

[END OF ARTICLE X]

Bond Resolution

Exhibit A

FORM OF SERIES 2024 BONDS

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Emanuel County Public Facilities Authority or its Paying Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-_

UNITED STATES OF AMERICA STATE OF GEORGIA

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024

CUSIP:

The Emanuel County Public Facilities Authority (the "Authority"), a public body corporate and politic, duly created and existing pursuant to an act of the General Assembly of the State of Georgia, Ga. Laws 2023, p. 3739 (the "Act"), for value received hereby promises to pay or cause to be paid to the registered owner named above, or registered assigns, the principal amount specified above, on the maturity date specified above, upon presentation and surrender of this Series 2024 Bond ("this Bond") to U.S. Bank Trust Company, National Association, Atlanta, Georgia, at its designated corporate trust office, as Bond Registrar and Paying Agent, in lawful money of the United States of America, and to pay to the registered owner hereof by check or draft mailed by first class mail to such owner at such owner's address as it shall appear on the bond register kept by the Bond Registrar (or by wire transfer to the registered owner of the Bond in the minimum aggregate principal amount of \$1,000,000 at a wire transfer address which said registered owner has provided to the Paying Agent not less than five business days prior to an Interest Payment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary), interest on such principal sum, at the interest rate per annum specified above, payable on March 1 and September 1 (each an "Interest Payment Date") of each year, beginning March 1, 2025, from the Bond Date, or from the most recent Interest Payment Date to which interest has been paid until payment is made of such principal sum in full.

The interest so payable on any such Interest Payment Date will be paid to the person in whose name this Bond is registered at the close of business on the 15th day of the calendar month preceding such Interest Payment Date (the "Record Date"); provided, however, that if and to the extent a default shall occur in the payment of interest due on such Interest Payment Date, such past due interest shall be paid to the persons in whose name outstanding Series 2024 Bonds are registered on a subsequent date of record established by notice given by mail by the Paying Agent to the owners of the Series 2024 Bonds not less than 30 days preceding such subsequent date of record. Both the principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

THE AUTHORITY HAS ESTABLISHED A BOOK ENTRY SYSTEM OF REGISTRATION FOR THIS BOND. EXCEPT AS SPECIFICALLY PROVIDED OTHERWISE IN THE HEREINAFTER DEFINED RESOLUTION, CEDE & CO., AS NOMINEE OF THE DEPOSITORY TRUST COMPANY, WILL BE THE REGISTERED OWNER AND WILL HOLD THIS BOND ON BEHALF OF EACH BENEFICIAL OWNER HEREOF. BY ACCEPTANCE OF A CONFIRMATION OF PURCHASE, DELIVERY OR TRANSFER, EACH BENEFICIAL OWNER OF THIS BOND SHALL BE DEEMED TO HAVE AGREED TO SUCH ARRANGEMENT. CEDE & CO., AS REGISTERED OWNER OF THIS BOND, WILL BE TREATED AS THE OWNER OF THIS BOND FOR ALL PURPOSES.

This Bond is one of a duly authorized series of bonds designated EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024 (the "Series 2024 Bonds"), of like date and tenor, except as to numbers, interest rates, date of maturity, and redemption provisions, issued in the aggregate principal amount of \$10,110,000 to provide funds to finance the renovation, construction and equipping of governmental administrative buildings for use by Emanuel County, Georgia (the "Projects") together with the costs of issuing the Series 2024 Bonds. This Bond is issued pursuant to authority of and in accordance with the provisions of the laws of the State of Georgia, the Revenue Bond Law of Georgia, codified in O.C.G.A. § 36-82-60 et seq., the general laws of the State of Georgia, and the Act, and was duly authorized by a bond resolution adopted by the Authority on September 16, 2024 (the "Resolution").

The payment of the Series 2024 Bonds, and any bonds issued on a parity therewith and the interest thereon is secured by a first and prior pledge of and charge or lien on the rental revenues to be paid by Emanuel County, Georgia (the "County") for the use of the Projects pursuant to the terms of an intergovernmental lease contract, dated as of the date of the Series 2024 Bonds (the "Lease"), entered into pursuant to the powers and authority therefor provided by the Constitution and laws of the State of Georgia. The Lease provides for the payment by the County, as Lessee, to the Authority or to its assignee for the account of the Authority, of the amounts provided in the Lease sufficient to pay the principal of and interest due on the Series 2024 Bonds on each interest or principal and interest payment date, and to pay other expenses authorized hereby to be incurred.

This Bond shall not constitute a debt or a loan or pledge of the faith and credit of the Authority, the State of Georgia, or of any political subdivision thereof, but shall be payable solely from the rentals, revenue, earnings and funds of the Authority arising from the Projects as provided in the Lease and the Resolution. The issuance of this Bond shall not obligate the State of Georgia or any political subdivision thereof to levy or pledge any form of taxation whatever for the payment hereof. No holder hereof or receiver or trustee in connection herewith shall have the right to enforce payment hereof against any property of the State of Georgia or any political subdivision

Bond Resolution Exhibit A - 2

Sinking Fund, by the provisions of the Resolution, is pledged to and charged with the payment of the principal of and interest on the Series 2024 Bonds.

The Series 2024 Bonds maturing on September 1, 2035, and thereafter are subject to redemption by the Authority, at the direction of the County, in whole or in part, at any time, beginning September 1, 2034 (if less than all of the Series 2024 Bonds of a maturity are to be redeemed, the actual Series 2024 Bonds of such maturity shall be selected by lot in such manner as may be designated by DTC while the Series 2024 Bonds are held as book-entry bonds and by the Paying Agent if the Series 2024 Bonds are no longer held as book-entry bonds), in such order as may be designated by the Authority at a redemption price of 100% of the principal amount of the Series 2024 Bonds called for redemption plus accrued interest to the redemption date.

The Series 2024 Bonds are issuable as fully registered bonds in the principal denomination of \$5,000 or any integral multiple thereof. Subject to the limitations provided in the Resolution, Series 2024 Bonds may be exchanged at the designated corporate trust office of the Bond Registrar for a like principal amount of Series 2024 Bonds of the same maturity and of other authorized denominations

If not held as Book Entry, this Bond is transferable as provided in the Resolution only upon the books of the Authority kept for that purpose at the designated corporate trust office of the Bond Registrar by the Registered Owner hereof in person, or by such Owner's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or such Owner's duly authorized attorney, and thereupon a new registered Series 2024 Bond or Series 2024 Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution and upon payment of any charges therein prescribed. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes.

To the extent and in the manner permitted by the Resolution, modifications or alterations of the provisions thereof or of any supplement thereto or of the Series 2024 Bonds may be made by the Authority with the consent of the owners of at least two-thirds in principal amount of the Series 2024 Bonds then outstanding without necessity for notation hereon or reference thereto.

This Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by execution by the Authentication Agent, by manual signature of the certificate hereon endorsed.

IN WITNESS WHEREOF, the Emanuel County Public Facilities Authority has caused this Bond to be executed with the manual or facsimile signature of its Chairperson and has caused its corporate seal to be hereunto impressed and attested with the manual or facsimile signature of its Secretary, as of the date of its authentication.

EMANUEL COUNTY	
PUBLIC FACILITIES AUTHORIT	Ϋ́

By: _____(FORM)

Bond Resolution Exhibit A - 4 thereof, or of the Authority (other than the property specifically pledged therefor pursuant to the Resolution), nor shall this Bond constitute a charge, lien or encumbrance, legal or equitable, upon any such property. No recourse shall be had for the payment of the principal of, premium, if any, or the interest on this Bond against any officer, director or member of the Authority. The Authority has no taxing power.

In addition to the Series 2024 Bonds, the Authority, under certain conditions as provided in the Resolution, may issue additional revenue bonds which, if issued in accordance with such provisions, will rank pari passu with the Series 2024 Bonds with respect to the pledge of and the charge or lien on the revenue pledged to the payment thereof.

As provided in the Resolution, the Series 2024 Bonds are limited obligations of the Authority. There are pledged under the Resolution and assigned for the payment of the principal of and interest on the Series 2024 Bonds, in accordance with the terms and provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, (i) the proceeds from the sale of the Series 2024 Bonds, (ii) the Lease, including the revenues and other receipts of the Authority derived from the Lease, (iii) the funds established by the Resolution, including the investments, if any, thereof, and (iv) certain insurance proceeds and condemnation awards payable to the Sinking Fund (hereinafter defined) in accordance with the Lease. Copies of the Resolution and the Lease are on file at the offices of the Authority, the offices of the County, and at the designated corporate trust office of the Paying Agent.

Reference to the Resolution and the Lease is hereby made for a complete description of the funds charged with and pledged to the payment of the principal of and interest on the Series 2024 Bonds, a complete description of the nature and extent of the security provided for the payment of the Series 2024 Bonds, a statement of the rights, duties and obligations of the Authority, and the rights of the owners of the Series 2024 Bonds, to all the provisions of which the owner hereof, by the acceptance of this Bond, assents.

Prior to or contemporaneously with the execution of the Lease, the Authority will acquire title to all portions of the Projects, including any easements or rights to use or possession therein, as held by the County, and all real and personal property comprising the Projects shall thereupon become subject to the provisions of the Lease. Any portions of the Projects acquired with proceeds of the Series 2024 Bonds subsequent to the execution of the Lease shall immediately become subject to the provisions of the Lease, and the Authority and the County will take such actions as are necessary to amend the Lease to reflect the inclusion of such property under the provisions thereof

The pledge of and the charge or lien on the revenue to be derived from the ownership and leasing of the Projects to secure the payment of the Series 2024 Bonds and the interest thereon is a first and prior pledge of and charge or lien on such revenue, and the Lease provides that the portion of such revenue paid in the form of Basic Rent, described in the Resolution, shall be deposited directly by the County into a special fund, designated the EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY SINKING FUND, SERIES 2024 (the "Sinking Fund"), in amounts sufficient to pay the principal of and interest on the Series 2024 Bonds which are now or which may be hereafter outstanding as such principal and interest shall become due and be payable, and the

Bond Resolution Exhibit A - 3

(SEAL)	Chairperson	
	Attest: (FORM) Secretary	

AUTHENTICATION CERTIFICATE

This Bolid is one of	the Series 2024 Bonds described herein.
Date of Authentication:	, 2024
	as Authentication Agent
	By:(FORM)
	Authorized Signatory
	* * * *
TATE OF CEORGIA	
STATE OF GEORGIA) VALIDATION CERTIFICATE
EMANUEL COUNTY)
	lerk of Superior Court of Emanuel County, Georgia, hereby certifies alidated and confirmed by judgment of the Superior Court of Emanuel, 2024.
	EREOF, I hereunto have set my hand or caused my official signature Superior Court of Emanuel County, Georgia, to be reproduced hereon.
(SEAL)	(FORM)
	Clerk of Superior Court Emanuel County, Georgia
	Zimanaer County, Georgia
	Bond Resolution
	Bond Resolution Exhibit A - 6
	Exhibit A - 6
	Exhibit A - 6 Exhibit B
	Exhibit A - 6
	Exhibit A - 6 Exhibit B FORM OF LEASE
	Exhibit A - 6 Exhibit B
	Exhibit A - 6 Exhibit B FORM OF LEASE

ASSIGNI	MENI
FOR VALUE RECEIVED the undersigned	hereby sells, assigns, and transfers unto
Social Security Other Identifying Nu	
Please print or type i (including postal zip o	
the within bond and all rights thereunder, and	hereby irrevocably constitutes and appoints
-	as Agent to transfer the within Bond on the
books kept for registration thereof, with full power	-
	Assignor (FORM)
	NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.
Date:, 20	
Signature Guaranteed:	
(FORM)	
NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP, or MSP signature guarantee medallion programs.	
Bond Rese Exhibit	
SECRETARY'S C	CERTIFICATE
The undersigned Secretary of the Emar	nuel County Public Facilities Authority (the
"Authority") DOES HEREBY CERTIFY that the	foregoing constitutes a true and correct copy of
a resolution adopted on September 16, 2024, by	a majority of the entire membership of the
Authority in a meeting duly called and assembled	and open to the public at which a quorum of
members was present and acting throughout, and	that the original of said resolution appears of
record in the minute book of the Authority, which	is in my custody and control.
(SEAL)	Secretary Emanuel County Public Facilities Authority

LEASE CONTRACT

by and between

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY

and

EMANUEL COUNTY, GEORGIA

Dated as of ______, 202

Relating to the issuance of

EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY
REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024

in the aggregate principal amount of \$10,110,000

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STATE OF GEORGIA)	
)	LEASE CONTRACT
EMANUEL COUNTY)	

WITNESSETH THAT:

WHEREAS, the Authority was created by an act of the General Assembly of the State of Georgia, Ga. Laws 2023, p. 3739 (the "Act"), which authorizes the Authority to construct, reconstruct, acquire, own, alter, repair, remodel, maintain, extend, improve, operate manage and equip "projects" located on land owned or leased by the Authority; such "projects" are defined in the Act to include real and personal property, land, buildings, structures, sanitary and surface water sewers, utilities, including natural gas distribution, telecommunications, fiber, cable, and broadband services, and other public property determined by the Authority to be desirable for the efficient operation of any department, board, office, commission, or agency of Emanuel County, the Emanuel County, School District, or any municipality or political subdivision located in Emanuel County, or the State of Georgia in the performance of its governmental, proprietary, and administrative functions; and

WHEREAS, the Act also provides for the issuance of revenue bonds by the Authority in accordance with the provisions of Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated (the "Revenue Bond Law") for the purpose of paying all or any part of the costs of a project and for the purpose of refunding revenue bonds or other obligations previously issued; and

WHEREAS, pursuant to Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia, any municipality or political subdivision of the State of Georgia may contract for any period not exceeding 50 years with any public authority for joint services, for the provision of services or for the joint or separate use of facilities and equipment, provided such contracts deal with activities, services or facilities which the contracting parties are authorized by law to undertake or provide; and

WHEREAS, the Board of Commissioners of Emanuel County, the governing body of the County, has requested that the Authority issue it revenue bonds to provide funds to finance the renovation, construction and equipping of governmental administrative buildings for use by the County (the "Projects"), as more particularly described in the plans and specifications therefore on file with the County; and

WHEREAS, surveys, plans, and specifications for the Projects, and estimated costs of the Projects are on file in the offices of the County and, by this reference thereto, are incorporated herein and made a part hereof as fully as if set forth herein in their entirety; and

Lease Contract

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01. <u>Definitions of Certain Terms</u>. All words and phrases defined in the Preambles to the Resolution and this Lease and in Section 101 of the Resolution shall have the same meanings in this Lease.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary:

- (a) "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter," and other equivalent words refer to this Lease and not solely to the particular portion thereof in which any such word is used.
 - (b) any pronoun used herein shall be deemed to cover all genders;
- (c) all references herein to particular Articles or Sections are references to Articles or Sections of this Lease;
- (d) the titles preceding each Section of this Lease are for convenience of reference only and are not intended to define, limit, or describe the scope or intent of any provisions of this Lease.

[END OF ARTICLE I]

WHEREAS, the Projects are within the purposes of the Act and the County is authorized to enter into a lease and/or intergovernmental contract with the Authority for the financing of the Projects in accordance with the Act and other provisions of the Constitution and laws of the State of Georgies and

WHEREAS, the County and the Authority have determined that it would be in the best interests of the citizens of the County for the Authority to finance the Projects and for the County to operate and maintain the Projects; and

WHEREAS, the Authority adopted a bond resolution on September 16, 2024 (the "Resolution") which provides funds for the acquisition, construction, and equipping of the Projects through the issuance of the EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024, in the aggregate principal amount of \$10,110,000 (the "Series 2024 Bonds") and further authorizes the entering into of this Lease to secure the payment of the Series 2024 Bonds; and

WHEREAS, the County has directly or through its intermediaries conveyed to the Authority the parcels of real property on which the Projects are to be installed, constructed, and equipped; and

WHEREAS, the County, as Lessee, is authorized to levy taxes, without limitation as to rate or amount, and to expend tax money of the Lessee and other available funds and to obligate the Lessee to make payment thereof to the Authority of the amounts provided for in this Lease; and

WHEREAS, the Act provides that revenue bonds issued by the Authority shall not be deemed to constitute a debt of the County, but the County and Authority may enter into intergovernmental contracts and leases pursuant to which the County may obligate itself to make the payments required under such contracts from moneys received from taxes and from any other source without creating a debt within the meaning of Article IX, Section V, Paragraph I of the Constitution of the State of Georgia.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, covenants, and agreements hereinafter set forth, and in order to secure payment of the Series 2024 Bonds, and for other purposes, it is hereby agreed as follows:

Lease Contract

ARTICLE II

REPRESENTATIONS OF THE PARTIES

Section 2.01. Constitutional Authority for Lease. The Constitution of the State of Georgia, Art. IX, \S III, I(a), provides that:

"[A]ny county, municipality, school district, or other political subdivision of the state may contract for any period not exceeding 50 years with each other or with any other public agency, public corporation, or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment; but such contracts must deal with activities, services, or facilities which the contracting parties are authorized by law to undertake or provide."

Section 2.02. Creation and Powers of Authority. Under the Act, the Authority is empowered to construct, reconstruct, acquire, own, alter, repair, remodel, maintain, extend, improve, operate manage and equip "projects" located on land owned or leased by the Authority which are defined in the Act to include real and personal property, land, buildings, structures, sanitary and surface water sewers, utilities, including natural gas distribution, telecommunications, fiber, cable, and broadband services, and other public property determined by the Authority to be desirable for the efficient operation of any department, board, office, commission, or agency of Emanuel County, the Emanuel County School District, or any municipality or political subdivision located in Emanuel County, or the State of Georgia in the performance of its governmental, proprietary, and administrative functions.

Section 2.03. The Projects. For and in consideration of the Authority issuing its revenue bonds to provide funds sufficient, together with other funds available to the County and the Authority, to finance the costs of the Projects, and in accordance with the foregoing constitutional and statutory power and authority, the County, as grantor, has convey to the Authority, as grantee, the real property more particularly described on Exhibit A. Said real property together with any and all buildings, improvements, equipment and facilities located thereon, and any and all buildings, improvements, equipment and other facilities constituting a part of the Projects which may be hereafter acquired, constructed and installed with proceeds of the Series 2024 Bonds, shall immediately become subject to the provisions hereof, and the Authority and the County will take such actions as are necessary to amend this Lease to reflect the inclusion of such property under the provisions hereof.

Section 2.04. Lease of Projects. The Lessee has determined that it is in the best interest of the Lessee to lease the Projects from the Authority. The facilities comprising the Projects shall be acquired, constructed, and equipped substantially in accordance with the plans and specifications therefor which are on file with the County, which plans and specifications have been and, by the execution of this Lease by the parties, hereby are approved by the Authority and the Lessee. The Authority and the Lessee may amend the plans and specifications to include or delete real property, facilities, and items of personal property and equipment so that all such facilities actually comprising the Projects will be utilized for the most efficient operation of the Lessee, in the performance of its governmental, proprietary, and administrative functions.

- Section 2.05. The Series 2024 Bonds. In order to pay the cost of the Projects, the Authority has authorized the issuance of the Series 2024 Bonds, for which provision is made upon the terms set forth in the Resolution, a certified copy of which Resolution is on file in the records of the Authority and the Lessee.
- Section 2.06. <u>Representations and Warranties of the Authority.</u> The Authority makes the following representations and warranties as the basis for the undertakings and covenants herein contained:
- (a) The Authority is authorized to enter into the transactions contemplated by this Lease and to carry out its obligations hereunder, has been duly authorized to execute and deliver this Lease, and will do or cause to be done all things necessary to preserve and keep in full force and effect its status and existence as an instrumentality of the State;
- (b) The acquisition, construction, and equipping of the Projects, the issuance and sale of the Series 2024 Bonds, the execution and delivery of this Lease and the Resolution, and the performance of all covenants and agreements of the Authority contained in this Lease and of all other acts and things required under the Constitution and laws of the State to make this Lease a valid and binding obligation of the Authority in accordance with its terms are authorized by law and have been duly authorized by proceedings of the Authority adopted at public meetings thereof duly and lawfully called and held; and
- (c) There is no litigation or proceeding pending, or to the knowledge of the Authority threatened, against the Authority or any other entity which would have a material adverse effect on the right of the Authority to execute this Lease or the ability of the Authority to comply with any of its obligations under this Lease.
- Section 2.07. <u>Representations and Warranties by the Lessee</u>. The Lessee makes the following representations and warranties as the basis for the undertakings and covenants herein contained:
- (a) The Lessee is a political subdivision created under the laws of the State of Georgia having power to enter into and execute and deliver this Lease, and, by proper action of its governing body, has authorized the execution and delivery of this Lease and the taking of any and all such actions as may be required on its part to carry out, give effect to, and consummate the transactions contemplated by this Lease and the Resolution, and no approval or other action by any governmental authority, agency, or other person is required in connection with the delivery and performance of this Lease by it except as shall have been obtained as of the date hereof;
- (b) The proceeds of the Series 2024 Bonds to be deposited in the Construction Fund under the Resolution, together with the investment income thereon, and together with such other funds, if any, as may be necessary to be contributed to the Projects by the Lessee in accordance with this Lease, will be sufficient to pay the cost of acquiring, constructing, and equipping the Projects substantially in accordance with the plans and specifications and in a manner suitable for the intended operations thereof;
- (c) The Lessee does not rely on any warranty of the Authority, either express or implied, except as provided herein, as to any title to or condition of the Projects or that the Projects

Lease Contract

ARTICLE III

ISSUANCE OF THE AUTHORITY'S BONDS

Section 3.01. The Series 2024 Bonds. In order to provide funds to pay the costs of the Projects, the Authority will issue its Series 2024 Bonds, payable in accordance with the Resolution, and all of the covenants, agreements, and provisions hereof shall be for the equal and proportionate benefit and security of the owners of the Bonds without preference, priority, or distinction as to the charge, lien, or otherwise of any one Bond over any other Bond, so that every owner of the Bonds shall have the same rights, privileges, and lien by virtue hereof.

Section 3.02. Date, Denomination, and Maturities. The Series 2024 Bonds shall be dated as of their date of issuance and delivery and will be issued originally in book-entry form. The Series 2024 Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest per annum at the rates of interest shown as follows:

Year	Principal Amount	Interest Rate	Year	Principal Amount	Interest Rate
2025	\$295,000	5.000%	2035	\$525,000	4.000%
2026	255,000	5.000	2036	545,000	5.000
2027	270,000	5.000	2037	575,000	5.000
2028	280,000	5.000	2038	600,000	5.000
2029	295,000	5.000	2039	635,000	4.000
2030	410,000	5.000	2040	660,000	4.000
2031	430,000	5.000	2041	685,000	4.000
2032	455,000	5.000	2042	710,000	4.000
2033	475,000	5.000	2043	740,000	4.000
2034	500,000	5.000	2044	770,000	4.000

Section 3.03. <u>Interest Payments</u>. Interest on the Series 2024 Bonds will be paid on each Interest Payment Date, beginning March 1, 2025, in the manner stated in the Series 2024 Bonds until the obligation with respect to the payment of the principal thereof shall be discharged.

Section 3.04. Security for Bonds. In order to secure the prompt payment of the principal of and interest on the Series 2024 Bonds according to their tenor, purport, and effect and in order to secure the performance and observance of all the covenants, agreements, and conditions therein and herein contained and in consideration of the purchase and acceptance of the Series 2024 Bonds by the Bondowners, for other good and valuable consideration to the Authority in hand paid at or before the sealing and delivering of these presents, the receipt and sufficiency whereof are hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Series 2024 Bonds are to be issued, authenticated, delivered, secured, and accepted by the Bondowners, the Authority has pledged to the payment of the Bonds all the Basic Rent to be derived from this Lease, together with other funds and proceeds described in Section 701 of the Resolution

[END OF ARTICLE III]

or any portions thereof will be suitable to the Lessee's needs, and the Lessee recognizes that the Authority is not authorized to expend any funds for the Projects other than rental revenue received by it therefrom or the proceeds of the Series 2024 Bonds or other funds granted to it for such numposes:

- (d) The authorization, execution, delivery, and performance by the Lessee of this Lease and compliance by the Lessee with the provisions thereof do not violate the laws of the State of Georgia relating to the Lessee or constitute a breach of or a default under any other law, court order, administrative regulation, or legal decree, or any agreement or other instrument to which it is a party or by which it is bound;
- (e) All portions of the Projects which shall have been acquired by the Lessee prior to the execution and delivery of the Series 2024 Bonds and for which the Lessee is to receive payment or reimbursement from Series 2024 Bond proceeds shall have been the subject of a resolution or declaration of official intent under Treasury Regulations \S 1.150-2 adopted by the Lessee not later than 60 days after the date the Lessee pays for such equipment or other facilities;
- (f) There is no litigation or proceeding pending or, to the knowledge of the Lessee, threatened against the Lessee or any other entity which would have a material adverse affect on the right of the Lessee to execute this Lease or its ability to comply with any of its obligations under this Lease; and
- (g) The Lessee will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Lease, failure of the Lessee to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default under Resolution or this Lease; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Lessee to comply with its obligations under the Continuing Disclosure Certificate. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories, or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

[END OF ARTICLE II]

Lease Contract

ARTICLE IV

ACQUISITION AND CONSTRUCTION OF THE PROJECTS

Section 4.01. <u>Acquisition and Construction of the Projects; Installation of Improvements and Extensions by Lessee.</u>

- (a) The Authority will cause the proceeds from the sale of the Series 2024 Bonds to be applied in accordance with Section 401 of the Resolution, and the Lessee has conveyed the Projects to the Authority in accordance with Section 2.03 hereof.
- (b) The Authority authorizes the Lessee, subject to the terms and conditions set forth in this Lease, to provide for the acquisition, construction, and equipping of the Projects substantially in accordance with the plans and specifications which have been approved by the parties, and, from and after the initial disbursements from the Construction Fund for which provision is made in Section 4.02, the Lessee, as the agent of the Authority for such purpose, will undertake and complete, on behalf of the Authority, the acquisition, construction, and equipping of the Projects, and payment therefor shall be made from the Construction Fund in accordance with the provisions of Section 404 of the Resolution. The Lessee, as such agent, will make all contracts and do all things necessary for the acquisition, construction, and equipping of the Projects for public use by the Lessee upon the terms and conditions set forth in this Lease. The Lessee will acquire, construct, and equip the Projects with all reasonable dispatch and with due diligence to completion, delays caused by force majeure only excepted.
- Section 4.02. Construction Fund. At and upon the delivery of and payment of the Series 2024 Bonds, the Authority will apply the proceeds received from the sale thereof in the manner set forth in Section 401 of the Resolution and after the payment of the money provided for in subparagraphs (a) and (b) of Section 401 of the Resolution, the Authority will deposit the balance of the proceeds from the sale of the Series 2024 Bonds in the Construction Fund.

Section 4.03. Agency of Lessee

- (a) The Authority, by the authorization and execution of this Lease and by the adoption of the Resolution, appoints the Lessee as its agent to contract for and complete the acquisition, construction, and equipping of the Projects, including specifically the acquisition of easements, rights of way or other interests in property by condemnation or through other means, and to authorize payment of the costs thereof from the Construction Fund in accordance with the provisions of the Resolution, and the Lessee, by the execution hereof, accepts such appointment and covenants that it will complete the acquisition and installation of all equipment and other facilities constituting a part of the Projects with due diligence.
- (b) The agency created by this Section shall be irrevocable and shall terminate only upon completion of the Projects, and nothing contained in this Lease shall relieve the Lessee of its obligation to pay Basic Rent and additional rent pursuant to the provisions hereof.

Section 4.04. Modifications and Changes in Plans. There shall be made only such modifications or changes in the plans and specifications as may be directed by the Authorized Lessee Representative. The Authority will enter into or accept the assignment of such contracts as

the Lessee may request in writing signed by the Authorized Lessee Representative in order to accomplish such acquisition and installation.

Section 4.05. Powers Vested in Authorized Lessee Representative. By the authorization and execution of this Lease, the Lessee hereby vests the Authorized Lessee Representative with the power and authority to act on behalf of the Lessee in all matters relating to this Lease and to the Projects, to give all directions and make all certificates, requisitions, and requests required or authorized to be given or made hereunder, and to do all things required or authorized to be done by the Lessee hereunder.

Section 4.06. Costs of Projects. For the purposes of this Article, the costs of acquiring, constructing, and equipping the Projects to be paid from the Construction Fund shall include the costs shown in the plans and specifications, and which may, but shall not necessarily, include the purchase of various items of real and personal property, including easements, rights of way, or other interests in property; costs of construction and installation; costs of indemnity and fidelity bonds; premiums on insurance, if any, in connection with the Projects during the acquisition, construction, and equipping of the Projects; fees and expenses of engineers and architects for surveys, estimates, preparation of plans, specifications, and drawings and supervising of acquisition, construction and equipping, as well as for the performance of all other duties of such engineers and architects in relation to the Projects; actual expenses of administration of acquisition; telephone, telegraph, office, and legal expenses; audits; and all other costs of expenditures not herein specified incident to the acquisition, construction, and equipping of modern and efficient facilities, including the preparation, issuance, marketing, and printing of the Series 2024 Bonds, financing charges, and all expenses incident to the financing of the Projects; all other expenses preliminary to authorization and issuance of the Series 2024 Bonds and obligations incurred for labor and contractors, builders, suppliers, and materialmen in connection with the Projects and for the placing of various facilities comprising the Projects into operation.

Section 4.07. Lessee to Provide Funds for Completion. In the event the assets in the Construction Fund available for payment of the costs of the Projects shall not be sufficient to pay the costs thereof in full, the Lessee will complete the Projects and, unless Parity Bonds are issued to fund such deficiency, as provided in Section 507 of the Resolution, will pay directly or pay to the Authority for deposit into the Construction Fund the amount required for completion of the Projects. The Authority does not make any warranty, either express or implied, that the funds which will be paid into the Construction Fund from the sale of the Series 2024 Bonds and which, under the provisions hereof, will be available for payment of the costs of the Projects will be sufficient to pay all the costs which will be incurred therefor. In the event the Lessee shall be required to pay any of the costs of completion of the Projects pursuant to the provisions of this Section, the Lessee shall not be entitled to any reimbursement therefor from the Authority or the Bondowners, nor shall it be entitled to any diminution of the rents payable under the provisions of Sections 5.03 and 5.04.

Section 4.08. Enforcement of Contracts and Surety Bonds. In the event of default of any contractor or subcontractor under any contract made in connection with the Projects or in the event of a breach of warranty with respect to materials, equipment, workmanship, or performance in connection with the Projects, the Lessee, in its own name or in the name of the Authority, may proceed, either separately or in conjunction with others, to exhaust the remedies of the parties

Lease Contract

ARTICLE V

EFFECTIVE DATE AND TERM OF LEASE; RENTAL PROVISIONS

Section 5.01. Term of Lease.

- (a) The Authority leases to the Lessee and the Lessee leases from the Authority, for the use of the Lessee for the purposes specified herein and in the Constitution and laws of the State of Georgia, all real and personal property constituting the Projects, such real property being more particularly described on Exhibit A, which is attached hereto and made a part hereof, in accordance with the provisions hereof, at the rental covenanted by the Lessee in this Article to be paid and in accordance with the provisions of this Lease. This Lease shall be the binding obligation of the parties from and after its execution by the last party to execute the same. The term of this Lease shall begin with the issuance and delivery by the Authority of the Series 2024 Bonds and shall continue in full force and effect until all the Bonds, and any other obligations of the Authority with respect to the Projects, which shall have been issued and are outstanding and the interest thereon have been paid or provision for the payment thereof shall have been made in accordance with the provisions of the Resolution, but in no event shall the term hereof exceed 50 years.
- (b) The Authority covenants that it has acquired fee simple title to the Projects. All portions thereof have been or will be properly conveyed to the Authority by the Lessee.

Section 5.02. Possession; Quiet Enjoyment; Release of Property.

- (a) The Authority will deliver to the Lessee sole and exclusive possession of the Projects and the Lessee will accept possession of such facilities upon such delivery.
- (b) The Authority will not take any action to prevent the Lessee from having quiet and peaceable possession and enjoyment of the Projects during the term of this Lease and will, at the request of the Lessee, and at Lessee's cost, to the extent that it may lawfully do so, join in any legal action in which the Lessee asserts its right to such possession and enjoyment.

Section 5.03. Basic Rent.

(a) At least five business days prior to each March 1 and September 1 in each year, beginning March 1, 2025, until the principal of and interest on the Series 2024 Bonds shall have been paid or provision therefor shall have been made in accordance with the Resolution, the Lessee will deposit, for the account of the Authority, directly to the Sinking Fund, as Basic Rent for the Projects, a sum equal to the amount necessary to provide sufficient funds for the payment of all principal and interest coming due on the Series 2024 Bonds, whether by reason of maturity, scheduled mandatory redemption or otherwise. Each payment of Basic Rent under this Section will be in such amount as will create a balance in the Sinking Fund sufficient to pay the total amount of all interest and principal payable on each March 1 and September 1 of each such year, and if at any payment date the balance in the Sinking Fund is insufficient to make the required payments of interest or of interest and principal on such date, the Lessee shall thereupon deposit the amount of any such deficiency to the Sinking Fund. The debt service schedule for the Series 2024 Bonds is set forth on Exhibit B and incorporated herein by reference.

against the manufacturer, contractor, or party so in default and against each of their sureties for the performance of such contract and may prosecute or defend any action or proceeding or take any other action involving any such manufacturer, contractor, party, or surety which the Lessee deems reasonably necessary, and in such event the Authority agrees to cooperate fully with the Lessee and to take all action necessary to effect the substitution of the Lessee for the Authority in any such action or proceeding. Any amounts recovered by way of damages, refunds, adjustments, or otherwise in connection with the foregoing prior to the completion of the Projects shall be paid into the Construction Fund and after such completion shall be used for the purchase or installation of replacement facilities or equipment or paid into the Sinking Fund.

[END OF ARTICLE IV]

Lease Contract

- (b) At such time as the amount held in the Sinking Fund shall be sufficient to pay, at the times required, the principal of and interest on the Bonds, the Lessee shall not be obligated to make any further payments of Basic Rent.
- (c) All payments of Basic Rent will be applied in the manner provided in the Resolution.
- Section 5.04. <u>Additional Rent</u>. The Lessee shall also pay to the persons entitled thereto as additional rent hereunder, until the principal of and interest on the Bonds shall have been fully paid or provision of the payment thereof shall have been made in accordance with the provisions of the Resolution:
- (a) all utility rents, service fees, maintenance, and other charges incurred in connection with the Projects or any part thereof;
 - (b) the fees of the Bond Registrar and Paying Agent; and
- (c) any and all other fees, charges, expenses, and items of any kind or nature whatever that may become due and payable by the Authority or the Lessee in any way arising out of the Resolution or the Projects or out of the issuance of the Bonds or out of this Lease.
- Section 5.05. Rent as a Continuing Obligation of the Lessee. In the event the Lessee should fail to make any of the payments required in its Article, the item or installment due and not paid shall be a continuing obligation of the Lessee until the amount due shall have been paid in full together with interest thereon borne by the Bonds.
- Section 5.06. Prepayment of Basic Rent. The Basic Rent for which provision is made in this Article shall be subject to prepayment, in whole or in part, for the purpose of paying, at the option of the Lessee, all or part of the Bonds in accordance with the provisions of the Resolution. The Lessee shall pay all costs which may be incurred in connection with the payment or defeasance of the Bonds.
- Section 5.07. Call of Bonds for Redemption. No prepayment of any amount of Basic Rent in accordance with the provisions of Section 5.06 hereof shall relieve the Lessee to any extent from its obligations hereafter to make the full Basic Rent and additional rent payments required by the provisions hereof until all Bonds issued under the Resolution and the interest thereon and the charges of the Bond Registrar and Paying Agent, if any, have been paid in full. Upon any prepayment of Basic Rent, as authorized by Section 5.06, in part, the amount of such prepayment shall be used for the purpose of paying or redeeming the Bonds. Upon the prepayment of such Basic Rent in whole the amount of such prepayment shall be used to pay or redeem all Outstanding Bonds in the manner provided in the Resolution.
- Section 5.08. Basic Rent Deposited to Sinking Fund. The Basic Rent for which provision is made in Section 5.03(a) shall be deposited by the Lessee directly to the Sinking Fund for the account of the Authority. The additional rent for which provision is made in Section 5.04 shall be paid directly to the persons entitled thereto, or, with regard to the reasonable charges and fees, if any, of the Bond Registrar and Paying Agent in the circumstances described in Section 509(a) and (b) of the Resolution, to the special fund described therein.

Section 5.09. Lessee's Obligations Unconditional. The obligations of the Lessee to make the payments required in this Article on the dates and in the manner herein specified and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, regardless of any contingencies whatever and notwithstanding any circumstances or occurrences that may arise or take place hereafter, and shall not be subject to diminution by set-off, counterclaim, abatement, or otherwise. Until such time as the principal of and redemption premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Resolution, together with all fees and expenses incident thereof, the Lessee (i) will not suspend or discontinue any payments of Basic Rent or additional rent, (ii) will perform and observe all of its other covenants and agreements contained in this Lease, and (iii) will not terminate this Lease for any cause including, without limiting the generality of the foregoing, impossibility or illegality of performance on the part of the Authority of any of its obligations hereunder or under the Resolution; failure to complete the Projects; any acts or circumstances that may constitute failure of consideration, eviction, or constructive eviction, force majeure, destruction of, or damage to the Projects or any part thereof; frustration of purpose; the unavailability for use by the Lessee on the date hereof or on any date hereafter of the Projects or of any item of equipment, machinery, or other facility included therein; any change in the tax or other laws of the United States of America or the State or any political subdivision thereof; or any failure of the Authority to perform and observe any agreement, whether express or implied; or any duty, liability, or obligation arising out of or connected with this Lease or out of the Resolution, including any failure of the Authority to acquire or to have acquired any portion

Section 5.10. Lessee's Remedies. If the Authority shall fail to perform any of its agreements in this Lease, the Lessee may institute such action against the Authority as the Lessee may deem necessary to compel such performance so long as such action shall not violate the Lessee's obligations to pay Basic Rent or additional rent. The Lessee shall at its own cost and expense, and in its own name or in the name of the Authority, prosecute or defend any action or proceeding against third parties or take any other action which the Lessee deems reasonably necessary in order to insure the acquisition, construction, and equipping of the Projects and to secure or protect its rights of possession, occupancy, and use of the Projects under this Lease, in which event the Authority agrees to cooperate fully with the Lessee and to take all action necessary to effect the substitution of the Lessee for the Authority in any such action or proceedings if the Lessee shall so request.

Section 5.11. Tax Levy to Pav Rent. The Lessee will exercise its power of taxation, which is not limited as to rate or amount, to the extent necessary to pay the amounts required to be paid hereunder and will make available and use for the payment of its obligations incurred hereunder all such taxes levied and collected for that purpose together with funds received from any other source. As security for the payments required to be made and the obligations required to be performed by the Lessee hereunder, the Lessee hereby pledges to the Authority its full faith and credit and taxing power for such payment and performance. The Lessee, in order to make such funds available for such purpose in each fiscal year, will, in its general revenue, appropriation, and

Lease Contract

ARTICLE VI

REPAIRS, MAINTENANCE, OPERATION, AND ALTERATION OF PROJECTS BY LESSEE

Section 6.01. <u>Use. Operation, Maintenance, and Repair.</u> The Lessee will operate and use the Projects only in furtherance of the lawful governmental, proprietary, and administrative purposes of the Lessee. The Lessee, at its own expense, at all times will maintain, preserve, and keep the Projects and every part thereof and all property used in connection therewith in good condition, repair, and working order and will from time to time make all needed and proper repairs, replacements, additions, betterments, and improvements thereto so that the use of the operations pertaining to the Projects and to every part thereof shall at all times be conducted properly.

Section 6.02. Removal of Equipment. Neither the Authority nor the Lessee is under any obligation to renew, repair, or replace any inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary equipment or other personalty forming a part of the Projects. In any instance where the Lessee in its discretion determines that any items of such equipment or personalty have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary, the Lessee may remove such items of such equipment or personalty, in which event title to the same shall thereupon vest in the Lessee, and the Lessee may sell, trade, exchange or otherwise dispose thereof, as a whole or in part, without any responsibility or accountability to the Authority, and upon such determination said equipment or personalty shall no longer be a part of the Projects.

Section 6.03. Projects Free from Liens. The Lessee will not permit, either in the operation, maintenance, repair, improvement, alteration, or modification of the Projects or any building, facility, or equipment constituting any part hereof, any lien, debt, pledge, assessment, encumbrance, or charge thereon, or on any part thereof, or upon the revenue derived therefrom, ranking equally with or superior to the charge or lien created upon, or the pledge of the Basic Rent from the Projects made by the Resolution to secure the payment of the Bonds, and all lawful claims and demands for labor, materials, supplies, or other charges, assessments, or objects, which if unpaid might by law become a lien upon the Projects or upon the revenue therefrom, will be promptly paid or discharged, or adequate provisions will be made to satisfy and discharge the same promptly after the same shall accrue; provided, however, that the Lessee may, at its own expense and in its own name and behalf or in the name and behalf of the Authority, in good faith and by appropriate legal proceedings contest any such lien, charge or assessment ad, in the event of such contest, may permit such lien, charge, or assessment so contested to remain unpaid during the period of such contest and any appeal therefrom unless, by nonpayment of any such item the lien created by the Resolution on the revenue from the Projects will be materially endangered or the Projects or the revenue therefrom will be subject to loss or forfeiture, in which event such lien, charge or assessment shall be paid promptly. The Authority will cooperate fully with the Lessee in any such contest, and in the event the Lessee shall fail to pay any of the foregoing items required by this Section to be paid by the Lessee, the Authority may, but shall be under no obligation to, pay the same, and any amounts so advanced therefor by the Authority shall become an additional obligation of the Lessee, which amount, together with interest thereon at the legal rate from the date thereof, the Les

budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for in each fiscal year during the term of this Lease, include sums sufficient to satisfy the payments required to be made under this Lease, whether or not any other sums are included in such measure, until all payments required to be made hereby shall have been made in full. The obligation of the Lessee to make the payments provided for pursuant to the terms of this Lease shall constitute a general obligation of the Lessee and a pledge of the full faith and credit of the Lessee to provide the funds required to fulfill such obligation.

Section 5.12. Failure to Levy Tax. In the event for any reason any such provision or appropriation is not made as provided in the preceding Section, then the fiscal officers of the Lessee are hereby authorized and directed to set up as an appropriation on their accounts in each fiscal year the amounts required to pay the obligations called for under this Lease from its general funds. The amount of the appropriation in each fiscal year to meet the obligations of this Lease shall be due and payable and shall be expended for the purpose of paying and meeting the obligations provided under the terms and conditions hereof, and such appropriation shall have the same legal status as if the Lessee had included the amount of the appropriation in its general revenue, appropriation, and budgetary measures, and the fiscal officers of the Lessee shall make such payments for deposit to the Sinking Fund if for any reason such appropriation is not otherwise made.

Section 5.13. Prior Lien of Bonds. The Authority will not hereafter issue any other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenue derived from the Projects superior to the lien herein created for the payment of the Bonds. Nothing contained herein, however, shall restrict the issuance of bonds or obligations from time to time payable from the revenue derived from the Projects and secured by a lien thereon junior and subordinate to the lien created to secure the payment of the Bonds.

Section 5.14. Parity Bonds. Parity Bonds may be issued by the Authority, from time to time, ranking as to the lien on the revenue of the Authority derived from the Projects pari passu with the Series 2024 Bonds for the specific purpose of completing the financing of the Projects or financing further improvements or additions, real or personal, to the Projects, provided all the provisions of Section 507 of the Resolution are met.

[END OF ARTICLE V]

Lease Contract

Section 6.04. Alterations and Improvements to Projects. The Lessee, from time to time, in its sole discretion and at its own expense, may make any additions, deletions, alterations, modifications, or improvements to the Projects, or to any buildings or other facilities constituting any part thereof, which it may deem desirable for its governmental or proprietary purposes. Portions of the real property constituting part of the Projects as described on Exhibit A may be deleted from the Projects description in the event that the final plans and specifications for the Projects do not use all of the real property shown on Exhibit A or portions of the Projects are located on other parcels which are added to the description of the Projects. Portions of the Projects which the Lessee determines are no longer needed as part of the Projects may be conveyed to the Lessee by the Authority upon request of the Lessee and shall no longer be subject to the provisions of this Lease. Any such conveyance shall not affect the obligations of the Lessee to pay the Basic Rent or additional rent due under the provisions of this Lease.

[END OF ARTICLE VI]

ARTICLE VII

INSURANCE AND INDEMNITY

Section 7.01. <u>Insurance</u>. During the acquisition, construction, equipping, and installation of the Projects and throughout the term of this Lease, the Lessee shall carry comprehensive public liability insurance (provided the same is available at a reasonable premium) covering the Authority and the Lessee, insuring against liability arising out of the interests of the insured parties in the Projects and the acquisition thereof to the same extent as the Lessee is covered by insurance against liability arising out of its interest in comparable facilities, and the Lessee shall keep the insurable portions of the Projects continuously insured in the same manner and with the same relative coverage as comparable facilities of the Lessee are insured and shall pay, as the same shall become due, all premiums with respect to such insurance. Lessee may in its discretion self insure against its liability and the components of the Projects.

Section 7.02. Notice of Cancellation. All insurance policies hereby required shall contain, to the extent obtainable, an agreement by the insurer not to cancel such insurance without at least 30 days prior written notice to each of the insured parties. Certificates of all such insurance shall be furnished by the Lessee to the Authority.

- Section 7.03. Deductible Amounts. All insurance carried by the Lessee shall be maintained with generally recognized responsible insurance companies or other entity authorized and qualified under the laws of the State to assume the risks thereof against loss or damage thereto
- all buildings and all machinery and equipment therein against loss or damage by fire, lightning, tornado, or winds; and
- all other property against loss or damage by fire or lightning if the same is not fireproof, and against loss or damage from other causes customarily insured against by entitles engaged in similar enterprises.

Such coverage shall be selected by the Lessee, and may be written with deductible amounts comparable to those on similar policies carried by the Lessee. All policies evidencing such insurance shall provide for the payment of all losses to be made directly to the Lessee. All insurance herein required may be contained in blanket policies now or hereafter maintained by the

Section 7.04. Damage or Destruction.

(a) If, prior to full payment of the Bonds or prior to provision for payment thereof having been made in accordance with the provisions of the Resolution, any building or other facility constituting any portion of the Projects is destroyed or damaged by fire or other casualty to such extent as to require the repair, rebuilding, or replacement thereof, the Lessee will continue to make the payments of Basic Rent and additional rent required hereby, and all proceeds of insurance resulting from the claim for any such loss, after deducting therefrom the legal and other expenses, if any, incurred in obtaining such proceeds, shall be paid to and held by the Lessee in a separate trust account, whereupon the Lessee will proceed promptly to repair, rebuild, or restore

Lease Contract

shall proceed promptly to use the proceeds of the net condemnation award to repair, rebuild, and restore, or to rearrange the Projects, or the portions thereof affected by such taking, to a condition substantially comparable to that which existed prior to such taking insofar as may be possible, or the Lessee shall direct the Authority to use such proceeds, to the extent practicable, to acquire unencumbered title to other facilities suitable for the Lessee's purposes, which facilities shall, upon such acquisition, become a part of the Projects and shall be available for use by the Lessee without the payment of any rent other than that herein provided, to the same extent as if such other facilities were specifically described herein and demised hereby, and any balance of the net condemnation award shall be paid into the Sinking Fund or, if such repair, replacement, or rearrangement is not possible so as to make the Projects and all portions thereof suitable for the use of the Lessee, or if the Lessee, by resolution of its governing body shall determine that such repair, rebuilding, replacement, or rearrangement would not be in the best interest of the Lessee, all the net condemnation award shall be deposited into the Sinking Fund, and the Lessee may apply such deposits to the payment of Basic Rent. If such property is to be repaired, replaced, or rearranged, the Lessee will apply so much as may be necessary of such net proceeds of the condemnation award to payment of the costs of such repair, replacement, or rearrangement, either on completion thereof or, at the Lessee's option, as the work progresses. In the event such net proceeds are not sufficient to pay in full the costs of such repair, replacement, or rearrangement, the Lessee will complete the work involved and will pay that portion of the costs thereof in excess of the amount of such net proceeds. The Lessee will not, by reason of the payment of such excess costs, be entitled to any reimbursement or to any abatement or diminution of the Basic Rent payable

If all Bonds payable from the Sinking Fund and the interest thereon shall have been paid or if sufficient funds will be placed in the Sinking Fund for the payment and defeasance of all Bonds payable from the Sinking Fund, together with the reasonable charges and fees, if any, to the Bond Registrar and Paying Agent, by the payment therein of a portion of such condemnation proceeds, then the excess, if any, of such proceeds over the amount required for such payment shall be paid to the Lessee.

Section 7.07. Repair by Lessee. If, in accordance with any of the foregoing provisions of this Article, the property is to be repaired or replaced after such damage, destruction, or taking, all proceeds from such insurance or compensation for such taking shall be paid into a special trust fund to be then created. Such trust fund shall be held by the Lessee during such repairing, renewing, or replacing, in accordance with and subject to, and the Lessee, acting as trustee of said fund, shall disburse the money held in such special fund.

Section 7.08. Parties to Condemnation. In the event proceedings shall be instituted for the exercise of the power of eminent domain, the Lessee shall be made a party thereto and, if not made a party thereto by the condemnor, shall be brought into the proceedings by appropriate proceedings of the Authority so that adjudication may be made of such damages, if any, as are to be paid to the Lessee as compensation for loss of its rights in the premises.

Section 7.09. Authority Indemnified; Immunity of Members of Authority.

During the term of this Lease, the Lessee, at its own expense, shall handle to conclusion all claims and pay all judgments obtained against the Authority by reason of (i) any

the property damaged or destroyed to substantially the same condition as existed prior to the event causing such damage or destruction, with such changes, alterations, and modifications, including the substitution and addition of other property, as may be desired by the Lessee unless the Lessee determines that such replacement or repair is not in the best interest of the Lessee. If such property is to be repaired, rebuilt, or restored, the Lessee will apply so much as may be necessary of such net proceeds of insurance to payment of the costs of such replacement or repair, either on completion thereof or, at the Lessee's option, as the work progresses. In the event such net proceeds are not sufficient to pay in full the cost of such rebuilding, replacement, or repair, the Lessee will pay that portion of the costs thereof in excess of the amount of such net proceeds. The Lessee will not, by reason of the payment of such excess costs, be entitled to any reimbursement or to any abatement or diminution of the rents payable hereunder.

Any balance of such net proceeds remaining after payment of all the costs of such repair, rebuilding or restoration, or if it shall be determined that such repair, rebuilding, or restoration is not in the best interest of the Lessee, then and in that event all of such net proceeds shall be paid into the Sinking Fund and may, at the Lessee's option and to the extent practicable, be used for the payment of Bonds as provided in the Resolution or may be applied against payments of Basic Rent. If all Bonds payable from the Sinking Fund and the interest thereon shall have been paid or if sufficient funds will, under the provisions of this subsection, be placed in the Sinking Fund for the payment and defeasance of all Bonds payable from the Sinking Fund, then the excess, if any, of such proceeds over the amount required for such payment and defeasance shall be paid to the Lessee

Section 7.05. Condemnation. In the event that title to, or the temporary use of, the Projects, or any part hereof, shall be taken under the exercise of the power of eminent domain, the Lessee shall be obligated to continue to make the payments of Basic Rent and additional rent specified herein, and the Authority will cause the proceeds received by it from any award made in such eminent domain proceedings, after deducting therefrom the legal and other expenses, if any, incurred in obtaining such award, to be paid to and held by the Lessee in a separate trust account. All such proceeds received by the Lessee referable to taking of all or substantially all the Projects, unless the Lessee by resolution of its governing body shall elect to have the proceeds applied in the manner provided in Section 7.07, shall be paid into the Sinking Fund, or, if all Bonds payable from the Sinking Fund and the interest thereon shall have been paid or if sufficient funds will be placed in the Sinking Fund for the payment of all Bonds payable from the Sinking Fund by the payment of a portion of such condemnation proceeds, then the excess, if any, of such proceeds over the amount required for such payment shall be paid to the Lessee.

Section 7.06. Condemnation Proceeds. All condemnation proceeds received by the Lessee referable to a taking of less than substantially all the Projects, or less than substantially all of any facility constituting a part thereof, shall be applied by the Lessee as follows

- (a) If the Lessee, by resolution of its governing body, determines that the efficient utilization of the Projects or the affected part thereof is not impaired by such taking, the net condemnation award shall be paid to the Sinking Fund.
- If determination is not made by the governing body of the Lessee that the efficient utilization of the Projects or the affected part thereof is not impaired by such taking, the Lessee

Lease Contract

injury to or death of any person or damage to property occurring on or about any portion of the Projects occasioned by or growing out of or arising or resulting from any tortious or negligent act on the part of the Lessee, its agents or employees in connection with the operation, management, or maintenance of any part of the Projects; (ii) any use, non-use, condition of, or defect in any part of the Projects; and (iii) any failure, breach, or default on the part of the Lessee in the performance of or compliance with any of the obligations of the Lessee under the terms of this Lease; provided, however, that the indemnity provided by this Section shall be effective only to the extent that the amount of liability arising from any such loss shall exceed the proceeds available therefor obtained for insurance carried with respect to such loss.

- Notwithstanding the fact that it is the intention of the parties that the Authority shall not incur any pecuniary liability by reason of the terms of this Lease or the undertakings required of the Authority hereunder by reason of the issuance of the Bonds, the adoption of the Resolution, or the performance of any act requested of the Authority by the Lessee, nevertheless, if the Authority should incur any such pecuniary liability, then it that event, the Lessee shall indemnify and hold the Authority harmless against all claims, demands, or causes of action arising therefrom and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and, upon notice from the Authority, the Lessee shall defend the Authority in any such action or proceeding.
- (c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Authority contained in this Lease or in the Bonds or the Resolution for any claim based hereon or thereon against any member, officer, or employee, of the Authority or of any successor thereto, in his individual capacity, either directly or through the Authority whether by virtue of any constitutional provision, statute, or rule of law. This Lease, the Bonds, and the Resolution are solely corporate obligations, and no personal liability shall attach to, or be incurred by, any member, officer, or employee of the Authority or of any successor thereto, either directly or by reason of the obligations, covenants, or agreements entered into between the Authority and the Lessee, and all personal liability of any character against every such member, officer, and employee is, by the execution of this Lease, expressly waived and released. The immunity of members, officers, and employees of the Authority under the provisions contained in this Section shall survive the completion of the acquisition, construction, and equipping of the Projects and the termination of this Lease.

[END OF ARTICLE VII]

ARTICLE VIII

REMEDIES

Section 8.01. Events of Default. Each of the following events shall be an event of default that is to say if:

- (a) Any payment of Basic Rent or additional rent herein contracted to be paid by the Lessee shall not be made in full as and when the same shall become due and payable.
- The Lessee shall fail to perform any of the other agreements, conditions, covenants, or terms herein required to be performed by the Lessee (other than as specified in (a) above) and such default shall continue for a period of thirty days after written notice has been given to the Lessee by the Authority specifying such default and requesting that it be remedied (or within a greater number of days if such remedy has been undertaken and is being diligently pursued and more than 30 days is required for its completion) unless the Authority agrees in writing to an extension of such time prior to its expiration, provided, however, that if, by reason of *force* majeure, the Lessee is unable, in whole or in part, to perform the obligations on its part herein undertaken (other than the obligations relating to the payment of Basic Rent and additional rent, the payment of utility charges, the providing of insurance, and the indemnification of the Authority), the Lessee shall not be deemed in default during the continuance of such inability to perform. The term force majeure, shall mean, without limitation, acts of God; strikes, work stoppages, or similar disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery or equipment; partial or entire failure of utilities, or any other cause or event not reasonably within the control of the Lessee. The Lessee will, however, use its best efforts to remedy, with all reasonable dispatch, the cause or causes preventing the Lessee from carrying out such obligations, provided, that the settlement of strikes, work stoppages, and similar disturbances shall be entirely within the discretion of the Lessee and the Lessee shall not be required to make settlement of such disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Lessee, unfavorable to the Lessee.
- An event of default as described in the Resolution occurs and is continuing under the Resolution.

Section 8.02. Remedies on Default.

- Whenever any event of default referred to in the preceding Section shall have (a) occurred and be continuing
 - (1) The Authority may re-enter and take possession of all or such portions of the Projects as may be demanded without terminating this Lease and may operate or sublease such facilities for the account of the Lessee, holding the Lessee liable for the difference between net income or the rent and other amounts paid by such sublessee and the Basic Rent and other amounts payable by the Lessee hereunder.

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time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given to the Authority hereunder shall also extend to the owners of the Bonds who shall be entitled to the benefits of all covenants and agreements herein contained.

Section 8.05. Attorneys' Fees and Expenses. In the event the Lessee should default under any of the provisions of this Lease and the Authority shall employ attorneys or incur other expenses for the collection of rent or the enforcement, performance, or observance of any obligation or agreement on the part of the Lessee herein contained, the Lessee will, on demand therefor, pay the amount of the reasonable fees and expenses of such attorneys and such other reasonable expenses so incurred.

Section 8.06. Waiver of Breach Limited. In the event any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach under

Section 8.07. Lessee Authorized to Cure Default of Authority. With regard to any default on the part of the Authority under this Lease or under the Resolution, the Authority hereby vests the Lessee with full power, for the account of the Authority, to perform any obligation in remedy of such default in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such acts

Section 8.08. Failure to Enforce Agreement Not a Waiver. The failure of the Authority to enforce any agreement, condition, covenant, or term of this Lease by reason of any default or breach by the Lessee shall not be deemed to void or affect the right to enforce the same agreement, condition, covenant, or term on the occasion of any subsequent default or breach.

[END OF ARTICLE VIII]

- The Authority may terminate this Lease as to all or such portion of the Projects as may be demanded and exclude the Lessee from possession of such facilities and use its best efforts to operate or lease the same to another for the account of the Lessee, provided, however, the Authority shall have no power to terminate the obligation of the Lessee to pay Basic Rent hereunder, and the Lessee will continue to pay such Basic Rent as and when the same shall become due.
- In the event demand is made, in accordance with the provisions of this Section, for possession of any portion of the Projects, the Lessee will immediately surrender such possession, and the Authority may enter and take such possession, and the Lessee waives any and all right to recover or regain possession of such premises. Notwithstanding anything herein to the contrary, the Authority will convey the Projects to the Lessee upon full payment of the Bonds or upon the making of provision for payment thereof in accordance with the provisions of the Resolution and Article IX of this Lease
- The Authority may take whatever action at law or in equity may appear necessary or desirable to collect the Basic Rent then due and thereafter to become due, or to enforce the specific performance and observance of all obligations, agreements, and covenants of the Lessee under this Lease, the Resolution, and the Bonds.
- Any funds obtained pursuant to action taken under this Section, less all costs and expenses involved in the obtaining of such funds, shall be paid into the Sinking Fund and applied in accordance with the provisions of the Resolution or, if the Bonds have been fully paid or provision for payment thereof has been made in accordance with the provisions of the Resolution,
- (e) The Basic Rent and additional rent herein contracted to be paid by the Lessee shall remain payable until payment of the Bonds or provision for payment, in accordance with the terms of this Lease and Resolution, has been made.

Section 8.03. Payment After Default. No receipt of money hereunder from the Lessee after any such event of default shall operate to reinstate, continue, or extend the right of possession of the Lessee or affect in any way any notice theretofore given to the Lessee or operate as a waiver of the rights given hereby to enforce the payment of any Basic Rent or additional rent then due or thereafter falling due or operate as a waiver of any right to recover possession of the Projects or any part thereof by proper suit, action, proceeding, or remedy and, after the service of such notice or after the commencement of any suit, action, or summary proceeding or any other remedy, or after a final order of judgment for the possession of the Projects or any part thereof, the Authority may demand, receive, and collect from the Lessee all money due or thereafter falling due without in any manner affecting such notice, proceeding, suit, action, order, or judgment.

Section 8.04. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereinafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to

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ARTICLE IX

TERMINATION OF LEASE

Section 9.01. Cancellation of Lease by Payment of Bonds. The Lessee shall have the option to cancel or terminate this Lease at any time prior to full payment of the Bonds, and any other obligations of the Authority for completion of the Projects, or prior to the making of provision for payment thereof in accordance with the provisions of the Resolution, by depositing to the Sinking Fund an amount which, when added to the amount on deposit in the Sinking Fund, will be sufficient to pay and retire all Outstanding Bonds and the reasonable charges and fees, if any, of the Bond Registrar and Paying Agent, in accordance with the provisions of the Resolution.

Section 9.02. Conveyance of Projects to Lessee. Upon full payment of the Bonds, and any other obligations of the Authority for completion of the Projects, or upon the making of provision for payment thereof in accordance with the provisions of the Resolution, the Authority thereupon will convey all real and personal property held by the Authority and constituting a part of the Projects to the Lessee without further consideration. As provided in Section 6.04, portions of the Projects may be accounted by the Authority to the Lessee without further consideration. of the Projects may be conveyed by the Authority to the Lessee prior to the full payment of the

[END OF ARTICLE IX]

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 10.01. <u>Bondowners as Third Party Beneficiaries</u>. This Lease, in addition to being made for the benefit of the parties hereto, is made for the benefit of the owners from time to time of the Bonds issued in accordance with the Resolution and this Lease, and said owners shall succeed to any and all rights of the Authority in the manner provided in the Resolution.

Section 10.02. <u>Amendment of Lease Restricted</u>. Except as otherwise authorized hereby or by the Resolution, subsequent to the issuance of the Bonds and prior to their payment in full or prior to the making of provision for the payment thereof in accordance with the provisions of the Resolution, this Lease may not be amended, changed, modified, altered, or terminated except as authorized hereby or by the Resolution.

Section 10.03. Severability. In case any one or more of the provisions of this Lease or of the Bonds issued hereunder and under the Resolution shall for any reason be held to be illegal or invalid by a court of competent jurisdiction, such illegality or invalidity shall not affect any other provisions hereof or of the Bonds unless expressly so held, but this Lease and the Bonds shall be construed and enforced as it such illegal or invalid provisions had not been contained herein or therein, and if any provisions hereof conflict with any applicable provision of Georgia law, such law as adopted by the legislature and as interpreted by the courts of the State shall prevail and shall be substituted for any provision hereof in conflict or not in harmony therewith.

Section 10.04. <u>Counterparts.</u> This Lease may be executed concurrently in two or more counterparts, each of which shall be an original, and it shall not be necessary, in making proof of this Lease, to produce or account for more than one such counterpart.

[END OF ARTICLE X]

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(NOTARY SEAL)

(Lessee/County's Signature Page)

IN WITNESS WHEREOF, the Authority has caused this Lease to be executed in its corporate name and has caused its corporate seal to be hereunto impressed and attested and the Lessee has caused this Lease to be executed in its corporate name and its corporate seal to be hereunto impressed and attested, all by their respective duly authorized officers as of the day and year first above written.

	EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY
(SEAL)	By:
	Attest: Secretary
Signed, sealed, and delivered this day of, 2024.	
Witness	_
Notary Public	_
(NOTARY SEAL)	
(Authorit	ty's Signature Page)
L	ease Contract 26
	Exhibit A
construction and equipping of governmenta	Bonds will be used to pay the costs of renovation, all administrative buildings for use by Emanuel County, installed on the following parcels of real property more
LEGA	L DESCRIPTION
[Insert	Legal Description]

 $\frac{\text{Exhibit B}}{\text{DEBT SERVICE SCHEDULE}}$

Payment Date		Principal	Coupon		Interest		Debt Servic
3/1/2025				\$	173,116.67	\$	173,116.67
9/1/2025	\$	295,000.00	5.000%	\$	229,125.00	\$	524,125.00
3/1/2026				\$	221,750.00	\$	221,750.00
9/1/2026	\$	255,000.00	5.000%	\$	221,750.00	\$	476,750.00
3/1/2027				\$	215,375.00	\$	215,375.00
9/1/2027	\$	270,000.00	5.000%	\$	215,375.00	\$	485,375.00
3/1/2028				\$	208,625.00	\$	208,625.00
9/1/2028	\$	280,000.00	5.000%	\$	208,625.00	\$	488,625.00
3/1/2029				\$	201,625.00	\$	201,625.00
9/1/2029	\$	295,000.00	5.000%	\$	201,625.00	\$	496,625.00
3/1/2030				\$	194,250.00	\$	194,250.00
9/1/2030	\$	410,000.00	5.000%	\$	194,250.00	\$	604,250.00
3/1/2031				\$	184,000.00	\$	184,000.00
9/1/2031	\$	430,000.00	5.000%	\$	184,000.00	\$	614,000.00
3/1/2032				\$	173,250.00	\$	173,250.00
9/1/2032	\$	455,000.00	5.000%	\$	173,250.00	\$	628,250.00
3/1/2033				\$	161,875.00	\$	161,875.00
9/1/2033	\$	475,000.00	5.000%	\$	161,875.00	\$	636,875.00
3/1/2034				\$	150,000.00	\$	150,000.00
9/1/2034	\$	500,000.00	5.000%	\$	150,000.00	\$	650,000.00
3/1/2035				\$	137,500.00	\$	137,500.00
9/1/2035	\$	525,000.00	4.000%	\$	137,500.00	\$	662,500.00
3/1/2036				\$	127,000.00	\$	127,000.00
9/1/2036	\$	545,000.00	5.000%	\$	127,000.00	\$	672,000.00
3/1/2037				\$	113,375.00	\$	113,375.00
9/1/2037	\$	575,000.00	5.000%	\$	113,375.00	\$	688,375.00
3/1/2038				\$	99,000.00	\$	99,000.00
9/1/2038	\$	600,000.00	5.000%	\$	99,000.00	\$	699,000.00
3/1/2039				\$	84,000.00	\$	84,000.00
9/1/2039	\$	635,000.00	4.000%	\$	84,000.00	\$	719,000.00
3/1/2040				\$	71,300.00	\$	71,300.00
9/1/2040	\$	660,000.00	4.000%	\$	71,300.00	\$	731,300.00
3/1/2041				\$	58,100.00	\$	58,100.00
9/1/2041	\$	685,000.00	4.000%	\$	58,100.00	\$	743,100.00
3/1/2042				\$	44,400.00	\$	44,400.00
9/1/2042	\$	710,000.00	4.000%	\$	44,400.00	\$	754,400.00
3/1/2043				\$	30,200.00	\$	30,200.00
9/1/2043	\$	740,000.00	4.000%	\$	30,200.00	\$	770,200.00
3/1/2044				\$	15,400.00	\$	15,400.00
9/1/2044	\$	770,000.00	4.000%	\$	15,400.00	\$	785,400.00
	\$1	0,110,000.00		\$5	3,384,291.67	\$1	5,494,291.67

Lease Contract B - 1

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Appendix C

FORM OF CONTINUING DISCLOSURE CERTIFICATE



CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by Emanuel County, Georgia (the "County"), in connection with its execution of an intergovernmental lease contract, dated as of the date of the Bonds (hereinafter defined), entered into with the Emanuel County Public Facilities Authority (the "Authority") in connection with the Authority's issuance of its EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024, in the aggregate principal amount of \$10,110,000 (the "Bonds"). The Bonds are being issued pursuant to a bond resolution adopted by the Authority on September 16, 2024 (the "Resolution").

The County covenants and agrees as follows:

- SECTION 1. <u>Purpose of the Disclosure Certificate</u>. This Disclosure Certificate is being executed and delivered by the County for the benefit of the Holders and Beneficial Owners of the Bonds (together, the "Bondholders") and in order to assist the Participating Underwriter (defined below) in complying with U.S. Securities and Exchange Commission Rule 15c2-12(b)(5). The County acknowledges that the Authority has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Certificate, and has no liability to any person, including any Bondholder of the Bonds, with respect to U.S. Securities and Exchange Commission Rule 15c2-12(b)(5).
- SECTION 2. <u>Definitions</u>. In addition to the definitions set forth in the Resolution or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:
- "Annual Report" means any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.
- "Authority" means the Emanuel County Public Facilities Authority, created and existing under the laws of the State of Georgia.
- "Beneficial Owner" means any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.
 - "County" means Emanuel County, Georgia, a political subdivision of the State of Georgia.
- "Dissemination Agent" means the Chief Financial Officer of Emanuel County, Georgia, or any successor Dissemination Agent designated in writing by the County and which has filed with the County a written acceptance of such designation.
- "EMMA" means the MSRB's Electronic Municipal Market Access System which became effective July 1, 2009, and which receives electronic submissions of the Annual Report on the EMMA website at http://www.emma.msrb.org.
- "Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.
- "Fiscal Year" means any period of 12 consecutive months adopted by the governing body of the County as the County's fiscal year for financial reporting purposes. The County's current fiscal year began on October 1, 2024, and will end on September 30, 2025.

- "Listed Events" means any of the events listed in Section 5(a) of this Disclosure Certificate.
- "MSRB" means the Municipal Securities Rulemaking Board.
- "Obligated Person" has the meaning set forth in the Rule and means the County.
- "Participating Underwriter" means StoneX Financial Inc., the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. <u>Provision of Annual Reports</u>.

- (a) On an annual basis, the County will provide, or cause the Dissemination Agent (if other than the County) to provide, electronically to EMMA, not later than one year after the end of each Fiscal Year, commencing with the report for the Fiscal Year ending September 30, 2024, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report shall be uploaded on EMMA in such manner and format as is prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. In such event, the audited financial statements will be submitted promptly to EMMA upon their availability. If the County's fiscal year changes, notice of such change shall be given in the same manner as for a Listed Event under Section 5(c).
- (b) Not later than 15 business days prior to the dates specified in paragraph (a) of this Section 3 for providing the Annual Report to EMMA, the County shall provide the Annual Report to the Dissemination Agent (if other than the County). If the County is unable to provide an Annual Report by the date required in paragraph (a), the Dissemination Agent shall, in a timely manner, send a notice to EMMA in substantially the form attached as Exhibit A.
 - (c) The Dissemination Agent shall:
 - (i) determine each year, prior to the date for providing the Annual Report, the manner of filing with EMMA; and
 - (ii) (if the Dissemination Agent is other than the County) notify the County that the Annual Report has been provided to EMMA pursuant to this Disclosure Certificate.
- SECTION 4. <u>Content of Annual Reports</u>. The County's Annual Report shall contain or incorporate by reference the following items:
- (a) The general purpose financial statements of the County for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as applicable to governmental entities from time to time by the Governmental Accounting Standards Board. Such financial statements will be accompanied by an audit report, if available at the time of submission of the Annual Report, resulting from an audit conducted by an independent certified public accountant or a firm of independent certified public accountants in conformity with generally accepted auditing standards. If such audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement relating to the Bonds, and the audited financial statements, together with the audit report thereon, shall be filed in the same manner as the Annual Report when they become available.

- (b) If generally accepted accounting principles have changed since the last Annual Report was submitted pursuant to Section 3(a) hereof and if such changes are material to the County, a narrative explanation describing the impact of such changes on the County.
- (c) Tabular information for the preceding Fiscal Year regarding the following categories of financial information and operating data which shall be consistent with the information contained in the tables in the Official Statement relating to the Bonds under the headings "EMANUEL COUNTY AD VALOREM TAXATION, -Millage Rates, -M&O Tax Digest, -M&O Tax Levies and Collections for the County, and -Ten Largest Taxpayers."

Any or all of the items listed above may be incorporated by specific reference to other documents, including official statements of debt issues with respect to which the County is an Obligated Person, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

- (a) The County shall provide or cause to be provided through the Dissemination Agent to EMMA, in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds:
 - 1. principal and interest payment delinquencies;
 - 2. non-payment related defaults, if material;
 - 3. unscheduled draws on debt service reserves reflecting financial difficulties;
 - 4. unscheduled draws on credit enhancements reflecting financial difficulties;
 - 5. substitution of credit or liquidity providers, or their failure to perform;
 - 6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - 7. modifications to rights of Bondholders, if material;
 - 8. bond calls, if material, and tender offers;
 - 9. defeasances;
 - 10. release, substitution, or sale of property securing repayment of the Bonds, if material;
 - 11. rating changes;
 - 12. bankruptcy, insolvency, receivership, or similar event of the Obligated Person. This event is considered to have occurred when any of the following have occurred: (i) appointment of receiver, fiscal agent, or similar officer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in

possession but subject to the supervision and orders of a court of governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County;

- 13. the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- 14. appointment of a successor or additional trustee or the change of name of a trustee, if material:
- 15. incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and
- 16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.
- (b) Notwithstanding the foregoing, notice of Listed Events described in paragraph (a)(8) and (9) above need not be given under this Section 5 any earlier than the notice (if any) of the underlying event is given to the Bondholders of affected Bonds pursuant to the Resolution.
- (c) The content of any notice of the occurrence of a Listed Event shall be determined by the County and shall be in substantially the form attached as <u>Exhibit B</u>.
- SECTION 6. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.
- SECTION 7. <u>Termination of Reporting Obligation</u>. The County reserves the right to terminate its obligations under this Disclosure Certificate if and when the County no longer remains an Obligated Person with respect to the Bonds within the meaning of the Rule; in particular upon the occurrence of the legal defeasance, prior redemption, or payment in full of all of the Bonds. If the County's obligations under the intergovernmental lease contract are assumed in full by some other entity, such entity shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the County and the County shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the County shall give notice of such termination or substitution to EMMA.
- SECTION 8. <u>Dissemination Agent</u>. The County, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. A Dissemination Agent other than the County shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Chief Financial Officer of the County.

- SECTION 9. <u>Amendment.</u> Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate if:
- (a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County on the Bonds, or type of business conducted;
- (b) such amendment is supported by an opinion of counsel expert in federal securities laws, to the effect that the undertakings contained herein, as amended, would have complied with the requirements of the Rule on the date hereof, after taking into account any amendments or official interpretations of the Rule, as well as any change in circumstances; and
- (c) such amendment does not materially impair the interests of the Bondholders, as determined either by an unqualified opinion of nationally recognized bond counsel filed with the County, or by the approving vote of the Bondholders pursuant to the terms of the Resolution at the time of such amendment.

If any provision of this Disclosure Certificate is amended, the first release of the Annual Report containing any amended financial information or operating data shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being provided. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5 and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

- SECTION 10. <u>Default</u>. If the County fails to comply with any provision of this Disclosure Certificate, any Bondholder's right to enforce the provisions of this undertaking shall be limited to a right to obtain mandamus or specific performance by court order of the County's obligations pursuant to this Disclosure Certificate. Any failure by the County to comply with the provisions of this Disclosure Certificate shall not be an event of default with respect to the Bonds under Section 801 of the Resolution or under the terms of the intergovernmental lease contract.
- SECTION 11. <u>Duties, Immunities, and Liabilities of Dissemination Agent</u>. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and, to the extent allowed by applicable law, the County agrees to indemnify and save the Dissemination Agent (if other than itself), its officers, directors, employees, and agents, harmless against any loss, expense, and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section 11 shall survive resignation or removal of the Dissemination Agent (if other than itself) and payment of the Bonds.
- SECTION 12. <u>Beneficiaries</u>. This Disclosure Certificate shall inure solely to the benefit of the Authority, the County, the Dissemination Agent (if other than the County), the Participating Underwriter, and the Bondholders, and shall create no rights in any other person or entity.
- SECTION 13. <u>Counterparts</u>. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: October 15, 2024

EMANUEL COUNTY, GEORGIA

(SEAL)	By: Chairman Board of Commissioners	
()	Attest:County Clerk	

Exhibit A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Person	n: Emanuel County, Georgia
Name of Bond Issue:	\$10,110,000 EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024
Date of Issuance:	October 15, 2024
to the above-named Bond	IVEN that the Obligated Person has not provided an Annual Report with respects as required by the Continuing Disclosure Certificate executed by the Obligated 024. The Obligated Person anticipates that the Annual Report will be filed by
Dated: , 20	

Exhibit B

NOTICE OF THE OCCURRENCE OF [INSERT THE LISTED EVENT]

Relating to

\$10,110,000 EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS (EMANUEL COUNTY PROJECTS), SERIES 2024 (the "Bonds")

CUSIP NUMBER(S)¹:

Notice is hereby given that [insert the Listed Event] has occurred. [Describe circumstances leading up to the event, action being taken and anticipated impact.]

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

Notice of a Listed Event constituting defeasance shall include the following:

Emanuel County Public Facilities Authority hereby expressly reserves the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional/extraordinary redemption provisions of said defeased Bonds.

OR

Emanuel County Public Facilities Authority hereby covenants not to exercise any optional or extraordinary redemption provisions under the Bond Resolution; however, the sinking fund provision will survive the defeasance.

AND

The Bonds have been defeased to [maturity/the first call date, which is]. This notice
does not constitute a notice of redemption and no Bonds should be delivered to Emanuel County, the
Emanuel County Public Facilities Authority, or the Paying Agent as a result of this mailing. A Notice of
Redemption instructing you where to submit your Bonds for payment will be mailed to
Dated:, 20

¹ No representation is made as to the correctness of the CUSIP number(s) either as printed on the Bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

Appendix D

FORM OF LEGAL OPINION OF BOND COUNSEL

The form of Legal Opinion included in this Appendix D has been prepared by Gray Pannell & Woodward LLP, Savannah, Georgia, Bond Counsel, and is substantially the form to be given in connection with the delivery of the Bonds.





Attorneys at Law

323 East Congress Street Savannah, Georgia 31401 (912) 443-4040

336 Hill Street Athens, Georgia 30601 (706) 510-1550

gpwlawfirm.com

[Date of Issuance]

Emanuel County Public Facilities Authority Swainsboro, Georgia

Emanuel County, Georgia Swainsboro, Georgia

> Re: \$10,110,000 EMANUEL COUNTY PUBLIC FACILITIES AUTHORITY REVENUE BONDS

(EMANUEL COUNTY PROJECTS), SERIES 2024

To the Addressees:

We have acted as bond counsel in connection with the issuance by the Emanuel County Public Facilities Authority (the "Authority") of the above referenced bonds (the "Bonds"). As bond counsel, we have examined (i) the Constitution and laws of the State of Georgia and the laws of the State of Georgia relating to the Authority, including specifically, the act of the General Assembly of the State of Georgia by which the Authority was created (Ga. Laws 2023, p. 3729, et seq.) (the "Act"), and the Revenue Bond Law of Georgia, codified at O.C.G.A. § 36-82-60 et seq. (the "Revenue Bond Law"); (ii) a bond resolution adopted by the Authority on September 16, 2024 (the "Resolution"); (iii) an intergovernmental lease contract entered into as of the date of the Bonds (the "Lease Contract"), by and between the Authority and Emanuel County, Georgia, a political subdivision of the State of Georgia (the "County"); and (iv) a certified copy of the proceedings in and judgment of the Superior Court of Emanuel County, Georgia, by which the Bonds were validated.

The Bonds are being issued for the purpose of providing funds to finance the renovation, construction and equipping of two new governmental administrative buildings for use by the County (the "Projects") and paying the costs of issuing the Bonds. Pursuant to the Lease Contract, the Authority has made the Projects available to the County, and in consideration of the Authority's doing so, the County has agreed to pay to the Authority from its general funds or from the proceeds of taxes levied on all taxable property located within the boundaries of the County, at such rate or rates as may be necessary, amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds. Payment of the Bonds is secured by a valid first and prior pledge of and charge or lien on the revenues to be paid by the County to the Authority in accordance with the Lease Contract.

The Bonds are dated their date of issuance and delivery, and are subject to transfer, exchange, and redemption prior to maturity at the times, in the manner, and on the terms specified in the Resolution. The Bonds are being issued initially in book-entry form, and interest is payable Emanuel County Public Facilities Authority, et. al. [Date of Issuance]
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thereon on March 1 and September 1 (each an "Interest Payment Date") in each year, beginning March 1, 2025, until the obligation with respect to the payment of the Bonds shall be discharged. The Bonds mature on September 1 in the years and principal amounts, and bear interest at the rates, set forth in the Resolution.

The legal opinions expressed herein are based upon existing law, are subject to judicial discretion regarding usual equity principles and do not relate to compliance by the Authority, the County, the initial purchasers of the Bonds, or any other party with any statute, regulation, or ruling of the State of Georgia or the United States of America regarding the sale (other than the initial sale by the Authority) or distribution of the Bonds.

The Internal Revenue Code of 1986, as amended (the "Code"), sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excludable from gross income for purposes of federal income taxation. Non-compliance with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issue thereof. The Authority has covenanted pursuant to the Resolution, and the Authority and the County have covenanted in the Lease Contract, to comply with the requirements of the Code in order to maintain the exclusion from federal gross income of the interest on the Bonds.

The Authority has reserved the right to issue additional revenue bonds ranking *pari passu* with and secured by the same pledge of the revenues derived from payments received pursuant to the Lease Contract as that securing the payment of the Bonds upon the terms and conditions prescribed in the Resolution.

In connection with the opinions rendered herein, we have examined and relied upon the documents described in the first paragraph of this opinion and such other documents as we deem necessary to render this opinion, including the opinions of Richard M. McNeely, P.C., as Counsel to the Authority and as Counsel to the County.

As to questions of fact material to our opinion, we have relied upon representations of the Authority and the County (including representations as to the use of proceeds of the Bonds) in the Lease Contract and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on the foregoing, it is our opinion that:

1. The Authority is a body corporate and politic created pursuant to the Act as a political subdivision of the State of Georgia and a public corporation thereof and the Authority has all requisite power and authority under the Constitution and laws of the State of Georgia, including particularly the Act, to (a) issue, sell, and deliver the Bonds; (b) acquire, construct and equip the Project for the purposes set forth in the Resolution; (c) enter into and perform its obligations under the Bonds, the Resolution, and the Lease Contract; (d) adopt the Resolution; and (e) execute and deliver the Lease Contract.

Emanuel County Public Facilities Authority, et. al. [Date of Issuance]
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- 2. The Lease Contract has been duly and lawfully authorized, executed, and delivered by the Authority and the County, is in full force and effect, and constitutes the legal, valid, and binding obligation of the Authority and the County, enforceable in accordance with its terms.
- 3. The Resolution creates a valid first and prior pledge and lien on the money payable by the County pursuant to the Lease Contract, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.
- 4. The Bonds have been issued in conformity with the Act and the Revenue Bond Law; have been properly authorized by the Resolution; have been executed, authenticated, and issued in accordance with the terms of the Resolution and in accordance with the Constitution and laws of the State of Georgia; and are the legal, valid, and binding special obligations of the Authority enforceable in accordance with their terms and secured in accordance with their tenor.
- 5. The Resolution has been duly adopted by the Authority and is in full force and effect in the form adopted and the Authority has obtained all required consents and approvals for the issuance of the Bonds.
- 6. The Bonds and the security therefor, including the Resolution and the Lease Contract, have been validated by judgment of the Superior Court of Emanuel County, Georgia.
- 7. The County is obligated unconditionally to make the payments it is required to make pursuant to Section 5.03 of the Lease Contract in order to fulfill the County's obligations thereunder. The County has pledged its full faith and credit and taxing power to make the payments it is required to make pursuant the Lease Contract and the obligation of the County to make such payments constitutes a general obligation of the County for which the full faith and credit of the County is pledged. The County has agreed to include in its general revenue or appropriation measures sums sufficient to satisfy the payments required to be made in each year.
- 8. The Bonds do not constitute a debt or a loan or pledge of the faith and credit of the Authority, the State of Georgia, or of any political subdivision thereof, but the Bonds are payable from and are secured by a pledge of and lien upon the revenues derived from the Lease Contract, as provided in the Resolution and the Lease Contract. The issuance of the Bonds shall not obligate the State of Georgia or any political subdivision thereof to levy or pledge any form of taxation whatever for the payment thereof, but the obligation of the County to levy the taxes necessary to fulfill its obligation arising under the Lease Contract is a legal, binding, and enforceable obligation. The Authority has no taxing power.
- 9. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Authority and County comply with

Emanuel County Public Facilities Authority, et. al. [Date of Issuance]
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all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The interest on the Bonds is exempt from present State of Georgia income taxation.

Although we have rendered an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, a bondowner's federal tax liability may otherwise be affected by the ownership or disposition of the Bonds. The nature and extent of these other tax consequences will depend upon the bondowner's other items of income or deduction. We express no opinion regarding any such other tax consequences.

This opinion is given as of its date and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that hereafter may come to our attention or any changes in law that may occur hereafter.

Very truly yours,
GRAY PANNELL & WOODWARD LLP
Rv·

A Partner