

CITY OF FORSYTH, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2024

Prepared by:
City Finance Department

CITY OF FORSYTH, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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INTRODUCTORY SECTION



CITY OF FORSYTH

P. O. BOX 1447
FORSYTH, GEORGIA 31029
(478) 994-5649

June 26, 2025

Honorable Eric Wilson
Members of the Forsyth City Council
Citizens of the City of Forsyth
Forsyth, Georgia 31029

Dear Mayor, Council Members, and Citizens of Forsyth:

The comprehensive annual financial report of the City of Forsyth, Georgia, for the year ended December 31, 2024, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the government. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to have an audit in conformity with Governmental Auditing Standards. The auditors' report on compliance and internal control over financial reporting and the status of prior year findings is included in this report.

This report includes all the funds of the government. The government provides a full range of services. These services include police protection, fire protection, the construction and maintenance of streets and drainage improvements, planning and zoning, engineering, building and code enforcement, electrical service, and water and sewer service. In the following section of this report, you will find the Management's Discussion & Analysis which provides a more in-depth review of all funds and services.

A Mayor and six (6) City Council members serve the City of Forsyth. The Mayor and all City Council members are elected by post and serve at large. All serve four (4) year terms. The Mayor and City Council serve as the legislative body responsible for enacting City ordinances, resolutions, appropriating funds, and providing policy direction to City staff. The City Council appoints a City Manager, City Attorney, City Auditor, Municipal Court Judge, a Planning and Zoning Board, Convention & Visitor's Bureau, Downtown Development Authority, and Housing Authority. The City Council annually adopts a balanced budget and establishes a tax rate for the support of the City programs. The City Manager and Department Directors have the responsibility of administering these programs in accordance with policies and the annual budget adopted by the City Council.

General Information and History.

The City of Forsyth is in central Monroe County, which is in the central part of the state, approximately 60 miles south of Atlanta. The town was incorporated and made the county seat by an act of the General Assembly, December 10, 1823. The city limits consisted of a circular area with a radius of ½ mile from the courthouse square. By 1827, Forsyth contained 70 houses and stores, an academy, a house of worship for Baptists, and an elegant courthouse and jail.

Forsyth experienced intensive commercial growth between the mid-19th and early 20th centuries. This growth was brought to the area by the arrival of the railroad in 1838 (Forsyth is home to the first passenger rail service in Georgia), 19th century cotton agriculture (farming and 2 cotton mills), and the opening of Tift College in 1849 (2nd oldest founded female college in the world).

Today, Forsyth covers an area of approximately 5 square miles with a population from the 2020 census of 4,384.

Economic Condition and Outlook

The economic condition and outlook of the City remains strong as the area is predicted to have a sustained growth pattern through 2024. City leaders have recognized, and plans have been developed and/or implemented to maintain balanced, controlled, and planned developments in connection with an economic development plan that encourages appropriate growth. Economic growth has also placed increased demands on services, but the city has adopted a conservative approach and implemented programs to meet these demands. The city has still been able to provide its services at a cost per capita that is comparable to other communities with similar demographic and economic characteristics.

Future stability for the City of Forsyth is good based upon the solid fund equity balance that is maintained in our funds. This shows that we have goals and objectives that the city can meet in the public service area: police and fire protection, street and drainage improvements, and infrastructure.

Major Initiatives

Mayor and City Council:

Overall Goals and Objectives - (1) Achieve all goals while striving for the lowest total cost for public services with a minimal property tax millage rate. (2) Maintain a managed growth policy that requires quality development in concert with our economic development strategy. (3) Provide public safety and welfare by committing appropriate resources to police, fire, streets, recreation, electric, water, and sewer. (4) Continue cooperative efforts with other governments. (5) Preserve our historic and cultural heritage.

Since 2016, the Mayor and Council have held an annual retreat to review progress on prior goals and to establish new objectives for the upcoming year. The goals set for 2024 reflect the City's continued commitment to community improvement and quality of life. These include addressing blight throughout the community, strengthening relationships, and evaluating future infrastructure needs. Additional priorities for 2024 include expanding local activities by introducing a new Children's Day event hosted by the Police Department, improving and adding sidewalks to enhance walkability and safety, and moving forward with renovations and updates at all of the City's parks to provide refreshed and accessible recreational spaces for residents of all ages.

Finance and Administration:

Overview - The Finance and Administrative Departments consists of the City Manager, Assistant City Manager/City Clerk, and support personnel. The City Manager is appointed by the Mayor and City Council and is responsible for the execution of policies and legislative action of the City Council, direction, control, and coordination of operational agencies. The Assistant City Manager is responsible for assisting with the execution of policies and legislative action of the City council, direction, management of the city's finances, including the budget, and annual audit. The City Clerk is responsible for planning, developing, implementing, and maintaining the administrative operations of the City including customer service, and purchasing/inventory.

The new City Hall building became operational in November 2021. The city administration offices, municipal court clerk's office, and the Community Development department are housed in the new city hall building.

Municipal Court:

Overview - The Municipal Court of Forsyth is dedicated to the principle of equal and timely access to justice so that all individuals are treated with integrity, honesty, equality, respect for the rule of law, and the rights of all. The Court uses all staff members in a collaborative effort to operate the court efficiently and effectively while maintaining public trust and confidence. The Municipal Court prepares and processes records, citations, warrants and other legal papers for the Court. Court Personnel receive and deposit monies collected for fines and fees, set court dates, issue subpoenas and warrants, and prepare various reports, records, and other documents pertinent to the operation of the Court and those required by the State of Georgia.

The Municipal Court personnel consist of a Chief Judge, Assistant Judge, Solicitor, Public Defender, bailiffs, and Court Clerk. In 2024, over 4600 citations were closed.

Police:

Overview - The Forsyth Police Department is especially proud to provide police services in partnership with our community by collaborating with residents, businesses, community organizations, schools, and other stakeholders to maintain safety and order in the city. We believe that every member of the Forsyth Police Department is responsible for building and maintaining trust and cooperation between the department and the community. We are committed to enforcing the law in a fair and impartial manner, recognizing both the statutory and judicial limitations of police authority and the constitutional rights of all citizens.

The Department received a grant for \$35,367.60 from the Georgia Association of Chiefs of Police to facilitate the electronic reporting of crash data from the city to the Georgia Department of Transportation (GDOT) through LexisNexis, Inc. We purchased six new patrol vehicles to update our fleet. In addition, we conducted our first Community Fun Day. A festival day of food, games, displays, demonstrations, and fun open to the community. Where everything is free.

Fire:

Overview - The City of Forsyth Fire Department responds to various types of emergency incidents including all types of fires, motor vehicle and other accidents, rescue calls, severe weather, and flooding emergencies. Fire department personnel perform numerous prevention and public relations functions, fire safety inspections, fire safety education, annual hydrant maintenance, emergency management functions, and other specialty programs. The City of Forsyth Fire Department was recertified as a State Certified Agency with an ISO Class 2 rating in 2023.

All employees of the fire department maintain their State Certifications and many within the department hold special certifications including arson investigator, fire safety educator, EMT, and paramedic certifications. The Fire Department regularly trains with the Monroe County Fire Department as we have an automatic response agreement with them for all calls within a one-mile radius of the city limits. The fire department responded to an estimate of 2,000 calls for service in 2024. The fire department completed all training and response to calls during 2024 without injury to personnel which is a huge accomplishment in the fire service of today. In 2022 the former fire chief retired, and Kevin Bunn was appointed as the new Chief.

Public Works:

Overview - The City of Forsyth Public Works Department is responsible for the maintenance of all streets, sidewalks and drainage facilities located on public property. The department is also responsible for cutting grass along city streets, state highways, three city cemeteries, five public parks, a closed city landfill, and all city buildings. The Public Works Department provides emergency services including road closing and sandbagging flood prone areas, debris removal and cleanup after storms, and storm drain maintenance. Public Works maintains all city sidewalks throughout the city limits, including replacing damaged sidewalks and installing new sidewalks as needed.

Recreation:

Overview - The City of Forsyth provides passive recreation. Forsyth City Council, through the bid process, worked with TSW to design an overall park plan upgrade and has pledged to use property taxes to fund these upgrades. The City of Forsyth was awarded a Land and Water Conservation Fund Grant in the amount of \$1.2 million with \$500,000 from the grant and the City pledging the remaining \$700,000 from the property taxes set aside for these projects. This grant provided funding for a portion of the overall park plan upgrade. The city borrowed over \$3 million to complete the remainder of the park plan upgrades. The Park Plan updates have been finalized, and construction and renovations were completed in 2024. Upgrades to Country Club Park included a new street through the park, sixteen pickleball courts, an extended walking trail, an amphitheater, and basketball court. Renovations to Kynette Park are scheduled to begin in the summer of 2025.

Community Development:

Overview - The Community Development Department strives to maintain and improve the overall quality of life for all citizens of the City of Forsyth by promoting sustainable development, encouraging a stable and enduring economic base, providing for the safety, health, and education, and preserving the natural, cultural, and historic assets of the City of Forsyth. The Community Development Department coordinates the development and implementation of special area studies, plan review process, Zoning Ordinance, Sign Ordinance, and Landscape Ordinances. The Community Development Department expeditiously reviews and responds to all inquiries, applications, and studies dealing with current planning, zoning, subdivision, and land development to achieve a well-designed, planned, and quality community in accordance with adopted ordinances, resolutions, and policies. Community Development provides all necessary land use, economic, environmental, and social data upon which to base effective governmental decisions resulting in orderly growth and development and a high quality of life for present and future citizens.

In 2024, the City of Forsyth saw the opening of over 60 small to moderate businesses along with the continued development of three large-scale residential projects. There were also successful meetings with larger businesses and developers concerning projects that would take place later within the city.

The Forsyth Main Street program, along with the Downtown Development Authority (a component of the City of Forsyth), falls under Community Development. In 2024, the Forsyth Main Street program conducted a successful Summer Concert series, to include a Fourth of July fireworks show, the farmers market running through the summer and fall, which included a monthly lunchtime live food truck and concert. Additionally, Main Street successfully hosted the Downtown Trick or Treat and the New Years Eve Block Party and Ball Drop. Keeping with the holiday spirit, the Main Street Director assisted with raising funds for the annual shop with a city hero event at Christmas for children in need.

Electric:

Overview - The Electric Department is responsible for supplying electricity to City of Forsyth residents for energy needs and minimizing power outages. The Electric Department maintains all streetlights throughout the city along with the lighting on I-75. The Electric Department maintains all rights-of-way for 59 miles of electric lines, maintains all city-owned utility poles, and builds new service lines as needed for new developments. This department is also responsible for monthly reading of all meters for utilities provided by the city, which in 2024 consisted of approximately 4,000 electric and 3,500 water meters.

Water and Sewer:

Overview - The Water and Sewer Department is responsible for supplying water to City of Forsyth residents for potable and firefighting uses, maintaining the water reservoir, testing all water to meet all state and federal regulations, and maintaining the easements associated with the City infrastructure. They are also responsible for the treatment and disposal of the wastewater generated by the City of Forsyth as per regulations set forth by all state and federal agencies. The City of Forsyth operates a permitted 3 mgd water treatment plant and two permitted wastewater treatment plants.

The City of Forsyth was awarded a Community Development Block Grant in the amount of \$1 million for the replacement of water lines in the Jackson Heights, Brookwood, and Union Hill subdivision areas.

Convention and Visitors Bureau:

Overview - In January 2015, the City of Forsyth created the Convention and Visitors Bureau (CVB), which is a component unit of the City of Forsyth. The department is funded by 40% of the net revenues received through the hotel/motel tax. The CVB is responsible for promoting tourism, trade, and conventions in the City of Forsyth and operates the City of Forsyth Welcome Center.

The total hotel/motel tax revenue received in 2024 was \$775,708 with \$332,468 transferred to the CVB for promoting tourism, trade, and conventions in the City of Forsyth.

Financial Information

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that; (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

Basis of accounting. The basis of accounting used determines when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Governmental fund types and expendable trust funds use the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The financial statements for the proprietary fund types are accounted for on the accrual basis of accounting. Under this method revenues are recorded when earned, and expenses are recognized when the liability is incurred.

Accounting systems. In developing and evaluating the City's accounting control system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls comprise the plan of organization and the procedures and records concerned with safeguarding of assets and the reliability of financial records and consequently are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized user disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

Budgetary control. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The level of budgetary control is on a departmental basis. A budget is legally adopted for the General Fund and all Special Revenue Fund types. Formal budgetary integration is employed as a management control device during the year. The budget is based on the same method of accounting as the fund it represents.

Transfers of appropriations within a department budget or within a nondepartmental expenditure category require the approval of the Chief Financial Officer. Increase in appropriations in a departmental budget or in a nondepartmental expense category requires approval of the governing body in the form of amendments to the budget ordinance.

General government functions. Municipal activities and services are accounted for in the General Fund, Capital Improvement Fund, Special Revenue Funds, Fiduciary Fund and Enterprise Funds.

Capital Improvement Fund. The capital improvement fund is used to account for capital projects that are being acquired or built. The City of Forsyth has one capital improvement fund: (1) SPLOST Fund

SPLOST Fund. The fund is used to account for Special Purpose Local Option Sales Tax Proceeds for approved capital improvements. Total revenues equal \$1,177,755. Each SPLOST is passed by referendum and is collected for six years. The City of Forsyth entered into a Bond Agreement with Monroe County to borrow against the projected SPLOST proceeds and that allows us to expend funds before the proceeds are received. The City of Forsyth only bonds 75% of the estimate of the allowed projects.

Special Revenue Fund. The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specific purposes. The City of Forsyth has two Special Revenue Funds: (1) Hotel/Motel Tax Fund and (2) Special Police Revenue Fund.

Hotel/Motel Tax Fund. The fund is used to account for hotel/motel taxes collected for the use of tourism. Total revenues equal \$775,708 with Expenditures in the amount of \$332,468 for tourism.

Police Special Revenue Fund. The fund is used to account for police seizure monies from federal and state agencies to be used on police expenditures. There was no revenue or expenditures in 2023 for this fund.

Enterprise Fund. Business-type activities of the City are accounted for in the Enterprise Fund. The Enterprise Fund for the City is the Combined Utilities Fund.

Combined Utilities Fund. The Combined Utilities Fund provides City residents billing statements for the consumption of electricity, water, and sewer. Total utility revenues for 2024 were \$19,582,678. Total operating expenditures for 2024 were \$18,316,790.

Relevant Financial Policies. Throughout the year, the city manager and city clerk administer the governing council's approved financial policies. These policies address issuance of debt, purchasing and procurement, cash and investment management, and accounting practices. In total, these policies formulate the core criteria for which internal evaluations occur. On a continuous basis, these policies are reviewed to maintain relativity to the changing financial needs of the government.

Other Information

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm Mauldin & Jenkins was selected by the city council. The auditors' report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the City's CPA, Charles Grinstead, my staff and the directors of each department. Each has my sincere appreciation for the contributions made in the preparation of this report.

Sincerely,

Regina L. Ivie

Regina L. Ivie
Assistant City Manager/City Clerk



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Forsyth
Georgia**

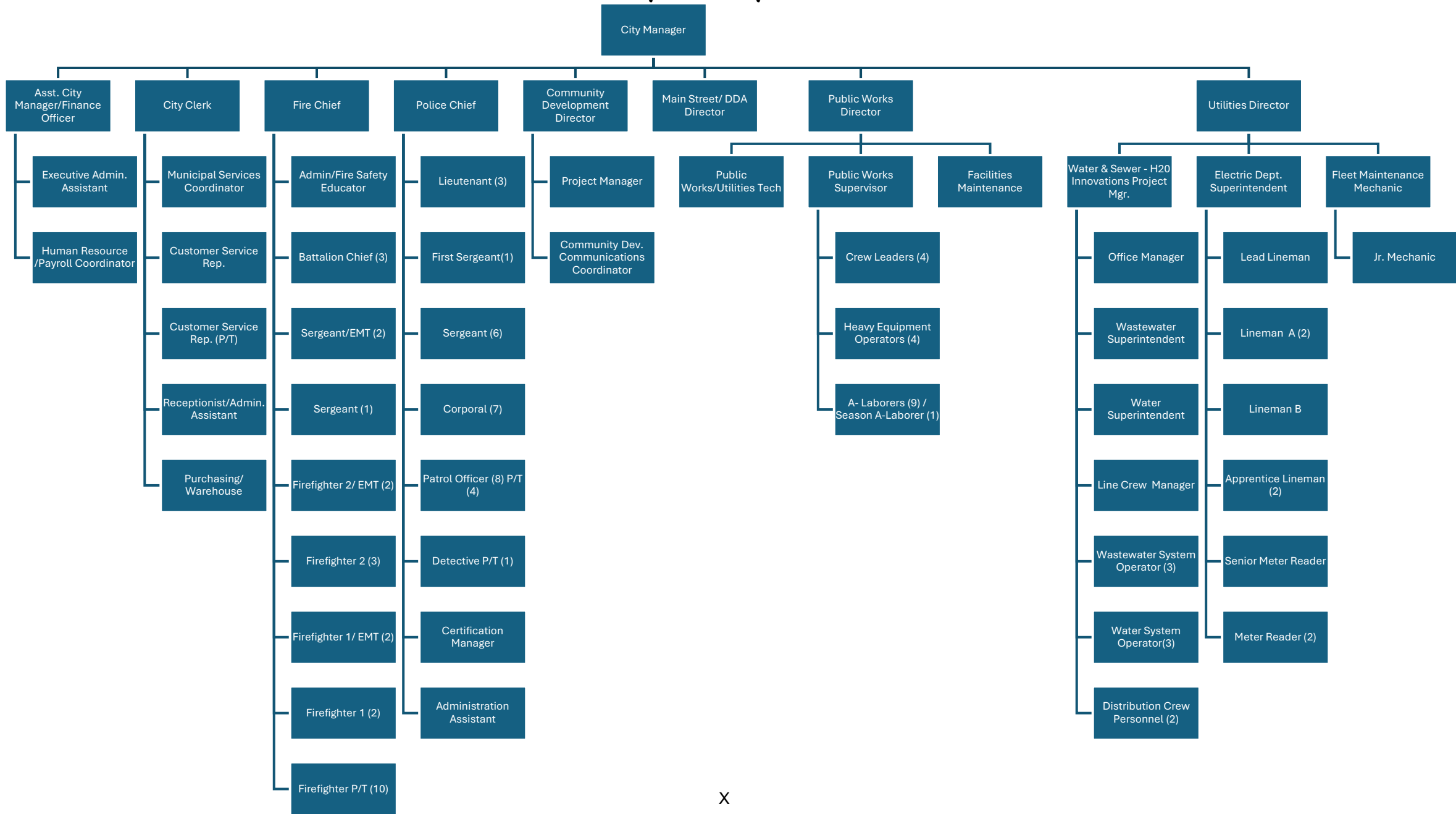
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

2024 City of Forsyth ORG CHART



CITY OF FORSYTH, GEORGIA

LIST OF PRINCIPALS AS OF DECEMBER 31, 2024

Mayor

Eric S. Wilson

City Council Members

Josh Hill

Chris M. Hewett

Lois Allen

Mike E. Dodd

Gregory Goolsby

Chris Hewett

City Manager

Craig Mims

Assistant City Manager

Regina L. Ivie

City Clerk

Shayla Furlow

Police Chief

Woodrow Blue

Fire Chief

Kevin Bunn

Public Works Director

Shay Smith

Utilities Director

Michael Batchelor

Community Development

Dean Nelson

Downtown Development Authority/Main Street

Takemia Childs

Municipal Court Judge

Alyssa D. Peters

City Attorney

C. Robert Melton

City Auditors

Mauldin & Jenkins, LLC



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members
of City Council
City of Forsyth, Georgia
Forsyth, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Forsyth, Georgia** (the "City") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Hotel/Motel Tax Fund and the Local Fiscal Recovery Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 ("*Government 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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related 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 the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United State of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *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 City'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 City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the Balance Sheet and Statements of Revenues, Expenditures and Changes in Fund Balances for the discretely presented component units, the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards*, the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds, as required by the O.C.G.A. §48-8-260 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures of Federal Awards, the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds and the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the discretely presented component units are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is also responsible for the other information in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2025, on our consideration of the City of Forsyth, Georgia'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 City'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 the City of Forsyth, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
June 26, 2025

CITY OF FORSYTH, GEORGIA

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

As management of the City of Forsyth, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City's primary government activities exceeded its liabilities as of December 31, 2024, by \$42,184,265.
- As of December 31, 2024, total net position consisted of \$28,724,327 net investment in capital assets, \$2,877,668 restricted for law enforcement and capital projects, and \$11,958,267 unrestricted.
- As of December 31, 2024, the City's governmental funds reported ending fund balance of \$9,090,813, a decrease of \$995,904 from the prior year.
- As of December 31, 2024, the City's General Fund reported ending fund balance of \$2,094,549, a decrease of \$1,021,861 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the City's basic financial statements. The City's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statements within the first component are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status in a manner similar to a private-sector business.

The statements within the second component are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. These two statements include the Statement of Net Position and the Statement of Activities.

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

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

MANAGEMENT'S DISCUSSION & ANALYSIS

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through administrative fees and charges (business-type activities). The governmental activities of the city include general government, judicial, public safety, public works, housing and development, culture and recreation and better hometown.

The government-wide financial statements include not only the City government itself (known as the "primary government"), but also the component units of the Downtown Development Authority and the Forsyth Convention & Visitors Bureau Authority. Financial information for these component units is reported separately from the financial information presented for the primary government itself. Data for the component units are presented in a separate column to emphasize that it is legally separate from the city.

Fund Financial Statements

The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into the following categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eight (8) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund, Capital Projects Fund, Special Purpose Local Option Sales Tax ("SPLOST") 2019 Fund, Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund, Hotel/Motel Tax Fund, and the Local Fiscal Recovery Fund, of which are considered to be major funds. Data from the other two (2) governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds are provided in the form of both combining statements and individual fund statements and schedules section of this report.

MANAGEMENT'S DISCUSSION & ANALYSIS

The City adopts an annual appropriated budget for its General Fund and the Hotel/Motel Tax Fund. A budgetary comparison statement for each fund has been provided to demonstrate compliance with this budget.

Proprietary Fund

The City maintains one (1) proprietary fund. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses a proprietary fund to account for the operation of the Combined Utilities Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for this fund and are provided in the form of individual fund statements elsewhere in this report.

Fiduciary Fund

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one (1) type of fiduciary fund, custodial fund. The Municipal Court Fund is a custodial fund that accounts for the activity of the City's municipal court.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's progress in funding its obligations to provide pension to its employees. Required supplementary information can be found elsewhere in this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities by \$42,184,265 at the close of the most recent fiscal year.

MANAGEMENT'S DISCUSSION & ANALYSIS

CITY OF FORSYTH'S NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 11,303,546	\$ 12,878,495	\$ 12,753,310	\$ 13,207,879	\$ 24,056,856	\$ 26,086,374
Capital assets, net of accumulated depreciation	17,205,608	13,150,726	17,008,959	14,760,672	34,214,567	27,911,398
Total assets	<u>\$ 28,509,154</u>	<u>\$ 26,029,221</u>	<u>\$ 29,762,269</u>	<u>\$ 27,968,551</u>	<u>\$ 58,271,423</u>	<u>\$ 53,997,772</u>
Deferred outflows of resources	\$ 789,524	\$ 743,104	\$ -	\$ -	\$ 789,524	\$ 743,104
Liabilities						
Current and other	2,071,502	1,248,838	1,920,577	1,411,688	3,992,079	2,660,526
Long-term liabilities	11,742,667	\$ 13,339,155	933,307	844,836	12,675,974	14,183,991
Total liabilities	<u>\$ 13,814,169</u>	<u>\$ 14,587,993</u>	<u>\$ 2,853,884</u>	<u>\$ 2,256,524</u>	<u>\$ 16,668,053</u>	<u>\$ 16,844,517</u>
Deferred inflows of resources	\$ 208,629	\$ 120,060	\$ -	\$ -	\$ 208,629	\$ 120,060
Net position						
Net investment in capital assets	12,446,545	8,911,938	16,122,478	13,915,836	28,569,023	22,827,774
Restricted for:						
Debt service	-	-	-	-	-	-
Law enforcement	8,445	9,374	-	-	8,445	9,374
Capital projects	2,869,223	2,980,884	-	-	2,869,223	2,980,884
Unrestricted	(48,333)	162,076	10,785,907	11,796,191	10,737,574	11,958,267
Total net position	<u>\$ 15,275,880</u>	<u>\$ 12,064,272</u>	<u>\$ 26,908,385</u>	<u>\$ 25,712,027</u>	<u>\$ 42,184,265</u>	<u>\$ 37,776,299</u>

Current and other assets decreased in governmental activities by \$1.6 million from the prior year. The decrease was mainly attributable to the City's capital purchases. Current and other assets decreased in business-type activities by \$454,569 from the prior year. The decrease was, in part, due to a reduction in debt during the current year and capital purchases.

Capital assets net of accumulated depreciation increased in governmental activities by \$4,054,882 from the prior year due mainly to capital asset acquisitions in the current year.

Deferred outflows of resources increased in the governmental activities by \$46,420 due to pension assumption changes.

Current and other liabilities for governmental and business-type activities combined increased by \$1,331,553, which was mainly attributable to the financing of new assets.

Deferred inflows of resources decreased in the governmental activities by \$88,569 due to pension assumption changes.

Long-term liabilities, which consist of notes, financed purchases, landfill post-closure care costs, and net pension liability, decreased by \$1,508,017 from the previous year for governmental and business-type activities combined. This decrease is mainly attributable to debt payments during the current year.

MANAGEMENT'S DISCUSSION & ANALYSIS

A significant portion of the City's net position, \$28,569,023, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$2,877,668, represents resources that are subject to external restrictions on how they may be used. As of the end of the current year, the City's unrestricted net position had a balance of \$10,737,574.

The City's overall net position increased \$4.5 million from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

CITY OF FORSYTH'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program services:						
Charges for services	\$ 1,493,282	\$ 1,002,927	\$ 17,000,817	\$ 15,513,393	\$ 18,494,099	\$ 16,516,320
Operating grants and contributions	146,639	12,232	-	-	146,639	12,232
Capital grants and contributions	4,926,287	2,308,808	-	-	4,926,287	2,308,808
General revenues:						
Taxes	3,603,230	3,495,200	-	-	3,603,230	3,495,200
Investment and interest revenues	1,391	2,387	-	-	1,391	2,387
Other	-	-	-	-	-	-
Total revenues	<u>10,170,829</u>	<u>6,821,554</u>	<u>17,000,817</u>	<u>15,513,393</u>	<u>27,171,646</u>	<u>22,334,947</u>
Expenditures/expenses						
General government	2,152,472	1,813,106	-	-	2,152,472	1,813,106
Judicial	-	-	-	-	-	-
Public safety	5,000,096	4,084,867	-	-	5,000,096	4,084,867
Public works	2,521,845	1,831,942	-	-	2,521,845	1,831,942
Housing and development	332,469	247,060	-	-	332,469	247,060
Culture and recreation	571,964	376,408	-	-	571,964	376,408
Better Hometown	206,823	250,932	-	-	206,823	250,932
Interest	326,621	341,949	-	-	326,621	341,949
Combined utilities	-	-	11,525,827	10,798,669	11,525,827	10,798,669
Total expenses	<u>11,112,290</u>	<u>8,946,264</u>	<u>11,525,827</u>	<u>10,798,669</u>	<u>22,638,117</u>	<u>19,744,933</u>
Change in net position before transfers	(941,461)	(2,124,710)	5,474,990	4,714,724	4,533,529	2,590,014
Transfers	4,251,836	4,021,209	(4,251,836)	(4,021,209)	-	-
Change in net position	<u>3,310,375</u>	<u>1,896,499</u>	<u>1,223,154</u>	<u>693,515</u>	<u>4,533,529</u>	<u>2,590,014</u>
Net position, beginning, as restated	<u>11,965,505</u>	<u>10,167,773</u>	<u>25,685,231</u>	<u>25,018,512</u>	<u>37,650,736</u>	<u>35,186,285</u>
Net position, ending	<u>\$ 15,275,880</u>	<u>\$ 12,064,272</u>	<u>\$ 26,908,385</u>	<u>\$ 25,712,027</u>	<u>\$ 42,184,265</u>	<u>\$ 37,776,299</u>

MANAGEMENT'S DISCUSSION & ANALYSIS

Governmental activities

During the current fiscal year, net position for governmental activities increased \$3,310,375 from the prior fiscal year for an ending balance of \$15,275,880. The increase in the overall net position of governmental activities is primarily due to increase in transfers from the enterprise fund.

Revenues increased \$3,349,275 from the prior year due to an increase in grants and contributions as compared to the prior year.

Total expenses were \$2,166,026 (24%) higher than the prior fiscal year. The biggest areas of change were in the functional areas of:

- Public safety increased by \$915,229 (or 22%) and Public works increased by \$689,903 (or 38%) due to recruitment and hiring efforts to fully staff each department. Public Works added additional staff to accommodate the additional needs with the newly renovated Country Club Park, and the beautification efforts of the city manager.

Business-type activities

For the City's business-type activities, the results for the current fiscal year were positive in that overall net position increased to reach an ending balance of \$26,908,385. The City has one enterprise fund, the Combined Utilities Fund, which maintains the water and sewer operations and electric operations within the City. The total increase in net position for business-type activities was \$1,223,154 from the prior year. The increase, in large part, is attributable to the increase in transfers out to the governmental funds for capital related projects.

Financial Analysis of Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council. On December 31, 2024, the City's governmental funds reported combined fund balances of \$9,090,813, a decrease of \$995,904 in comparison with the prior year.

Of this amount, \$2,094,549 (or 23%) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either non-spendable, restricted, committed, or assigned to indicate that it is restricted for particular purposes, \$6,996,264.

MANAGEMENT'S DISCUSSION & ANALYSIS

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, net change in fund balance for the General Fund decreased by \$1,021,861, which was due to the capital expenditures of the departments within the general fund. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17% of total General Fund expenditures, while total fund balance represents 17% of the same amount.

The Capital Projects Fund is a capital projects fund that accounts for the acquisition and construction of major capital projects. These resources must be used for various capital projects throughout the city. At the end of the 2024 fiscal year, the Capital Projects Fund had a total fund balance of \$3,177,076, a decrease of \$752,973 from the prior year.

The 2019 SPLOST Capital Projects Fund accounts for the financial resources provided from the 1% SPLOST referendum that took place in November of 2019. These resources must be used for various capital projects and road improvements throughout the City. At the end of the 2024 fiscal year, the 2019 SPLOST had a total fund balance of \$1,062,278, a decrease of \$217,187 from the prior year.

The TSPLOST Fund accounts for the financial resources provided from the TSPLOST referendum that took place in April of 2022. These resources must be used for road improvements throughout the City. At the end of the 2024 fiscal year, the TSPLOST fund had a total fund balance of \$2,743,652, an increase of \$992,233 from the prior year.

The Hotel/Motel Tax Fund is a special revenue fund that accounts the collection and disbursement of monies from the hotel and motel taxes. At the end of the 2024 fiscal year, the Hotel/Motel Tax Fund had a total fund balance of \$0.

The Local Fiscal Recovery Fund is a special revenue fund that accounts for the collection and disbursement of monies from the American Rescue Plan Act. At the end of the 2024 fiscal year, the Local Fiscal Recovery Fund had a total fund balance of \$2.

Proprietary Fund

The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. At the end of the current fiscal year, net investment in capital assets and unrestricted net position were \$16,122,478 and \$10,785,907, respectively. As noted earlier, the increase in net position for the Combined Utilities Fund was due to an overall reduction of operating costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the City revised the budget on one occasion. Generally, budget amendments fall into one of three categories; 1) amendments made to adjust the estimates used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

The General Fund's total expenditures of \$12,358,973 included capital outlay expenditures of \$1,101,206 with additional debt service outlay with principal of \$437,488 and interest of \$286,156.

MANAGEMENT'S DISCUSSION & ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$34,214,567 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, infrastructure, distribution systems, equipment, and construction in progress.

The total net increase in the City's investment in capital assets for the current fiscal year was 22.6% (an increase of 30.8% and increase of 15.2% for governmental activities and business-type activities, respectively). Some of the major capital asset events for the current year include the purchase of vehicles and new construction in progress for distribution systems. Additional information on the City's capital assets can be found in Note 5.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land improvements	\$ 2,901,936	\$ 2,901,936	\$ -	\$ -	\$ 2,901,936	\$ 2,901,936
Distribution system	-	-	33,848,583	30,503,505	33,848,583	30,503,505
Buildings and improvements	7,557,360	7,557,360	5,196,155	5,196,155	12,753,515	12,753,515
Infrastructure	4,717,831	3,616,700	-	-	4,717,831	3,616,700
Machinery and equipment	2,426,009	2,290,383	1,666,966	1,219,492	4,092,975	3,509,875
Vehicles	5,261,512	4,374,885	1,542,536	1,348,446	6,804,048	5,723,331
Land	1,132,693	1,132,693	249,261	249,261	1,381,954	1,381,954
Construction in progress	3,035,822	110,344	2,252,451	3,081,147	5,288,273	3,191,491
Total capital assets	27,033,163	21,984,301	44,755,952	41,598,006	71,789,115	63,582,307
Accumulated depreciation	(9,827,555)	(8,833,575)	(27,746,993)	(26,837,334)	(37,574,548)	(35,670,909)
Total capital assets, net	\$ 17,205,608	\$ 13,150,726	\$ 17,008,959	\$ 14,760,672	\$ 34,214,567	\$ 27,911,398

Long-Term Debt

As of December 31, 2024, the City had approximately \$10 million in outstanding long-term debt, which does not include interest expense.

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

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Financed purchases	\$ 532,513	\$ 466,068	\$ 202,990	\$ 115,332	\$ 735,503	\$ 581,400
Landfill post-closure costs	1,162,217	1,121,831	-	-	1,162,217	1,121,831
Notes payable	7,453,626	7,752,769	683,491	729,504	8,137,117	8,482,273
	\$ 9,148,356	\$ 9,340,668	\$ 886,481	\$ 844,836	\$ 10,034,837	\$ 10,185,504

MANAGEMENT'S DISCUSSION & ANALYSIS

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the City and were considered in developing the 2024 fiscal year budget.

- The unemployment rate for the city is currently 2.4%, a slight decrease of 0.6% from the prior year.
- An 3% increase in the rates on the City's current fee schedule for water and sewer.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Forsyth, Georgia's finances for anyone with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Mrs. Regina Ivie
P.O. Box 1447
Forsyth, Georgia 31029

BASIC FINANCIAL STATEMENTS

CITY OF FORSYTH, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
ASSETS					
Cash and cash equivalents	\$ 10,350,328	\$ 164	\$ 10,350,492	\$ 286,079	\$ 75,996
Investments	-	11,578,508	11,578,508	-	-
Accounts receivable, net of allowances:					
Taxes	106,515	-	106,515	-	-
Accounts	27,061	871,917	898,978	-	-
Due from other governments	671,543	22,500	694,043	-	-
Internal balances	115,051	(115,051)	-	-	-
Due from primary government	-	-	-	52,483	-
Due from component unit	33,048	-	33,048	-	-
Inventories	-	384,334	384,334	-	-
Prepaid expenses	-	10,938	10,938	-	-
Capital assets, non-depreciable	4,168,515	2,501,712	6,670,227	-	-
Capital assets, depreciable, net of accumulated depreciation	13,037,093	14,507,247	27,544,340	-	160,042
Total assets	28,509,154	29,762,269	58,271,423	338,562	236,038
DEFERRED OUTFLOWS OF RESOURCES					
Pension	789,524	-	789,524	-	-
Total deferred outflows of resources	789,524	-	789,524	-	-
LIABILITIES					
Accounts payable	1,271,773	1,312,427	2,584,200	5,535	-
Retainage payable	155,304	-	155,304	-	-
Accrued liabilities	177,165	65,589	242,754	-	-
Due to component unit	52,483	-	52,483	-	-
Due to primary government from component units	-	-	-	33,048	-
Due to other governments	570,081	-	570,081	-	-
Customer deposits	-	542,561	542,561	-	-
Financed purchases due within one year	129,603	59,132	188,735	-	-
Financed purchases due in more than one year	402,910	143,858	546,768	-	-
Compensated absences due within one year	199,125	37,461	236,586	-	-
Compensated absences due in more than one year	49,782	9,365	59,147	-	-
Notes payable due within one year	309,897	47,126	357,023	-	-
Notes payable due in more than one year	7,143,729	636,365	7,780,094	-	-
Net pension liability due in more than one year	2,190,100	-	2,190,100	-	-
Landfill post-closure care costs due in more than one year	1,162,217	-	1,162,217	-	-
Total liabilities	13,814,169	2,853,884	16,668,053	38,583	-
DEFERRED INFLOWS OF RESOURCES					
Pension	208,629	-	208,629	-	-
Total deferred inflows of resources	208,629	-	208,629	-	-
NET POSITION					
Net investment in capital assets	12,446,545	16,122,478	28,569,023	-	160,042
Restricted for:					
Law enforcement	8,445	-	8,445	-	-
Capital projects	2,869,223	-	2,869,223	-	-
Unrestricted	(48,333)	10,785,907	10,737,574	299,979	75,996
Total net position	\$ 15,275,880	\$ 26,908,385	\$ 42,184,265	\$ 299,979	\$ 236,038

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 2,152,472	\$ 395,036	\$ 606	\$ -
Judicial	-	635,766	-	-
Public safety	5,000,096	56,271	144,785	108,993
Public works	2,521,845	406,209	1,248	3,985,042
Housing and development	332,469	-	-	-
Culture and recreation	571,964	-	-	832,252
Better Hometown	206,823	-	-	-
Interest on long-term debt	326,621	-	-	-
Total governmental activities	<u>11,112,290</u>	<u>1,493,282</u>	<u>146,639</u>	<u>4,926,287</u>
Business-type activities:				
Water and sewer	3,914,900	4,676,875	-	-
Electric	7,610,927	12,323,942	-	-
Total business-type activities	<u>11,525,827</u>	<u>17,000,817</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 22,638,117</u>	<u>\$ 18,494,099</u>	<u>\$ 146,639</u>	<u>\$ 4,926,287</u>
Component units				
Forsyth Convention and Visitors Bureau Authority	\$ 305,001	\$ 337,449	\$ -	\$ -
Downtown Development Authority	5,325	2,038	-	-
Total component units	<u>\$ 310,326</u>	<u>\$ 339,487</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Sales taxes				
Property taxes				
Franchise taxes				
Alcoholic beverage excise taxes				
Insurance premium taxes				
Other taxes				
Unrestricted investment earnings				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year, as restated				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position			Component Units	
Primary Government			Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
Governmental Activities	Business-type Activities	Total		
\$ (1,756,830)	\$ -	\$ (1,756,830)	\$ -	\$ -
635,766	-	635,766	-	-
(4,690,047)	-	(4,690,047)	-	-
1,870,654	-	1,870,654	-	-
(332,469)	-	(332,469)	-	-
260,288	-	260,288	-	-
(206,823)	-	(206,823)	-	-
(326,621)	-	(326,621)	-	-
(4,546,082)	-	(4,546,082)	-	-
-	761,975	761,975	-	-
-	4,713,015	4,713,015	-	-
-	5,474,990	5,474,990	-	-
(4,546,082)	5,474,990	928,908	-	-
-	-	-	32,448	-
-	-	-	-	(3,287)
-	-	-	32,448	(3,287)
1,558,129	-	1,558,129	-	-
523,683	-	523,683	-	-
101,548	-	101,548	-	-
214,064	-	214,064	-	-
430,098	-	430,098	-	-
775,708	-	775,708	-	-
1,391	-	1,391	100	-
4,251,836	(4,251,836)	-	-	-
7,856,457	(4,251,836)	3,604,621	100	-
3,310,375	1,223,154	4,533,529	32,548	(3,287)
11,965,505	25,685,231	37,650,736	267,431	239,325
\$ 15,275,880	\$ 26,908,385	\$ 42,184,265	\$ 299,979	\$ 236,038

CITY OF FORSYTH, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2024

	General Fund	Capital Projects Fund	SPLOST 2019 Fund
ASSETS			
Cash and cash equivalents	\$ 1,995,974	\$ 4,118,596	\$ 1,427,377
Accounts receivable, net of allowances:			
Taxes	49,745	-	-
Accounts	27,061	-	-
Due from other governments	288,490	-	202,981
Due from other funds	398,880	-	-
Due from component unit	33,048	-	-
Total assets	<u>\$ 2,793,198</u>	<u>\$ 4,118,596</u>	<u>\$ 1,630,358</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 535,557	\$ 736,216	\$ -
Retainage payable	-	155,304	-
Accrued liabilities	144,367	-	-
Due to component unit	-	-	-
Due to other funds	-	50,000	-
Due to other governments	-	-	568,080
Total liabilities	<u>679,924</u>	<u>941,520</u>	<u>568,080</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>18,725</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>18,725</u>	<u>-</u>	<u>-</u>

<i>(Previously Nonmajor)</i> TSPLOST Fund	Hotel/Motel Tax Fund	Local Fiscal Recovery Fund	Nonmajor Governmental Fund	Total Governmental Funds
\$ 2,563,580	\$ 236,356	\$ 2	\$ 8,443	\$ 10,350,328
-	56,770	-	-	106,515
-	-	-	-	27,061
180,072	-	-	-	671,543
-	-	-	4,813	403,693
-	-	-	-	33,048
<u>\$ 2,743,652</u>	<u>\$ 293,126</u>	<u>\$ 2</u>	<u>\$ 13,256</u>	<u>\$ 11,592,188</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,271,773
-	-	-	-	155,304
-	-	-	-	144,367
-	52,483	-	-	52,483
-	238,642	-	-	288,642
-	2,001	-	-	570,081
<u>-</u>	<u>293,126</u>	<u>-</u>	<u>-</u>	<u>2,482,650</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,725</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,725</u>

(Continued)

CITY OF FORSYTH, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2024

	General Fund	Capital Projects Fund	SPLOST 2019 Fund
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (CONTINUED)			
FUND BALANCES			
Fund balances:			
Restricted:			
Law enforcement	\$ -	\$ -	\$ -
Capital projects	-	3,177,076	1,062,278
Unassigned	2,094,549	-	-
Total fund balances	<u>2,094,549</u>	<u>3,177,076</u>	<u>1,062,278</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,793,198</u>	<u>\$ 4,118,596</u>	<u>\$ 1,630,358</u>

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.

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

The net pension liability and related deferred outflows and inflows of resources are not financial resources and, therefore, are not reported in the governmental funds.

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

Net position of governmental activities

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

<i>(Previously Nonmajor)</i> TSPLOST Fund	Hotel/Motel Tax Fund	Local Fiscal Recovery Fund	Nonmajor Governmental Fund	Total Governmental Funds
\$ -	\$ -	\$ 2	\$ 8,443	\$ 8,445
2,743,652	-	-	4,813	6,987,819
-	-	-	-	2,094,549
<u>2,743,652</u>	<u>-</u>	<u>2</u>	<u>13,256</u>	<u>9,090,813</u>
<u>\$ 2,743,652</u>	<u>\$ 293,126</u>	<u>\$ 2</u>	<u>\$ 13,256</u>	
				17,205,608
				18,725
				(1,609,205)
				<u>(9,430,061)</u>
				<u>\$ 15,275,880</u>

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	General Fund	Capital Projects Fund	SPLOST 2019 Fund
Revenues			
Taxes:			
Property taxes	\$ 538,193	\$ -	\$ -
Sales taxes	1,558,129	-	-
Insurance premium taxes	430,098	-	-
Beer, wine and alcohol taxes	214,064	-	-
Franchise taxes	101,548	-	-
Other taxes	-	-	-
Licenses and permits	134,275	-	-
Intergovernmental	276,236	-	1,144,770
Fines and forfeitures	635,766	-	-
Charges for services	406,209	-	-
Interest revenue	1,391	143,652	1,133
Other revenues	260,761	-	-
Total revenues	<u>4,556,670</u>	<u>143,652</u>	<u>1,145,903</u>
Expenditures			
Current:			
General government	1,903,932	-	-
Public safety	5,166,680	-	-
Public works	2,686,314	-	-
Housing and development	-	-	-
Better Hometown	466,006	-	-
Recreation	1,412,397	-	-
Capital outlay	-	896,625	1,331,690
Debt service:			
Principal	437,488	-	-
Interest	286,156	-	31,400
Total expenditures	<u>12,358,973</u>	<u>896,625</u>	<u>1,363,090</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,802,303)</u>	<u>(752,973)</u>	<u>(217,187)</u>

<i>(Previously Nonmajor)</i> TSPLOST Fund	Hotel/Motel Tax Fund	Local Fiscal Recovery Funds	Nonmajor Governmental Fund	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 538,193
-	-	-	-	1,558,129
-	-	-	-	430,098
-	-	-	-	214,064
-	-	-	-	101,548
-	775,708	-	-	775,708
-	-	-	-	134,275
991,193	-	2,514,088	-	4,926,287
-	-	-	56,271	692,037
-	-	-	-	406,209
1,040	-	606	208	148,030
-	-	-	-	260,761
<u>992,233</u>	<u>775,708</u>	<u>2,514,694</u>	<u>56,479</u>	<u>10,185,339</u>
-	-	-	-	1,903,932
-	-	-	56,474	5,223,154
-	-	-	-	2,686,314
-	332,469	-	-	332,469
-	-	-	105,958	571,964
-	-	-	-	1,412,397
-	-	1,534,978	-	3,763,293
-	-	-	-	437,488
-	-	-	-	317,556
<u>-</u>	<u>332,469</u>	<u>1,534,978</u>	<u>162,432</u>	<u>16,648,567</u>
<u>992,233</u>	<u>443,239</u>	<u>979,716</u>	<u>(105,953)</u>	<u>(6,463,228)</u>

(Continued)

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	General Fund	Capital Projects Fund	SPLOST 2019 Fund
Other financing sources (uses)			
Financed purchases issued	\$ 204,790	\$ -	\$ -
Transfers in	6,575,652	-	-
Transfers out	-	-	-
Total other financing sources (uses)	6,780,442	-	-
Net change in fund balances	(1,021,861)	(752,973)	(217,187)
Fund balances, beginning of year, as previously reported	3,116,410	3,930,049	1,279,465
Change within financial reporting entity (nonmajor to major fund)	-	-	-
Fund balances, beginning of year, as adjusted	3,116,410	3,930,049	1,279,465
Fund balances, end of year	<u>\$ 2,094,549</u>	<u>\$ 3,177,076</u>	<u>\$ 1,062,278</u>

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

<i>(Previously Nonmajor)</i> TSPLOST Fund	Hotel/Motel Tax Fund	Local Fiscal Recovery Funds	Nonmajor Governmental Fund	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 204,790
-	-	-	110,771	6,686,423
-	(443,239)	(980,650)	-	(1,423,889)
-	(443,239)	(980,650)	110,771	5,467,324
992,233	-	(934)	4,818	(995,904)
-	-	936	1,759,857	10,086,717
1,751,419	-	-	(1,751,419)	-
1,751,419	-	936	8,438	10,086,717
<u>\$ 2,743,652</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 13,256</u>	<u>\$ 9,090,813</u>

CITY OF FORSYTH, GEORGIA

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 DECEMBER 31, 2024

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

Net change in fund balances - total governmental funds	\$ (995,904)
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 expense in the current period.	5,065,580
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(1,010,698)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(14,510)
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.	232,698
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.	<u>33,209</u>
Change in net position - governmental activities	<u>\$ 3,310,375</u>

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes:				
Property taxes	\$ 539,315	\$ 539,315	\$ 538,193	\$ (1,122)
Sales taxes	1,600,000	1,600,000	1,558,129	(41,871)
Insurance premium taxes	420,000	420,000	430,098	10,098
Beer, wine and alcohol taxes	238,000	238,000	214,064	(23,936)
Franchise taxes	144,000	144,000	101,548	(42,452)
Licenses and permits	150,850	150,850	134,275	(16,575)
Intergovernmental	9,547	266,794	276,236	9,442
Fines and forfeitures	809,500	809,500	635,766	(173,734)
Charges for services	371,000	371,000	406,209	35,209
Interest revenue	4,200	4,200	1,391	(2,809)
Miscellaneous income	266,175	266,175	260,761	(5,414)
Total revenues	4,552,587	4,809,834	4,556,670	(253,164)
Expenditures				
Current:				
General government:				
Administration	1,140,126	1,300,126	1,298,418	1,708
Governing body	149,621	160,621	160,434	187
Mayor	365,117	416,117	414,453	1,664
Elections	28,000	31,000	30,627	373
Total general government	1,682,864	1,907,864	1,903,932	3,932
Public safety:				
Police	2,722,094	3,142,094	3,078,915	63,179
Fire	1,893,788	1,889,540	1,963,012	(73,472)
Municipal court	122,465	124,965	124,753	212
Total public safety	4,738,347	5,156,599	5,166,680	(10,081)
Public works:				
Streets/sanitation	2,027,621	1,960,117	2,115,576	(155,459)
Garage	256,819	334,819	334,212	607
Cemetery	242,674	238,674	236,526	2,148
Total public works	2,527,114	2,533,610	2,686,314	(152,704)
Better Hometown	490,805	468,805	466,006	2,799
Recreation	269,737	262,737	1,412,397	(1,149,660)
Debt service:				
Principal	387,136	465,136	437,488	27,648
Interest	286,156	286,156	286,156	-
Total debt service	673,292	751,292	723,644	27,648
Total expenditures	10,382,159	11,080,907	12,358,973	(1,278,066)
Deficiency of revenues under expenditures	(5,829,572)	(6,271,073)	(7,802,303)	(1,531,230)

(Continued)

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Other financing sources				
Financed purchases issued	\$ -	\$ -	\$ 204,790	\$ (204,790)
Transfers in	5,829,572	6,329,572	6,575,652	(246,080)
Total other financing sources	5,829,572	6,329,572	6,780,442	(450,870)
Net change in fund balances	-	58,499	(1,021,861)	(1,080,360)
Fund balances, beginning of year	3,116,410	3,116,410	3,116,410	(409,580)
Fund balances, end of year	<u>\$ 3,116,410</u>	<u>\$ 3,174,909</u>	<u>\$ 2,094,549</u>	<u>\$ (1,489,940)</u>

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL HOTEL/MOTEL TAX FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Other taxes	\$ 697,000	\$ 697,000	\$ 775,708	\$ 78,708
Total revenues	697,000	697,000	775,708	78,708
Expenditures				
Current:				
Housing and development	278,800	278,800	332,469	(53,669)
Total expenditures	278,800	278,800	332,469	(53,669)
Excess of revenues over expenditures	418,200	418,200	443,239	25,039
Other financing uses				
Transfers out	(418,200)	(418,200)	(443,239)	(25,039)
Total other financing uses	(418,200)	(418,200)	(443,239)	(25,039)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL LOCAL FISCAL RECOVERY FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ -	\$ 2,514,088	\$ 2,514,088
Interest revenue	-	606	606
Total revenues	-	2,514,694	2,514,694
Expenditures			
Capital outlay	-	1,534,978	(1,534,978)
Total expenditures	-	1,534,978	(1,534,978)
Excess of revenues over expenditures	-	979,716	979,716
Other financing uses			
Transfers out	-	(980,650)	(980,650)
Total other financing uses	-	(980,650)	(980,650)
Net change in fund balances	-	(934)	(934)
Fund balances, beginning of year	936	936	-
Fund balances, end of year	\$ 936	\$ 2	\$ (934)

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUND DECEMBER 31, 2024

	Major Enterprise Fund Combined Utilities Fund
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 164
Investments	11,578,508
Accounts receivable, net of allowances	871,917
Due from other governments	22,500
Inventories	384,334
Prepaid expenses	10,938
Total current assets	12,868,361
NON-CURRENT ASSETS	
Capital assets:	
Capital assets, non-depreciable	2,501,712
Capital assets, depreciable, net of accumulated depreciation	14,507,247
Total capital assets	17,008,959
Total non-current assets	17,008,959
Total assets	29,877,320
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	1,312,427
Accrued liabilities	65,589
Customer deposits payable	542,561
Notes payable, current portion	47,126
Financed purchases, current portion	59,132
Due to other funds	115,051
Compensated absences current portion	37,461
Total current liabilities	2,179,347
NON-CURRENT LIABILITIES	
Notes payable, net of current portion	636,365
Financed purchases, net of current portion	143,858
Compensated absences, net of current portion	9,365
Total non-current liabilities	789,588
Total liabilities	2,968,935
NET POSITION	
Net investment in capital assets	16,122,478
Unrestricted	10,785,907
Total net position	\$ 26,908,385

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Major Enterprise Fund Combined Utilities Fund
OPERATING REVENUES	
Charges for services:	
Water and sewer sales	\$ 4,676,875
Electric sales	11,293,945
Intergovernmental	1,029,997
Total operating revenues	<u>17,000,817</u>
OPERATING EXPENSES	
Personnel services	1,031,351
Purchase of utilities	6,754,466
Material and supplies	1,364,320
Repairs and maintenance	217,486
Depreciation	909,659
Management fees	1,419,796
Miscellaneous	394,618
Total operating expenses	<u>12,091,696</u>
Operating income	<u>4,909,121</u>
NON-OPERATING INCOME (EXPENSES)	
Investment earnings	590,515
Interest expense	(24,646)
Total non-operating income (expenses), net	<u>565,869</u>
Income before transfers and capital contributions	5,474,990
TRANSFERS	
Transfers in	980,650
Transfers out	(6,243,184)
Total transfers	<u>(5,262,534)</u>
CAPITAL CONTRIBUTIONS	<u>1,010,698</u>
Change in net position	1,223,154
NET POSITION, beginning of year	25,712,027
ADJUSTMENT, change in accounting principle	<u>(26,796)</u>
NET POSITION, beginnging of year, as restated	<u>25,685,231</u>
NET POSITION, end of year	<u><u>\$ 26,908,385</u></u>

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Major Enterprise Fund Combined Utilities Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 15,712,714
Intergovernmental	1,029,997
Payments to suppliers and service providers	(9,513,317)
Payments to employees	(987,957)
Net cash provided by operating activities	6,241,437
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers in	980,650
Transfers out	(6,243,184)
Net cash used in non-capital financing activities	(5,262,534)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of property and equipment	(2,147,248)
Proceeds from financed purchases	194,091
Principal paid on notes payable	(46,013)
Principal paid on financed purchases	(106,433)
Net cash used in capital and related financing activities	(2,105,603)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(39,458)
Interest earned	565,869
Net cash provided by investing activities	526,411
Decrease in cash and cash equivalents	(600,289)
Cash and cash equivalents:	
Beginning of year	600,453
End of year	\$ 164

(Continued)

CITY OF FORSYTH, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Major Enterprise Fund Combined Utilities Fund
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 4,909,121
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	909,659
(Increase) decrease in assets:	
Accounts receivable	(258,106)
Inventories	22,697
Due from other governments	(22,500)
Prepaid expenses	36,596
Increase (decrease) in liabilities:	
Accrued liabilities	7,024
Accounts payable	485,525
Customer deposits payable	16,340
Due to other funds	115,051
Compensated absences	20,030
Net cash provided by operating activities	\$ 6,241,437
Noncash capital and related financing activities:	
Contributions of capital assets from governmental funds	\$ 1,010,698

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

CITY OF FORSYTH, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUND

DECEMBER 31, 2024

	<u>Custodial Fund Municipal Court</u>
ASSETS	
Cash and cash equivalents	\$ 91,756
Total assets	<u>91,756</u>
LIABILITIES	
Due to others	<u>53,091</u>
Total liabilities	<u>53,091</u>
NET POSITION	
Restricted:	
Individuals, organizations, and other governments	<u>38,665</u>
Total net position	<u>\$ 38,665</u>

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

CITY OF FORSYTH, GEORGIA

**STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

	Custodial Fund Municipal Court
ADDITIONS	
Fines and fees	\$ 892,785
Total additions	892,785
DEDUCTIONS	
Taxes and fees paid to other governments	571,882
Other custodial disbursements	364,359
Total deductions	936,241
Change in fiduciary net position	(43,456)
NET POSITION, beginning of year	82,121
NET POSITION, end of year	<u>\$ 38,665</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF FORSYTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City is a municipal corporation governed by an elected Mayor and six-member Council. The legislative authority of the government of this City shall be vested in a City Council to be composed of a Mayor and six (6) Council members. The City Council established shall, in all respects, be a successor to and continuation of the governing authority under prior law. The Mayor and Council members shall be elected in the manner provided by general law and by the City’s charter. The City Manager is the Chief Executive Officer of the City. As such, he/she is responsible to the City Council for the administration of all City affairs placed in the manager’s charge by or under the City’s charter. The City provides the following services and operations as authorized by its charter: public safety (police and fire); public works; parks and recreation; housing and development; and public utilities (water and sewer and electric). As required by accounting principles generally accepted in the United States of America, these financial statements include the accounts of all City operations and all activities of the City.

The accompanying financial statements present the government and its component units, an entity for which the government is considered to be financial accountable. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Discretely presented component units

The **Downtown Development Authority of Forsyth (the “DDA”)** – The DDA was utilized to issue bonds related to the purchase and establishment of the cable system for the City. The governing board is appointed by the City Council. The City possesses the authority to review, approve and revise the budget and governs collection and disbursement of funds. The DDA is audited and included along with the primary government financial statements in accordance with GASB Statement No. 14, as amended by Statements No. 34 and 61. The DDA does not issue separate component unit financial statements.

The **City of Forsyth Convention and Visitors Bureau Authority (the “Authority”)** – The City Council appoints all of the members of the Authority’s board. The City possesses the authority to review, approve, and revise the budget and governs collection and disbursement of funds. The Authority is audited and included along with the primary government financial statements in accordance with GASB Statement No. 14, as amended by Statements No. 34 and 61. The Authority does not issue separate component unit financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 non-fiduciary activities of the primary government and of its component units. 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. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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) 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 or other items not properly included among program revenues are reported instead as general revenues.

C. Measurement Focus, Basis of Accounting and Basis of 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. For this purpose, the City 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.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Capital Projects Fund** accounts for the acquisition and construction or improvement of major capital projects.

The **Special Purpose Local Option Sales Tax 2019 (the "SPLOST 2019") Fund** is a Capital Projects Fund that accounts for the receipts and disbursements of the 2019 1% SPLOST collected for various capital related projects.

The **Transportation Special Purpose Local Option Sales Tax (the "TSPLOST") Fund** is a Capital Projects Fund that accounts for capital projects activity funded by TSPLOST funds specifically for public service.

The **Hotel/Motel Tax Fund** is a Special Revenue Fund that is used to account for hotel/motel taxes collected at the City.

The **Local Fiscal Recovery Fund** is a Special Revenue Fund that is used to account for federal funds collected at the City from the American Rescue Plan Act ("ARPA") Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF") grant.

The City reports the following major proprietary fund:

The **Combined Utilities Fund** accounts for the activities of the government's electric, water and sewer systems.

The City reports the following custodial fund:

The **Municipal Court Fund** accounts for the activities of the government's municipal court collected funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the City reports the following fund types:

The ***Special Revenue Funds*** account for revenue sources that are legally restricted to expenditures for specific purposes.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the combined utility system fund are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the special revenue funds. The capital projects are appropriated on a project length basis. All annual appropriations lapse at fiscal year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

The appropriated budget is prepared by fund, function, and department. The government's department head may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The Council made several supplemental budgetary appropriations throughout the year.

E. Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments.

The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values. Increases or decreases in the fair value during the year are recognized as a component of interest income.

G. Inventory and Prepaid Items

Inventory of supplies in proprietary funds is valued at cost. Prepaid expenses are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of December 31. At the fund reporting level, an equal amount of fund balance is non-spendable, as this amount is not available for general appropriation.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are presented net of an allowance for uncollectibles. Trade accounts receivables in excess of 90 days comprise the trade accounts receivable allowance for uncollectibles.

I. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” in the fund financial statements. Short-term interfund loans are classified as “interfund receivables/payables”. Long-term interfund loans are classified as “advances”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

J. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Balance Sheet because their use is limited by applicable bond covenants.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets (Continued)

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following useful lives:

Asset	Years
Buildings	40
Land improvements	10
Infrastructure	40
Distribution system	30
Vehicles	5
Furniture, fixtures and equipment	5
Machinery and equipment	3 - 40

L. Compensated Absences

In accordance with the City's policy, employees are entitled to annual vacation and sick leave. Sick pay is accumulated and in accordance with GASB Statement No. 101, an estimate for the time to be used during employment has been accrued. A liability for the estimated sick leave earned has been accrued in the government-wide and proprietary fund financial statements. All vacation pay is accrued when incurred in the government-wide, and proprietary fund financial statements. A maximum of three weeks of unused vacation hours are eligible for rollover for all City employees. Upon termination of employment, employees will be paid for unused annual vacation leave that has been earned through the last day of work. The annual sick leave benefits can accumulate up to three years equivalent but the accumulated sick leave will not be paid when employees leave the City's employment.

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenditures when incurred.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. 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 Balance – Generally, fund balance represents 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 City 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 City 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 City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager or the City Clerk to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. The 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 City 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 City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

O. Use of Estimates

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. All items relate to the City's Retirement Plan, which are reported in the government-wide Statement of Net Position. Experience differences result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience differences are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. Additionally, any contributions made by the City to the pension plan, before year-end but subsequent to the measurement date of the City's net pension liability, are reported as deferred outflows of resources.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. One item related to the City's Retirement Plan is reported in the government-wide Statement of Net Position. The net difference between projected and actual earnings on pension plan investments is deferred and amortized against pension experience over a specified period, resulting in recognition as deferred inflows of resources. In addition, one item, *unavailable revenue*, was reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and this amount was deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the fiduciary net position of the City of Forsyth Retirement Plan (the "Retirement Plan") and additions to/deductions from the Retirement Plan's fiduciary net position have been determined on the same basis as they are reported by the respective plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

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

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The Governmental Funds Balance Sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

Accrued interest payable	\$ (32,798)
Compensated absences payable	(248,907)
Notes payable	(7,453,626)
Financed purchases	(532,513)
Landfill post-closure care costs	<u>(1,162,217)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (9,430,061)</u>

B. Explanation of Certain Differences Between the Governmental Funds 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 a 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 useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 6,059,560
Depreciation expense	<u>(993,980)</u>
Net adjustment to increase <i>net changes in fund balance – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 5,065,580</u>

NOTES TO FINANCIAL STATEMENTS

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

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

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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 of net position.” The details of this difference are as follows:

Debt issued:	
Notes payable	\$ (204,790)
Principal repayments:	
Notes payable	299,143
Financed purchases	<u>138,345</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 232,698</u>

Another element of that reconciliation explains 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:

Compensated absences	\$ (150,140)
Landfill post-closure care costs	(40,386)
Accrued interest	(9,065)
Net pension liability and related deferred outflows and inflows of resources	<u>232,800</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 33,209</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2024 are summarized as follows:

Amount as presented on the entity-wide Statements of Net Position:	
Cash and cash equivalents	\$ 10,350,492
Investments	11,578,508
Amounts as presented on the fiduciary Statement of Net Position:	
Cash and cash equivalents - Custodial Fund	91,756
Component Units - cash and cash equivalents	362,075
	<hr/>
Total	\$ 22,382,831
	<hr/>
Cash deposited with financial institutions	\$ 10,804,323
Investments in the Municipal Competitive Trust	11,578,508
	<hr/>
Total	\$ 22,382,831
	<hr/>

Credit Risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of December 31, 2024, the City's investment in the Municipal Competitive Trust was not rated.

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

As of December 31, 2024, the City had the following investments:

Investment	Weighted Average Maturities	Fair Value
Municipal Competitive Trust (Interm. Ext. Mat.)	3.96 years	\$ 8,464,688
Municipal Competitive Trust (Intermediate)	2.41 years	1,527,681
Municipal Competitive Trust (Short-Term)	220 days	1,586,139
		<hr/>
		\$ 11,578,508
		<hr/>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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 City's only investments that are required to be disclosed in the fair value hierarchy are its holdings in the Municipal Competitive Trust, which are considered to be Level 2 investments. These investments are valued using comparative observable input market data, including, but not limited to: benchmark yields or yield curves; historic sector, security, or issuer relative pricing; observed or reported trades of like assets broker dealer quotes; or quantitative pricing models using any or all of this market data.

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. As of December 31, 2024, the City did not have any deposits which were uninsured and under collateralized as defined by GASB pronouncements.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City 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 4. RECEIVABLES

Receivables as of December 31, 2024, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Hotel/Motel Tax Fund	Combined Utility Fund	SPLOST 2019 Fund	TSPLOST Fund	Total
Receivables:						
Taxes	\$ 83,423	\$ 56,770	\$ -	\$ -	\$ -	\$ 140,193
Due from other governments	288,490	-	22,500	202,981	180,072	694,043
Accounts	37,383	-	920,917	-	-	958,300
Gross receivables	409,296	56,770	943,417	202,981	180,072	1,792,536
Less allowance for uncollectibles	44,000	-	49,000	-	-	93,000
Net total receivables	<u>\$ 365,296</u>	<u>\$ 56,770</u>	<u>\$ 894,417</u>	<u>\$ 202,981</u>	<u>\$ 180,072</u>	<u>\$ 1,699,536</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

Property Taxes

Property taxes were levied on behalf of the City by Monroe County on September 30, 2024, (levy date) based upon property values assessed as of January 1, 2024. Property taxes levied by 2024 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the year ended December 31, 2024, and collected by December 2, 2024, are recognized as revenues in the year ended December 31, 2024. Net receivables estimated to be collected subsequent to December 1, 2024 are deferred as of December 31, 2024, and recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are re-evaluated annually.

NOTE 5. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the fiscal year ended December 31, 2024 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 1,132,693	\$ -	\$ -	\$ -	\$ 1,132,693
Construction in progress	110,344	3,936,176	-	(1,010,698)	3,035,822
Total	<u>1,243,037</u>	<u>3,936,176</u>	<u>-</u>	<u>(1,010,698)</u>	<u>4,168,515</u>
Capital assets, being depreciated:					
Buildings	7,557,360	-	-	-	7,557,360
Infrastructure	3,616,700	1,101,131	-	-	4,717,831
Land improvements	2,901,936	-	-	-	2,901,936
Furniture, fixtures and equipment	2,290,383	135,626	-	-	2,426,009
Vehicles	4,374,885	886,627	-	-	5,261,512
Total	<u>20,741,264</u>	<u>2,123,384</u>	<u>-</u>	<u>-</u>	<u>22,864,648</u>
Less accumulated depreciation for:					
Buildings	1,280,672	289,486	-	-	1,570,158
Infrastructure	1,188,813	176,417	-	-	1,365,230
Land improvements	1,723,342	79,889	-	-	1,803,231
Furniture, fixtures and equipment	1,779,351	119,260	-	-	1,898,611
Vehicles	2,861,397	328,928	-	-	3,190,325
Total	<u>8,833,575</u>	<u>993,980</u>	<u>-</u>	<u>-</u>	<u>9,827,555</u>
Total assets, being depreciated, net	<u>11,907,689</u>	<u>1,129,404</u>	<u>-</u>	<u>-</u>	<u>13,037,093</u>
Governmental activities capital assets, net	<u>\$ 13,150,726</u>	<u>\$ 5,065,580</u>	<u>\$ -</u>	<u>\$ (1,010,698)</u>	<u>\$ 17,205,608</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 249,261	\$ -	\$ -	\$ -	\$ 249,261
Construction in progress	3,081,147	1,505,684	-	(2,334,380)	2,252,451
Total	<u>3,330,408</u>	<u>1,505,684</u>	<u>-</u>	<u>(2,334,380)</u>	<u>2,501,712</u>
Capital assets, being depreciated:					
Buildings	5,196,155	-	-	-	5,196,155
Distribution system	30,503,505	-	-	3,345,078	33,848,583
Machinery and equipment	1,219,492	447,474	-	-	1,666,966
Vehicles	1,348,446	194,090	-	-	1,542,536
Total	<u>38,267,598</u>	<u>641,564</u>	<u>-</u>	<u>3,345,078</u>	<u>42,254,240</u>
Less accumulated depreciation for:					
Buildings	5,053,681	5,863	-	-	5,059,544
Distribution system	19,582,036	838,482	-	-	20,420,518
Machinery and equipment	1,057,292	22,747	-	-	1,080,039
Vehicles	1,144,325	42,567	-	-	1,186,892
Total	<u>26,837,334</u>	<u>909,659</u>	<u>-</u>	<u>-</u>	<u>27,746,993</u>
Total assets, being depreciated, net	<u>11,430,264</u>	<u>(268,095)</u>	<u>-</u>	<u>3,345,078</u>	<u>14,507,247</u>
Business-type activities capital assets, net	<u>\$ 14,760,672</u>	<u>\$ 1,237,589</u>	<u>\$ -</u>	<u>\$ 1,010,698</u>	<u>\$ 17,008,959</u>

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

Governmental activities

General government	\$ 248,511
Public safety	391,036
Public works	303,834
Culture and recreation	<u>50,599</u>

Total depreciation expense - governmental activities	<u>\$ 993,980</u>
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Business-type activities

Electric	\$ 120,957
Water and sewer	<u>788,702</u>

Total depreciation expense - business-type activities	<u>\$ 909,659</u>
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NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit

Capital asset activity for the DDA for the fiscal year ended December 31, 2024 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, being depreciated:					
Buildings	\$ 179,999	\$ -	\$ -	\$ -	\$ 179,999
Total	179,999	-	-	-	179,999
Less accumulated depreciation for:					
Buildings	15,457	4,500	-	-	19,957
Total	15,457	4,500	-	-	19,957
Total assets, being depreciated, net	164,542	(4,500)	-	-	160,042
Discretely presented component unit, capital assets, net	<u>\$ 164,542</u>	<u>\$ (4,500)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,042</u>

NOTE 6. LONG-TERM DEBT

A. Notes Payable

Governmental activities

In 2005, the City obtained a note payable totaling \$862,080 from the United States Department of Agriculture ("USDA") for cost reimbursements associated with the construction of the Public Safety Building. The note consists of 478 monthly payments in the amount of \$3,742 and a final payment in the amount of \$2,646. The annual interest rate is 4.25%.

In 2022, the City entered into an installment sales agreement debt in the amount of \$7,555,000 from a financial institution to refund the outstanding amount of the 2020 note payable and for financing the acquisition, construction, and installation of improvements to parks and recreation facilities for the City. The note consists of 240 monthly payments in the amount of \$43,731. The annual interest rate is 3.49%. The refunding reduced its total debt service payments by \$2,931,878. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,231,614.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Notes Payable (Continued)

Governmental activities (Continued)

Annual debt service requirements to maturity for the notes payable are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 309,897	\$ 271,295
2026	321,039	260,575
2027	332,583	249,467
2028	344,542	237,960
2029	356,934	212,737
2030 – 2034	1,986,757	861,599
2035 – 2039	2,370,905	477,451
2040 – 2044	1,413,102	79,605
2045	17,867	178
Total	<u>\$ 7,453,626</u>	<u>\$ 2,650,867</u>

Business-type activities

In 2016, the City entered into a note from direct borrowing agreement with the Georgia Environmental Facilities Authority (“GEFA”) for environmental facilities construction. The note is as follows at December 31, 2024:

<u>Purpose</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Amount</u>
GEFA Loan – 2016L05WS	\$ 1,000,000	2.39%	July 1, 2037	\$ 683,491
				683,491
				Less current maturities:
				(47,126)
				<u>\$ 636,365</u>

The City’s outstanding note from direct borrowings related to business-type activities of \$683,491 is secured by the City’s revenue raising power. The City covenants and agrees that it shall, to the extent necessary, it will exercise its power of taxation and its power to set rates, fees and charges to the extent necessary to fulfill the City’s obligations of this note. The outstanding note from direct borrowings contains a provision that in an event of default, the lender may declare the outstanding principal and accrued interest immediately due and may terminate its remaining commitment (if any) to make further advances of the loan.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Notes Payable (Continued)

Business-type activities (Continued)

Annual debt service requirements to maturity for the notes payable are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 47,126	\$ 15,821
2026	48,265	14,683
2027	49,431	13,516
2028	50,625	12,322
2029	51,848	11,099
2030 – 2034	278,651	36,085
2035 – 2037	157,545	5,070
Total	<u>\$ 683,491</u>	<u>\$ 108,596</u>

B. Financed Purchases

Governmental activities

In 2015, the City entered into a financed purchase agreement with PNC Financial to purchase a vehicle. The amount financed was \$715,265, due in annual installments of \$64,521, including interest at 3.92%, for 15 years ending in 2030. The balance was \$337,765 as of December 31, 2024.

In 2022, the City entered into a financed purchase agreement with Mason Tractor & Equipment Co., Inc. to purchase various equipment. The amount financed was \$100,282 due in monthly installments of \$2,087 for 48 months ending in 2027. The balance was \$56,452 as of December 31, 2024.

In 2024, the City entered into a financed purchase agreement with FMCC to purchase a vehicle. The amount financed was \$62,495, due in annual installments of \$14,837, including interest at 9%. The balance was \$47,658 as of December 31, 2024.

In 2024, the City entered into a financed purchase agreement with FMCC to purchase three vehicles. The amount financed was \$142,295, due in annual installments of \$51,658, including interest at 9%. The balance was \$90,638 as of December 31, 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. Financed Purchases

Governmental activities (Continued)

Annual debt service requirements to maturity for the financed purchases are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 129,603	\$ 26,457
2026	136,614	19,446
2027	73,724	11,895
2028	70,852	8,505
2029	59,605	4,916
2030	62,115	2,507
Total	<u>\$ 532,513</u>	<u>\$ 73,726</u>

Business-type activities

In 2021, the City entered into a financed purchase agreement with ALTEC Capital Services to purchase a vehicle. The amount financed was \$152,832, due in annual installments of \$28,027, including interest at 3%. The balance was \$54,978 as of December 31, 2024.

In 2024, the City entered into a financed purchase agreement with FMCC to purchase three vehicles. The amount financed was \$93,145, due in annual installments of \$22,113, including interest at 9%. The balance was \$71,032 as of December 31, 2024.

In 2024, the City entered into a financed purchase agreement with FMCC to purchase two vehicles. The amount financed was \$100,946, due in annual installments of \$36,399, including interest at 9%. The balance was \$76,980 as of December 31, 2024.

Annual debt service requirements to maturity for the financed purchases are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 59,132	\$ 14,974
2026	63,229	10,877
2027	38,507	7,571
2028	42,122	3,955
Total	<u>\$ 202,990</u>	<u>\$ 37,377</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

C. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2024 is as follows:

	Beginning Balance (As restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Notes payable from direct borrowing	\$ 7,752,769	\$ -	\$ (299,143)	\$ 7,453,626	\$ 309,897
Financed purchases	466,068	204,790	(138,345)	532,513	129,603
Landfill post-closure costs	1,121,831	40,386	-	1,162,217	-
Compensated absences	98,767	150,140	-	248,907	199,125
Net pension liability	2,465,049	1,286,500	(1,561,449)	2,190,100	-
Governmental activities Long-term liabilities	<u>\$ 11,904,484</u>	<u>\$ 1,681,816</u>	<u>\$ (1,998,937)</u>	<u>\$ 11,587,363</u>	<u>\$ 638,625</u>
Business-type activities					
Notes payable from direct borrowing	\$ 729,504	\$ -	\$ (46,013)	\$ 683,491	\$ 47,126
Financed purchases	115,332	194,091	(106,433)	202,990	59,132
Compensated absences	26,796	20,030	-	46,826	37,461
Business-type activities Long-term liabilities	<u>\$ 871,632</u>	<u>\$ 214,121</u>	<u>\$ (152,446)</u>	<u>\$ 933,307</u>	<u>\$ 143,719</u>

For the governmental activities, the net pension liability, compensated absences, and landfill post-closure costs are generally liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Combined Utilities Fund.

GASB 101 was implemented as of January 1, 2024, resulting in a restatement of the beginning balances of compensated absences for governmental activities and business-type activities. The City estimates the current portion of the compensated absences based on historical trends of usage by employees.

D. Closure/Post-closure Care Costs

Effective December 2000, the City of Forsyth Old Brent Road Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate post-closure costs of \$1,162,217 over the remaining 15-year period at December 31, 2024. These costs are based on what it would cost to perform all post-closure care in 1993, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. DEFINED BENEFIT PENSION PLAN

A. Plan Description

The City's defined benefit pension plan, the Retirement Plan, provides retirement, disability, and death benefits to plan members and beneficiaries. The Retirement Plan is administered through the Georgia Municipal Employees Benefit System ("GMEBS"), an agent multiple employer pension plan administered by the Georgia Municipal Association. The Retirement Plan provides retirement and disability benefits and death benefits to plan members and beneficiaries. Benefits are provided by the Retirement Plan whereby retirees receive 1.5% multiplied by the five highest consecutive years of gross earnings. The City Council, in its role as the Retirement Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to:

Georgia Municipal Association
Employee Benefit Section
201 Pryor Street, SW
Atlanta, Georgia 30303

Plan Membership. As of July 1, 2024, pension plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	75
Terminated plan members entitled to, but not receiving benefits	46
Active plan members	<u>79</u>
Total beneficiaries	<u><u>200</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

Contributions. The Retirement Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Retirement Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Retirement Plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. City contributions to the Retirement Plan were \$454,601, which is 11% of covered payroll for the year ended December 31, 2024.

B. Net Pension Liability of the City

The City's net pension liability was measured as of March 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2024.

Actuarial Assumptions. The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Return	7.375%
Salary increases	2.25% plus service based merit increases
Inflation	2.25%
Cost of living adjustments	0.00%

Mortality rates were based on the gender-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – June 30, 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Actuarial Assumptions (Continued). The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	45%	6.91%
International equity	20%	7.21%
Domestic fixed income	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
Cash	0%	
Total	<u>100%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended December 31, 2024 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	\$ 9,449,318	\$ 6,984,269	\$ 2,465,049
<i>Changes for the year:</i>			
Service cost	144,568	-	144,568
Interest	680,418	-	680,418
Differences between expected and actual experience	440,374	-	440,374
Contributions - employer	-	422,922	(422,922)
Net investment income	-	1,138,527	(1,138,527)
Benefit payments, including refunds of employee contributions	(735,763)	(735,763)	-
Administrative expense	-	(21,140)	21,140
<i>Net changes</i>	<u>529,597</u>	<u>804,546</u>	<u>(274,949)</u>
Ending Balance	<u><u>\$ 9,978,915</u></u>	<u><u>\$ 7,788,815</u></u>	<u><u>\$ 2,190,100</u></u>

The required Schedule of Changes in the City's Net Pension Liability and Related Ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	<u><u>\$ 3,282,318</u></u>	<u><u>\$ 2,190,100</u></u>	<u><u>\$ 1,267,255</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Sensitivity of the net pension liability to changes in the discount rate (Continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of March 31, 2024, and the current sharing pattern of costs between employer and employee.

C. Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the City recognized pension expense of \$297,567. At December 31, 2024, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 334,923	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(208,629)
City contributions subsequent to the measurement date	454,601	-
Total	<u>\$ 789,524</u>	<u>\$ (208,629)</u>

City contributions subsequent to the measurement date of \$454,601, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2025	\$ (79,714)
2026	249,303
2027	83,856
2028	(127,151)
Total	<u>\$ 126,294</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The City had the following interfund balances as of December 31, 2024.

Receivable Fund	Payable Fund			Total
	Capital Projects Fund	Hotel/Motel Tax Fund	Combined Utilities Fund	
General Fund	\$ 50,000	\$ 233,829	\$ 115,051	\$ 398,880
Nonmajor Governmental	-	4,813	-	4,813
Total	<u>\$ 50,000</u>	<u>\$ 238,642</u>	<u>\$ 115,051</u>	<u>\$ 403,693</u>

Interfund receivables and payables result from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures, occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The composition of interfund transfers as of December 31, 2024 is as follows:

Transfers In	Transfers Out			Total
	Hotel/Motel Tax Fund	Combined Utilities Fund	Local Fiscal Recovery Fund	
General Fund	\$ 332,468	\$ 6,243,184	\$ -	\$ 6,575,652
Combined Utilities Fund	-	-	980,650	980,650
Nonmajor Governmental	110,771	-	-	110,771
Total	<u>\$ 443,239</u>	<u>\$ 6,243,184</u>	<u>\$ 980,650</u>	<u>\$ 7,667,073</u>

Transfers are used to move unrestricted revenue to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

During the year 2024, \$1,010,698 of capital assets were transferred from governmental activities to business-type activities.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. BUDGET COMPLIANCE AND DEFICIT FUND BALANCE

Expenditures in Excess of Appropriations

The following funds and departments had actual expenditures in excess of appropriations for the year ended December 31, 2024:

Department	Excess
General Fund:	
Public safety:	
Fire	\$ 73,472
Public works:	
Streets/sanitation	155,459
Recreation:	1,149,660
Hotel/Motel Fund:	
Housing and development	53,669
Local Fiscal Recovery Fund:	
Capital outlay	1,534,978
Police Special Purpose Revenue Fund:	
Public safety	56,474

These over expenditures were funded by greater than anticipated revenues.

NOTE 10. HOTEL/MOTEL LODGING TAX

The City has levied a lodging tax. For the fiscal year ended December 31, 2024, \$775,708 of hotel/motel tax was collected. Of the total collected, 43% was used for the promotion of tourism in the General Fund for \$332,468, 43% was used for the promotion of tourism in the Convention and Visitors Board for \$332,468, and 14% was used for the promotion of tourism in the Tourism Product Development Fund for \$110,772.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the Middle Georgia area, is a member of the Middle Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During its year ended December 31, 2024, the City paid \$8,458 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated ("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. §50-8-39.0 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Middle Georgia Regional Commission
175 Emery Highway
Macon, Georgia 31217

NOTE 12. RELATED ORGANIZATIONS

The Housing Authority of the City is considered a related organization based upon the criteria of GASB Statement 14. The Housing Authority of the City is a legally separate entity having a board composed of members appointed originally by the City. The City is not able to impose its will upon the Housing Authority of the City, and a financial benefit/burden relationship does not exist between them. Therefore, based upon the criteria above, the Housing Authority of the City of Forsyth, Georgia is a related organization.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation

During the course of normal operations of the City, various claims and lawsuits arise. The City attorney has advised that there are no potential liabilities that impair the City's financial position as of the date of this audit report.

Grants from Governments

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Electric Authority of Georgia

The Municipal Electric Authority of Georgia ("MEAG") is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by state law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit unless any such profits inure to the benefit of the public.

As of December 31, 2024, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating city has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on kWh usage. The total payments under these contracts amounted to \$6,125,145 in 2024.

At December 31, 2024, the outstanding debt of MEAG was approximately \$8.30 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$88.74 million at December 31, 2024.

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has coverage with Travelers' Insurance Company, which the City is fully insured on automobile insurance, general liability employment practices liability, property coverage, and cybersecurity. These plans have various deductibles the City is responsible for meeting. In addition, the City has joined together with other municipalities in the state as part of the Georgia Firefighters' Cancer Benefit Program and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments. As part of these risk pools, the City 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 City is also to allow the pools' agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RISK MANAGEMENT (CONTINUED)

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment and all expenses incurred for investigation, negotiation or defense. Settled claims in the past three years have not exceeded the coverages.

NOTE 15. TAX ABATEMENT

Pursuant to GASB Statement No. 77, *Tax Abatement Disclosures*, the City is required to disclose certain information about tax abatements as defined in the Statement. For the purposes of GASB No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which: a) one or more governments promise to forgo tax revenues to which they are otherwise entitled, and b) the individual or entity promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the City or the citizens of the City. Monroe County has entered into such agreements. The following is a description of the City's abatement program where the County and City has promised to forgo taxes.

The Monroe County Board of Commissioners authorizes industries which create new jobs in the County from investing in new facilities. Abatements of real and personal property taxes are provided to the companies based on a criteria calculation which includes targeted industry, capital investment and employment. The abatement may reduce the amount of property taxes paid over seven to twenty-five years. The agreements may contain claw back provisions which would result in the repayment of the annual tax abatement for each year the Company fails to meet its jobs/investment commitment. For the fiscal year ended December 31, 2024, the County abated property taxes totaling \$77,104.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. NET INVESTMENT IN CAPITAL ASSETS

The following schedule provides the details of the net investment in capital assets classification of net position:

	Government-Wide Level		
	Governmental Activities	Business-Type Activities	Total
Capital assets, non-depreciable assets	\$ 4,168,515	\$ 2,501,712	\$ 6,670,227
Capital assets, depreciable assets	22,864,648	42,254,240	65,118,888
Accumulated depreciation	(9,827,555)	(27,746,993)	(37,574,548)
Current notes payable	(309,897)	(47,126)	(357,023)
Non-current notes payable	(7,143,729)	(636,365)	(7,780,094)
Current financed purchases	(129,603)	(59,132)	(188,735)
Non-current financed purchases	(402,910)	(143,858)	(546,768)
Accounts payable - capital	(736,216)	-	(736,216)
Retainage payable	(155,304)	-	(155,304)
Unspent proceeds - notes payable	4,118,596	-	4,118,596
	<u>\$ 12,446,545</u>	<u>\$ 16,122,478</u>	<u>\$ 28,569,023</u>

NOTE 17. ACCOUNTING CHANGES

Change in Accounting Principle

In conjunction with the implementation of GASB Statement No. 101, *Compensated Absences*, the City is required to reevaluate the accounting treatment of compensated absences. The new standard requires the City to reevaluate the calculation and treatment of accumulated sick time in compensated absences under the new definitions of GASB Statement No. 101. Therefore, in conjunction with the Implementation of GASB Statement No. 101, the following restatement was required to the beginning net position of Governmental Activities and Business-Type Activities to properly report compensated absences.

	Governmental Activities	Business-Type Activities
Beginning net position, as previously reported	\$ 12,064,272	\$ 25,712,027
Adjustment to compensated absences	(98,767)	(26,796)
Beginning net position, as restated	<u>\$ 11,965,505</u>	<u>\$ 25,685,231</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 17. ACCOUNTING CHANGES (CONTINUED)

Changes to or within the Financial Reporting Entity

Change in Major Funds

In the current year, the City's TSPLOST met the definition of a major fund. The effect of this change to or within the financial reporting entity is shown in the table below.

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances	
	Funds	
	TSPLOST Funds	Nonmajor Governmental Funds
Begininng fund balance, as previously reported	\$ -	\$ 1,759,857
Change from major fund to nonmajor fund	1,751,419	(1,751,419)
Beginning fund balance, as adjusted	<u>\$ 1,751,419</u>	<u>\$ 8,438</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FORSYTH, GEORGIA

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

	Fiscal Year		
	2024	2023	2022
Total pension liability			
Service cost	\$ 144,568	\$ 144,976	\$ 145,224
Interest on total pension liability	680,418	658,522	659,284
Differences between expected and actual experience	440,374	124,023	(360,181)
Changes of assumptions	-	-	-
Changes in benefit terms	-	-	-
Benefit payments, including refunds of employee contributions	(735,763)	(524,684)	(384,138)
Net change in total pension liability	529,597	402,837	60,189
Total pension liability - beginning	9,449,318	9,046,481	8,986,292
Total pension liability - ending (a)	9,978,915	9,449,318	9,046,481
 Plan fiduciary net position			
Contributions - employer	422,922	496,941	464,293
Net investment income	1,138,527	(501,027)	428,998
Benefit payments, including refunds of employee contributions	(735,763)	(524,684)	(384,138)
Administrative expenses	(21,140)	(25,584)	(24,380)
Net change in plan fiduciary net position	804,546	(554,354)	484,773
Plan fiduciary net position - beginning	6,984,269	7,538,623	7,053,850
Plan fiduciary net position - ending (b)	7,788,815	6,984,269	7,538,623
 City's net pension liability (a) - (b)	\$ 2,190,100	\$ 2,465,049	\$ 1,507,858
 Plan fiduciary net position as a percentage of the total pension liability	78.1%	73.9%	83.3%
 Covered payroll	\$ 4,122,675	\$ 3,061,796	\$ 3,278,773
 City's net pension liability as a percentage of covered payroll	53.1%	80.5%	46.0%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

Fiscal Year					
2021	2020	2019	2018	2017	2016
\$ 117,299	\$ 95,423	\$ 102,510	\$ 81,022	\$ 96,516	\$ 103,491
607,919	519,742	489,784	450,989	438,598	417,009
342,184	292,806	216,432	358,922	(20,384)	83,950
-	35,016	-	98,880	-	-
-	763,073	-	-	-	-
(413,555)	(416,164)	(388,234)	(373,945)	(335,735)	(316,031)
653,847	1,289,896	420,492	615,868	178,995	288,419
8,332,445	7,042,549	6,622,057	6,006,189	5,827,194	5,538,775
8,986,292	8,332,445	7,042,549	6,622,057	6,006,189	5,827,194
341,245	306,150	216,253	211,201	211,981	199,284
2,212,381	(367,012)	193,577	617,028	570,789	12,908
(413,555)	(416,164)	(388,234)	(373,945)	(335,735)	(316,031)
(23,470)	(25,973)	(25,250)	(22,844)	(24,458)	(11,798)
2,116,601	(502,999)	(3,654)	431,440	422,577	(115,637)
4,937,249	5,440,248	5,443,902	5,012,462	4,589,885	4,705,522
7,053,850	4,937,249	5,440,248	5,443,902	5,012,462	4,589,885
\$ 1,932,442	\$ 3,395,196	\$ 1,602,301	\$ 1,178,155	\$ 993,727	\$ 1,237,309
78.5%	59.3%	77.2%	82.2%	83.5%	78.8%
\$ 3,225,142	\$ 2,733,560	\$ 2,367,499	\$ 2,593,409	\$ 1,961,386	\$ 2,216,376
59.9%	124.2%	67.7%	45.4%	50.7%	55.8%

CITY OF FORSYTH, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS FOR THE FISCAL YEAR ENDED DECEMBER 31,

	Fiscal Year		
	2024	2023	2022
Actuarially determined contribution	\$ 454,601	\$ 462,874	\$ 508,297
Contributions in relation to the actuarially determined contribution	454,601	462,874	508,297
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 3,592,236	\$ 3,170,285	\$ 3,251,958
Contributions as a percentage of covered payroll	12.7%	14.6%	15.6%

Notes to the Schedule:

Valuation date	July 1, 2024
Cost method	Projected unit credit
Actuarial asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed rate of return on investments	7.375%
Projected salary increases	2.25% plus service based merit increases
Cost of living adjustments	N/A
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years.

The schedule will present 10 years of information once it is accumulated.

Fiscal Year					
2021	2020	2019	2018	2017	2016
\$ 449,625	\$ 305,118	\$ 273,474	\$ 204,809	\$ 212,479	\$ 210,591
449,625	305,118	273,474	204,809	194,772	228,085
\$ -	\$ -	\$ -	\$ -	\$ 17,707	\$ (17,494)
\$ 3,292,145	\$ 2,942,496	\$ 2,701,615	\$ 2,480,454	\$ 2,277,398	\$ 2,088,881
13.7%	10.4%	10.1%	8.3%	8.6%	10.9%

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND

Police Special Purpose Revenue Fund – This fund is used to account for cash received either as a result of a cash confiscation or from the sale of capital assets acquired from law enforcement activity.

Tourism Product Development Fund – This fund is used to account for a portion of the hotel/motel taxes collected by the City to be used for promotion of tourism.

CITY OF FORSYTH, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2024

	Special Revenue		
	Police Special Purpose Revenue Fund	Tourism Product Development Fund	Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 8,443	\$ -	\$ 8,443
Due from other funds	-	4,813	4,813
Total assets	<u>\$ 8,443</u>	<u>\$ 4,813</u>	<u>\$ 13,256</u>
FUND BALANCES			
Restricted:			
Law enforcement	\$ 8,443	\$ -	\$ 8,443
Capital projects	-	4,813	4,813
Total fund balances	<u>8,443</u>	<u>4,813</u>	<u>13,256</u>
Total fund balances	<u>\$ 8,443</u>	<u>\$ 4,813</u>	<u>\$ 13,256</u>

CITY OF FORSYTH, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Special Revenue		Capital Projects	
	Police Special Purpose Revenue Fund	Tourism Product Development Fund	(Previously Nonmajor) TSPLOST Fund	Nonmajor Governmental Funds
Revenues				
Fines and forfeitures	\$ 56,271	\$ -	\$ -	\$ 56,271
Interest revenue	208	-	-	208
Total revenues	56,479	-	-	56,479
Expenditures				
Current:				
Public safety	56,474	-	-	56,474
Culture and recreation	-	105,958	-	105,958
Total expenditures	56,474	105,958	-	162,432
Excess (deficiency) of revenues over (under) expenditures	5	(105,958)	-	(105,953)
Other financing sources:				
Transfers in	-	110,771	-	110,771
Total other financing sources	-	110,771	-	110,771
Net change in fund balances	5	4,813	-	4,818
Fund balances, beginning of year, as previously presented	8,438	-	1,751,419	1,759,857
Change within financial reporting entity (nonmajor to major fund)	-	-	(1,751,419)	(1,751,419)
Fund balances, beginning of year, as restated	8,438	-	-	8,438
Fund balances, end of year	\$ 8,443	\$ 4,813	\$ -	\$ 13,256

CITY OF FORSYTH, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL SPECIAL REVENUE FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Police Special Purpose Revenue Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Fines and forfeitures	\$ -	\$ 56,271	\$ 56,271
Interest revenue	-	208	208
Total revenues	-	56,479	56,479
Expenditures			
Current:			
Public safety	-	56,474	(56,474)
Total expenditures	-	56,474	(56,474)
Net change in fund balance	-	5	5
Fund balance, beginning of year	8,438	8,438	-
Fund balance, end of year	\$ 8,438	\$ 8,443	\$ 5

CITY OF FORSYTH, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Tourism Product Development Fund		
	Final Budget	Actual	Variance With Final Budget
Expenditures:			
Current:			
Culture and recreation	\$ 112,000	\$ 105,958	\$ 6,042
Total expenditures	112,000	105,958	6,042
Deficiency of revenues under expenditures	(112,000)	(105,958)	6,042
Other financing sources:			
Transfers in	112,000	110,771	(1,229)
Total other financing sources	112,000	110,771	(1,229)
Net change in fund balances	-	4,813	4,813
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ 4,813</u>	<u>\$ 4,813</u>

CITY OF FORSYTH, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2019 ISSUE
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<u>SPLOST 2019 Fund</u>					
Water and Sewer Upgrades	\$ 2,502,091	\$ 2,502,091	\$ 1,349,929	\$ 309,512	\$ 1,659,441
Road Improvements	500,000	500,000	269,048	1,022,178	1,291,226
Public Safety	<u>825,000</u>	<u>825,000</u>	<u>792,691</u>	<u>-</u>	<u>792,691</u>
Totals	<u>\$ 3,827,091</u>	<u>\$ 3,827,091</u>	<u>\$ 2,411,668</u>	1,331,690	<u>\$ 3,743,358</u>
Reconciliation to the Statement of Revenues, Expenditures and Changes in Fund Balances:					
Debt service interest payments				<u>31,400</u>	
Total SPLOST 2019 Fund expenditures for the current year				<u>\$ 1,363,090</u>	

CITY OF FORSYTH, GEORGIA

**SCHEDULE OF EXPENDITURES OF
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, streets and bridges	\$ 2,551,394	\$ 2,551,394	\$ -	\$ -	\$ -
Totals	<u>\$ 2,551,394</u>	<u>\$ 2,551,394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF FORSYTH, GEORGIA

BALANCE SHEET

DISCRETELY PRESENTED COMPONENT UNITS

DECEMBER 31, 2024

	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
ASSETS		
Cash and cash equivalents	\$ 286,079	\$ 75,996
Due from other governments	52,483	-
Total assets	<u>338,562</u>	<u>75,996</u>
LIABILITIES		
Accounts payable	5,535	-
Due to primary government	<u>33,048</u>	<u>-</u>
Total liabilities	<u>38,583</u>	<u>-</u>
FUND BALANCES		
Unassigned	<u>299,979</u>	<u>75,996</u>
Total fund balances	<u><u>\$ 299,979</u></u>	<u><u>\$ 75,996</u></u>
Amounts reported for discretely presented component units in the Statement of Net Position are different because:		
Fund balances of governmental funds	\$ 299,979	\$ 75,996
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>-</u>	<u>160,042</u>
Net position of discretely presented component units	<u><u>\$ 299,979</u></u>	<u><u>\$ 236,038</u></u>

CITY OF FORSYTH, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNITS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
Revenues		
Intergovernmental	\$ 332,450	\$ -
Miscellaneous	5,099	2,038
Total revenues	<u>337,549</u>	<u>2,038</u>
Expenditures		
Current:		
Housing and economic development	305,001	825
Total expenditures	<u>305,001</u>	<u>825</u>
Net change in fund balances	32,548	1,213
Fund balances, beginning of year	<u>267,431</u>	<u>74,783</u>
Fund balances, end of year	<u>\$ 299,979</u>	<u>\$ 75,996</u>
Amounts reported for discretely presented component units in the Statement of Activities are different because:		
Net change in fund balances	\$ 32,548	\$ 1,213
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.	<u>-</u>	<u>(4,500)</u>
Change in net position of discretely presented component units	<u>\$ 32,548</u>	<u>\$ (3,287)</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

Contents

	<u>Page</u>
Financial Trends	81 – 96
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	97 – 101
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	102 – 107
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	108 and 109
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	110 – 113
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant year.

CITY OF FORSYTH, GEORGIA

NET POSITION BY ACTIVITY LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Governmental Activities:				
Net investment in capital assets	\$ 1,936,014	\$ 2,961,183	\$ 5,187,220	\$ 6,217,039
Restricted	986,027	1,399,872	1,363,713	477,567
Unrestricted	1,624,476	244,984	(1,275,332)	484,706
Total governmental activities net position	<u>\$ 4,546,517</u>	<u>\$ 4,606,039</u>	<u>\$ 5,275,601</u>	<u>\$ 7,179,312</u>
Business-Type Activities:				
Net investment in capital assets	\$ 12,461,652	\$ 11,940,235	\$ 11,940,235	\$ 11,099,033
Unrestricted	3,153,858	2,267,208	2,267,208	3,121,541
Total business-type activities net position	<u>\$ 15,615,510</u>	<u>\$ 14,207,443</u>	<u>\$ 14,207,443</u>	<u>\$ 14,220,574</u>
Primary Government:				
Net investment in capital assets	\$ 15,422,835	\$ 17,127,455	\$ 17,127,455	\$ 17,316,072
Restricted	1,399,872	1,363,713	1,363,713	477,567
Unrestricted	3,398,842	(4,283,725)	991,876	3,606,247
Total primary government net position	<u>\$ 20,221,549</u>	<u>\$ 14,207,443</u>	<u>\$ 19,483,044</u>	<u>\$ 21,399,886</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 6,217,039	\$ 6,917,783	\$ 6,688,058	\$ 8,111,544	\$ 8,911,938	\$ 12,446,545
477,567	4,393,052	8,467	1,918,657	2,990,258	2,877,668
484,706	(4,422,421)	170,953	137,572	162,076	(48,333)
<u>\$ 7,179,312</u>	<u>\$ 6,888,414</u>	<u>\$ 6,867,478</u>	<u>\$ 10,167,773</u>	<u>\$ 12,064,272</u>	<u>\$ 15,275,880</u>
\$ 10,416,961	\$ 11,890,370	\$ 11,890,370	\$ 12,901,798	\$ 13,915,836	\$ 16,122,478
12,864,579	13,457,175	13,457,175	12,116,714	11,796,191	10,785,907
<u>\$ 23,281,540</u>	<u>\$ 25,347,545</u>	<u>\$ 25,347,545</u>	<u>\$ 25,018,512</u>	<u>\$ 25,712,027</u>	<u>\$ 26,908,385</u>
\$ 17,334,744	\$ 18,578,428	\$ 18,578,428	\$ 21,013,342	\$ 22,827,774	\$ 28,569,023
4,393,052	8,467	8,467	1,918,657	2,990,258	2,877,668
8,442,158	13,628,128	13,628,128	12,254,286	11,958,267	10,737,574
<u>\$ 30,169,954</u>	<u>\$ 32,215,023</u>	<u>\$ 32,215,023</u>	<u>\$ 35,186,285</u>	<u>\$ 37,776,299</u>	<u>\$ 42,184,265</u>

CITY OF FORSYTH, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	\$ 1,399,516	\$ 1,502,667	\$ 1,570,103	\$ 1,805,038
Judicial	-	-	-	-
Public safety	2,214,927	2,216,538	2,326,825	2,533,783
Public works	1,142,324	1,285,931	1,710,250	1,136,693
Housing and development	-	-	-	-
Culture and recreation	41,613	44,433	63,729	130,844
Better Hometown	131,824	203,398	258,470	233,403
Interest on long-term debt	65,607	52,676	76,050	81,087
Total governmental activities expenses	4,995,811	5,305,643	6,005,427	5,920,848
Business-type activities:				
Water and sewer	2,986,704	3,111,237	3,161,040	3,488,235
Electric	8,201,218	8,064,027	7,961,400	7,910,144
Cable	10,122	750,000	-	-
Total business-type activities expenses	11,198,044	11,925,264	11,122,440	11,398,379
Total primary government expenses	<u>\$ 16,193,855</u>	<u>\$ 17,230,907</u>	<u>\$ 17,127,867</u>	<u>\$ 17,319,227</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 122,468	\$ 122,405	\$ 116,628	\$ 132,590
Judicial	-	-	-	300,435
Public safety	221,053	372,797	358,043	308,863
Public works	299,979	314,791	305,751	7,660
Operating grants and contributions	-	-	-	345,678
Capital grants and contributions	898,268	614,730	1,233,674	316,296
Total governmental activities program revenues	1,541,768	1,424,723	2,014,096	1,411,522
Business-type activities:				
Charges for services:				
Water and sewer	2,877,795	3,284,601	3,375,343	3,350,810
Electric	9,549,219	9,683,451	8,995,614	10,703,701
Cable	-	-	-	-
Capital grants and contributions	-	266,576	186,321	-
Total business-type activities program revenues	12,427,014	13,234,628	12,557,278	14,054,511
Total primary government program revenues	<u>\$ 13,968,782</u>	<u>\$ 14,659,351</u>	<u>\$ 14,571,374</u>	<u>\$ 15,466,033</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 1,356,347	\$ 1,493,680	\$ 1,510,745	\$ 1,619,967	\$ 1,813,106	\$ 2,152,472
2,000	1,999	1,000	-	-	-
2,649,908	4,045,207	3,311,187	3,025,930	4,084,867	5,000,096
2,119,935	2,706,548	2,825,459	1,814,757	1,831,942	2,521,845
207,670	138,160	220,493	259,808	247,060	332,469
269,819	254,438	217,067	326,033	376,408	571,964
9,361	171,992	159,708	169,755	250,932	206,823
88,805	392,418	416,912	509,680	341,949	326,621
6,703,845	9,204,442	8,662,571	7,725,930	8,946,264	11,112,290
3,542,041	3,144,862	3,318,033	3,690,075	3,661,043	3,914,900
8,053,731	7,793,713	8,722,234	10,636,074	7,137,626	7,610,927
-	-	-	-	-	-
11,595,772	10,938,575	12,040,267	14,326,149	10,798,669	11,525,827
\$ 18,299,617	\$ 20,143,017	\$ 20,702,838	\$ 22,052,079	\$ 19,744,933	\$ 22,638,117
\$ 672,239	\$ 649,045	\$ 353,990	\$ 349,235	\$ 367,052	\$ 395,036
364,979	436,002	476,025	352,805	286,348	635,766
-	3,083	-	-	-	56,271
321,042	317,855	341,296	343,703	349,527	406,209
-	731	11,327	565	12,232	146,639
822,283	844,319	978,785	1,953,419	2,308,808	4,926,287
2,180,543	2,251,035	2,161,423	2,999,727	3,323,967	6,566,208
3,619,420	3,855,254	4,103,895	4,488,846	4,706,116	4,676,875
10,837,890	10,442,301	12,054,675	13,095,486	10,807,277	12,323,942
-	-	-	-	-	-
-	537,377	1,264,016	-	-	-
14,457,310	14,834,932	17,422,586	17,584,332	15,513,393	17,000,817
\$ 16,637,853	\$ 17,085,967	\$ 19,584,009	\$ 20,584,059	\$ 18,837,360	\$ 23,567,025

(Continued)

CITY OF FORSYTH, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Net (expense)/revenue				
Governmental activities	\$ (3,454,043)	\$ (3,880,920)	\$ (3,991,331)	\$ (4,509,326)
Business-type activities	1,228,970	1,309,364	1,434,838	2,656,132
Total primary government net expense	<u>\$ (2,225,073)</u>	<u>\$ (2,571,556)</u>	<u>\$ (2,556,493)</u>	<u>\$ (1,853,194)</u>
General Revenues and Other Changes				
in Net Position				
Governmental activities:				
Taxes:				
Property taxes	\$ 571,258	\$ 483,398	\$ 470,156	\$ 718,502
Sales taxes	921,469	910,954	952,728	1,100,764
Other taxes	885,101	931,994	1,012,868	1,095,346
Unrestricted investment earnings	2,132	1,281	1,374	4,084
Micellaneous	70,774	182,118	194,372	124,636
Transfers	1,559,777	1,430,697	-	2,869,330
Total governmental activities	<u>4,010,511</u>	<u>3,940,442</u>	<u>2,631,498</u>	<u>5,912,662</u>
Business-type activities:				
Unrestricted investment earnings	33,476	353,048	26,100	47,746
Micellaneous	90,853	78,863	134,237	178,583
Transfers	(1,559,777)	(1,430,697)	-	(2,869,330)
Total business-type activities	<u>(1,435,448)</u>	<u>(998,786)</u>	<u>160,337</u>	<u>(2,643,001)</u>
Total primary government	<u>\$ 2,575,063</u>	<u>\$ 2,941,656</u>	<u>\$ 2,791,835</u>	<u>\$ 3,269,661</u>
Change in Net Position				
Governmental activities	\$ 556,468	\$ 59,522	\$ (1,359,833)	\$ 1,403,336
Business-type activities	(206,478)	310,578	1,595,175	13,131
Total primary government	<u>\$ 349,990</u>	<u>\$ 370,100</u>	<u>\$ 235,342</u>	<u>\$ 1,416,467</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ (4,523,302)	\$ (6,953,407)	\$ (6,501,148)	\$ (4,726,203)	\$ (5,622,297)	\$ (4,546,082)
2,861,538	3,896,357	5,382,319	3,258,183	4,714,724	5,474,990
<u>\$ (1,661,764)</u>	<u>\$ (3,057,050)</u>	<u>\$ (1,118,829)</u>	<u>\$ (1,468,020)</u>	<u>\$ (907,573)</u>	<u>\$ 928,908</u>
\$ 462,412	\$ 218,414	\$ 470,561	\$ 534,117	\$ 499,501	\$ 523,683
1,124,883	1,174,860	1,372,687	1,672,154	1,616,053	1,558,129
1,120,184	971,203	1,211,232	1,355,089	1,379,646	1,521,418
6,724	1,859	578	675	2,387	1,391
-	-	-	-	-	-
<u>2,869,379</u>	<u>3,247,794</u>	<u>3,425,154</u>	<u>4,464,463</u>	<u>4,021,209</u>	<u>4,251,836</u>
<u>5,583,582</u>	<u>5,614,130</u>	<u>6,480,212</u>	<u>8,026,498</u>	<u>7,518,796</u>	<u>7,856,457</u>
411,277	414,401	108,840	-	-	-
-	-	-	877,247	-	-
<u>(2,869,379)</u>	<u>(3,247,794)</u>	<u>(3,425,154)</u>	<u>(4,464,463)</u>	<u>(4,021,209)</u>	<u>(4,251,836)</u>
<u>(2,458,102)</u>	<u>(2,833,393)</u>	<u>(3,316,314)</u>	<u>(3,587,216)</u>	<u>(4,021,209)</u>	<u>(4,251,836)</u>
<u>\$ 3,125,480</u>	<u>\$ 2,780,737</u>	<u>\$ 3,163,898</u>	<u>\$ 4,439,282</u>	<u>\$ 3,497,587</u>	<u>\$ 3,604,621</u>
\$ 1,060,280	\$ (1,339,277)	\$ (20,936)	\$ 3,300,295	\$ 1,896,499	\$ 3,310,375
403,436	1,062,964	2,066,005	(329,033)	693,515	1,223,154
<u>\$ 1,463,716</u>	<u>\$ (276,313)</u>	<u>\$ 2,045,069</u>	<u>\$ 2,971,262</u>	<u>\$ 2,590,014</u>	<u>\$ 4,533,529</u>

CITY OF FORSYTH, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
General Fund:				
Non-spendable	\$ 3,371	\$ 18,995	\$ 3,037	\$ 3,444
Restricted	61,011	63,959	769,237	769,237
Unassigned	1,486,907	1,478,775	894,042	959,436
Total General Fund	<u>\$ 1,551,289</u>	<u>\$ 1,561,729</u>	<u>\$ 1,666,316</u>	<u>\$ 1,732,117</u>
All Other Governmental Funds:				
Non-spendable	\$ -	\$ -	\$ 76,150	\$ 119,781
Restricted	880,272	753,583	594,476	751,706
Assigned	2,046	-	-	-
Total all other governmental funds	<u>\$ 882,318</u>	<u>\$ 753,583</u>	<u>\$ 670,626</u>	<u>\$ 871,487</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 4,801	\$ 4,801	\$ 60	\$ 68,481	\$ -	\$ -
61,288	61,288	-	-	-	-
2,419,210	2,419,210	3,133,869	3,030,101	3,116,410	2,094,549
<u>\$ 2,485,299</u>	<u>\$ 2,485,299</u>	<u>\$ 3,133,929</u>	<u>\$ 3,098,582</u>	<u>\$ 3,116,410</u>	<u>\$ 2,094,549</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
904,123	904,123	344,240	5,888,701	6,970,307	6,996,264
-	-	-	-	-	-
<u>\$ 904,123</u>	<u>\$ 904,123</u>	<u>\$ 344,240</u>	<u>\$ 5,888,701</u>	<u>\$ 6,970,307</u>	<u>\$ 6,996,264</u>

CITY OF FORSYTH, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes	\$ 2,377,793	\$ 2,326,346	\$ 2,435,752	\$ 2,852,384
Licenses and permits	122,468	122,405	116,628	92,497
Intergovernmental	901,593	614,730	1,233,402	712,336
Fines and forfeitures	221,053	372,797	358,043	297,182
Charges for services	299,979	314,791	305,751	308,863
Interest income	2,132	1,281	1,646	4,728
Other revenues	70,774	182,119	194,372	255,078
Total revenues	<u>3,995,792</u>	<u>3,934,469</u>	<u>4,645,594</u>	<u>4,523,068</u>
Expenditures				
General government	1,285,496	1,427,457	1,493,221	1,547,123
Public safety	2,136,605	2,068,830	2,222,127	2,302,215
Public works	1,136,757	1,206,140	1,726,703	999,293
Parks and recreation	18,278	20,567	34,017	37,156
Better Hometown	131,824	203,398	203,398	233,403
Capital outlay	256,371	170,378	137,757	1,380,341
Debt service:				
Principal	412,611	428,157	443,727	541,796
Interest	113,694	102,146	129,850	81,087
Issuance costs	-	-	-	-
Total expenditures	<u>5,491,636</u>	<u>5,627,073</u>	<u>6,390,800</u>	<u>7,122,414</u>
Deficiency of revenues over expenditures	<u>(1,495,844)</u>	<u>(1,692,604)</u>	<u>(1,745,206)</u>	<u>(2,599,346)</u>
Other financing sources (uses)				
Issuance of debt	2,376,403	1,892,054	-	-
Issuance of refunding debt	-	-	-	-
Payment to refunded escrow agent	-	-	-	-
Transfers in	-	-	3,221,429	2,900,000
Transfers out	(660,770)	(461,357)	(282,738)	(30,670)
Total other financing sources (uses), net	<u>1,715,633</u>	<u>1,430,697</u>	<u>2,938,691</u>	<u>2,869,330</u>
Net change in fund balances	<u>\$ 219,789</u>	<u>\$ (261,907)</u>	<u>\$ 1,193,485</u>	<u>\$ 269,984</u>
Debt service as a percentage of non-capital expenditures	9.6%	9.4%	9.0%	8.7%

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 2,783,989	\$ 2,597,286	\$ 3,072,085	\$ 3,581,638	\$ 3,465,573	\$ 3,617,740
120,581	115,913	132,571	119,568	135,507	134,275
822,283	844,319	978,785	1,953,419	2,308,808	4,926,287
364,979	439,085	476,025	352,805	286,348	692,037
321,042	317,855	341,296	343,703	349,527	406,209
6,724	2,590	11,905	1,240	14,619	148,030
551,658	533,132	221,419	229,667	231,545	260,761
4,971,256	4,850,180	5,234,086	6,582,040	6,791,927	10,185,339
1,563,852	1,406,171	1,559,306	1,579,239	1,692,249	1,903,932
2,472,131	3,108,674	3,106,691	3,236,913	4,202,363	5,223,154
1,935,814	1,699,842	1,512,645	1,610,505	2,066,481	2,686,314
207,670	230,318	474,469	503,737	506,142	1,744,866
268,578	254,438	217,067	326,033	376,408	571,964
70,621	2,428,580	4,698,868	101,892	1,070,770	3,763,293
523,126	123,253	165,855	269,626	356,627	437,488
73,781	325,959	420,081	379,268	344,666	317,556
-	36,250	-	146,026	-	-
7,115,573	9,613,485	12,154,982	8,153,239	10,615,706	16,648,567
(2,144,317)	(4,763,305)	(6,920,896)	(1,571,199)	(3,823,779)	(6,463,228)
-	5,100,000	-	-	100,282	-
-	-	-	7,555,000	-	-
-	-	-	(4,939,150)	-	-
2,384,350	3,455,034	3,753,880	9,369,847	5,202,050	6,686,423
(2,349,389)	(207,240)	(328,726)	(4,905,384)	(379,119)	(1,423,889)
34,961	8,347,794	3,425,154	7,080,313	4,923,213	5,262,534
\$ (2,109,356)	\$ 3,584,489	\$ (3,495,742)	\$ 5,509,114	\$ 1,099,434	\$ (1,200,694)
8.4%	4.7%	4.8%	8.6%	8.1%	7.1%

CITY OF FORSYTH, GEORGIA

GOVERNMENTAL ACTIVITIES EXPENDITURES BY FUNCTION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

<u>Calendar Year</u>	<u>General Government</u>	<u>Police</u>	<u>Fire Department</u>	<u>Municipal Court</u>	<u>Public Works</u>
2015	\$ 1,147,550	\$ 1,304,594	\$ 774,868	\$ 94,905	\$ 1,136,757
2016	1,276,187	1,180,371	846,334	87,028	1,206,140
2017	1,311,764	1,270,660	864,295	84,524	1,726,703
2018	1,342,983	1,330,749	888,326	83,140	999,293
2019	1,563,852	1,375,907	987,337	108,887	1,935,814
2020	1,406,171	1,879,348	1,117,917	111,409	1,699,842
2021	1,559,306	1,628,716	1,352,653	125,322	1,512,645
2022	1,579,239	1,790,710	1,322,647	123,556	1,610,505
2023	1,813,106	2,232,544	1,739,550	112,773	1,831,942
2024	2,152,472	3,101,367	2,049,984	124,753	2,426,718

	Better Hometown	Parks and Recreation	Total
\$	131,824	\$ 18,278	\$ 4,608,776
	203,398	20,567	4,820,025
	203,398	34,017	5,495,361
	233,403	37,156	4,915,050
	268,578	70,621	6,310,996
	254,438	92,158	6,561,283
	217,067	253,976	6,649,685
	326,033	243,929	6,996,619
	250,932	623,468	8,604,315
	334,431	338,130	10,527,855

CITY OF FORSYTH, GEORGIA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

Calendar Year	Ad Valorem Tax	Sales Tax	Franchise Tax	Beer and Liquor Taxes
2015	\$ 571,258	\$ 1,776,165	\$ 118,428	\$ 195,455
2016	483,398	1,525,684	113,537	200,477
2017	470,156	952,728	98,205	205,545
2018	656,274	1,100,764	106,579	202,898
2019	538,922	1,124,883	105,572	202,852
2020	451,223	1,174,860	98,361	218,243
2021	494,087	1,372,687	100,831	230,804
2022	554,395	1,672,154	118,548	228,874
2023	469,874	1,616,053	137,364	224,468
2024	369,036	1,558,129	101,548	214,064

Insurance		Other		
Premium Tax		Taxes		Total
\$	221,493	\$	422,596	\$ 3,995,792
	239,920		561,460	3,934,469
	255,476		194,569	3,641,584
	275,519		253,379	3,690,639
	292,586		551,658	3,685,570
	309,199		533,132	3,723,453
	328,944		183,286	3,751,281
	369,726		637,941	3,581,638
	400,135		617,679	3,465,573
	430,098		944,865	3,617,740

CITY OF FORSYTH, GEORGIA

SALES TAX COLLECTIONS AND RATES LAST TEN FISCAL YEARS

Fiscal Year	Sales Tax Received by Forsyth				State
	Local Option Sales Tax	Special Purpose Local Option Sales Tax	Transportation Special Purpose Local Option Sales Tax	Total Collected Sales Tax	Basic Rate
2015	\$ 921,469	\$ 854,696	\$ -	\$ 1,776,165	4%
2016	910,954	614,730	-	1,525,684	4%
2017	952,728	548,919	-	1,501,647	4%
2018	1,100,764	512,059	-	1,612,823	4%
2019	1,124,883	759,788	-	1,884,671	4%
2020	1,174,860	775,654	-	1,950,514	4%
2021	1,372,687	881,169	-	2,253,856	4%
2022	1,672,154	1,130,672	742,288	3,545,114	4%
2023	1,616,053	1,177,755	1,008,569	3,802,377	4%
2024	1,558,129	1,144,770	991,193	3,694,092	4%

SOURCE:

City of Forsyth, Georgia and Monroe County, Georgia tax records.

County			City	
County Education Rate	Special Purpose Local Option Sales Tax	Transportation Special Purpose Local Option Sales Tax	Local Option Sales Tax	Total Sales Tax Rate
1%	1%	0%	1%	7%
1%	1%	0%	1%	7%
1%	1%	0%	1%	7%
1%	1%	0%	1%	7%
1%	1%	0%	1%	7%
1%	1%	0%	1%	7%
1%	1%	0%	1%	7%
1%	1%	1%	1%	8%
1%	1%	1%	1%	8%
1%	1%	1%	1%	8%

CITY OF FORSYTH, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Calendar Year	Assessed Value of Taxable Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value ⁽¹⁾
2015	\$ 120,246,776	\$ 10,177,848	\$ 110,068,928	3.000	\$ 275,172,320	40%
2016	119,688,305	10,146,648	109,541,657	3.000	273,854,143	40%
2017	116,881,114	781,027	116,100,087	3.000	290,250,218	40%
2018	116,532,639	2,774,083	113,758,556	3.000	284,396,390	40%
2019	116,881,114	2,784,982	114,096,132	3.000	285,240,330	40%
2020	123,347,883	2,853,377	120,494,506	3.000	301,236,265	40%
2021	140,561,619	3,216,229	137,345,390	2.500	343,363,475	40%
2022	153,004,240	3,407,954	149,596,286	2.500	379,102,462	40%
2023	188,312,338	4,630,736	183,681,602	2.250	459,204,005	40%
2024	187,806,349	5,264,376	182,541,973	2.000	456,354,932	40%

SOURCE:

City of Forsyth, Georgia and Monroe County, Georgia tax records.

⁽¹⁾ State of Georgia requires 40% assessment of actual value.

CITY OF FORSYTH, GEORGIA

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 OF ASSESSED VALUE) LAST TEN FISCAL YEARS

Calendar Year	Direct	Overlapping		Total
	City Basic Rate	State and County	County School System	
2015	3.000	11.831	15.800	30.631
2016	3.000	13.331	15.734	32.065
2017	3.000	13.331	15.716	32.047
2018	3.000	13.291	15.669	31.960
2019	3.000	13.187	15.546	31.733
2020	3.000	13.187	15.546	31.733
2021	2.500	12.800	15.227	30.527
2022	2.500	12.050	15.024	29.574
2023	2.250	12.004	16.212	30.466
2024	2.000	10.803	16.212	29.015

SOURCE:

Georgia Department of Revenue

CITY OF FORSYTH, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Calendar Year 2024			Calendar Year 2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Zorn Eric S Trustee/Walmart	\$ 3,121,220	1	2.56%	\$ 4,202,260	1	3.53%
Walmart Store East Inc	-		-	2,804,418	3	2.48%
Ingram Timber Enterprises	-		-	1,275,424	4	1.19%
Treadwell Family Partnership	-		-	1,155,616	5	1.01%
Quiktrip Corporation	2,318,506	4	1.91%	-		0.00%
Ingles Markets Incorporated	-		-	1,017,056	7	0.83%
Atlanta Gas Light Co	1,687,951	10	0.92%	1,135,708	6	0.89%
Walmart Inc	2,418,906	3	2.19%	-		-
Central Georgia Medical Properties LLC	2,288,356	6	1.88%	3,031,476	2	2.75%
Forsyth Cabinet, LLC	3,099,520	2	2.46%	-		-
Curtin Co DBA Ealge Precast	2,328,570	5	1.91%	-		-
Bran Hospitality Forsyth Inc	2,029,656	7	1.51%	-		-
Holiday Cover 19 LLC	1,712,770	9	1.41%	-		-
Jones, William B	-		-	847,560	9	0.77%
Brentwood Partners LP	-		-	801,860	10	0.73%
Encore Plastics Southeast LLC	1,771,618	8	1.53%	872,756	8	0.79%
Total	<u>\$ 22,777,073</u>		<u>18.28%</u>	<u>\$ 17,144,134</u>		<u>14.98%</u>

SOURCE:

City of Forsyth, Georgia and Monroe County, Georgia tax records.

CITY OF FORSYTH, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 310,410	\$ 305,734	98.5%	\$ 69,734
2016	312,046	273,554	87.7%	79,518
2017	326,837	296,715	90.8%	17,871
2018	334,919	289,164	86.3%	27,224
2019	348,599	342,288	98.2%	20,383
2020	357,005	322,148	90.2%	39,220
2021	329,683	292,815	88.8%	28,490
2022	412,753	375,304	90.9%	31,746
2023	340,368	295,129	86.7%	41,194
2024	362,535	326,682	90.1%	35,853

SOURCE:

City of Forsyth, Georgia and Monroe County, Georgia tax records.

Total Collections to Date		Outstanding Delinquent Taxes	Outstanding Delinquent Taxes Percentage of Current Levy
Amount	Percentage of Levy		
\$ 310,410	100.0%	\$ -	0.00%
312,046	100.0%	-	0.00%
314,586	96.3%	12,251	3.75%
316,388	94.5%	18,531	5.53%
348,599	100.0%	-	0.00%
357,005	100.0%	-	0.00%
321,305	97.5%	8,378	2.54%
407,050	98.6%	5,703	1.38%
336,323	98.8%	4,045	1.19%
362,535	100.0%	-	0.00%

CITY OF FORSYTH, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Governmental Activities		
		Notes Payable	Revenue Bonds	Financed Purchases
2015	\$ -	\$ 752,995	\$ 1,760,000	\$ -
2016	-	739,839	1,439,043	-
2017	-	726,112	915,000	753,042
2018	-	711,795	465,000	622,181
2019	-	696,852	-	621,214
2020	-	5,734,692	-	560,121
2021	-	5,633,245	-	495,713
2022	-	8,041,532	-	433,650
2023	-	7,752,769	-	466,068
2024	-	7,453,626	-	532,513

SOURCE:

- (1) Computed using the personal income amount from the "Demographic Statistics Schedule."
 (2) Computed using the population amount from the "Demographics Statistics Schedule."

Business-type Activities			Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽²⁾
Notes Payable	Revenue Bonds	Financed Purchases			
\$ -	\$ -	\$ 14,616	\$ 2,527,611	1.48%	\$ 639
1,000,000	-	144,795	3,323,677	1.44%	832
983,665	-	114,901	3,492,720	1.99%	858
943,793	-	943,793	3,686,562	2.10%	895
902,957	-	211,439	2,432,462	1.20%	589
861,134	-	126,780	7,282,727	5.08%	1,689
683,491	-	202,990	7,015,439	5.01%	1,600
774,433	-	172,835	9,422,450	6.43%	2,002
729,504	-	115,332	9,063,673	5.82%	1,835
683,491	-	202,990	8,872,620	4.47%	1,765

CITY OF FORSYTH, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF DECEMBER 31, 2024

<u>Jurisdiction</u>	<u>New Debt Outstanding</u>	<u>Percentage Applicable to City of Forsyth ⁽¹⁾</u>	<u>Amount Applicable to City of Forsyth</u>
Monroe County, Georgia - Overlapping Debt	\$ 18,750,000	9.51%	<u>\$ 1,783,309</u>
Subtotal Overlapping Debt			1,783,309
City of Forsyth, Georgia - Direct Debt			<u>7,986,139</u>
Total Direct and Overlapping Debt			<u><u>\$ 9,769,448</u></u>

SOURCE:

Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding provided by the County and City Finance Departments.

NOTES:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that could place burden on the residents and businesses of the City of Forsyth. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

⁽¹⁾ The percentage of overlapping debt applicable is estimated using the assessed gross digest. Applicable percentages were estimated by determining the portion of the City's assessed taxable value that is within the County's boundaries and dividing it by the County's total gross digest.

CITY OF FORYSTH, GEORGIA

LONG-TERM DEBT BURDEN COMBINED UTILITIES FUND LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue	Direct Operating Expenses	Available for Debt Service	Principal	Interest	Total
2015	\$ 12,513,524	\$ 10,283,929	\$ 2,229,595	\$ 14,616	\$ 1,925	\$ 16,541
2016	13,305,452	11,923,971	1,381,481	1,144,795	40,518	1,185,313
2017	12,691,515	11,095,746	1,595,769	46,229	26,694	72,923
2018	14,233,094	11,370,911	2,862,183	71,006	27,468	98,474
2019	14,457,310	11,570,561	2,886,749	104,148	25,211	129,359
2020	14,297,555	10,938,575	3,358,980	126,480	39,277	165,757
2021	16,158,570	12,040,267	4,118,303	94,822	26,166	120,988
2022	17,584,332	14,060,464	3,523,868	98,656	28,716	127,372
2023	15,513,393	11,512,510	4,000,883	102,430	28,583	131,013
2024	17,000,817	12,091,696	4,909,121	152,446	24,646	177,092

SOURCE:

City of Forsyth, Georgia ordinances.

Total		Per	
Debt Burden		Capita	
\$	-	\$	-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-

CITY OF FORSYTH, GEORGIA

PLEDGED-REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	\$ 5,674,108	\$ 3,760,485	\$ 1,913,623	\$ 600,000	\$ 778,923	1.39
2016	5,917,164	3,802,058	2,115,106	645,000	673,645	1.60
2017	12,691,515	11,095,746	1,595,769	-	-	-
2018	14,233,094	11,370,911	2,862,183	-	-	-
2019	14,186,735	4,175,132	10,011,603	-	-	-
2020	14,297,555	8,723,401	5,574,154	-	-	-
2021	16,158,570	11,253,328	4,905,242	-	-	-
2022	17,584,332	13,220,552	3,780,265	-	-	-
2023	15,513,393	10,641,064	4,872,329	-	-	-
2024	17,000,817	11,139,312	5,861,505	-	-	-

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Utility service charges include tap fees, but exclude interest.

Operating expenses do not include interest, depreciation or amortization expense.

CITY OF FORSYTH, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Personal Income	Unemployment Rate ⁽³⁾
2015	3,964	\$ 142,200,572	\$ 35,873	5.7
2016	3,993	160,941,858	40,306	5.2
2017	4,071	125,964,882	30,942	4.8
2018	4,121	130,749,992	31,728	4.0
2019	4,130	127,298,990	30,823	3.5
2020	4,312	126,436,464	29,322	3.5
2021	4,384	140,055,648	31,947	3.2
2022	4,706	146,488,368	31,128	2.8
2023	4,940	155,610,000	31,500	4.0
2024	5,027	198,692,175	39,525	4.0

SOURCES:

⁽¹⁾ Source - <https://www.homefacts.com/unemployment/Georgia/Monrow-County/Forsyth.html>

⁽²⁾ All personal income is derived by multiplying population by per capita personal income.

⁽³⁾ All population data are estimates based on the U.S. Census results.

CITY OF FORSYTH, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	Fiscal Year 2024			Fiscal Year 2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Monroe County Board of Education	400	3	8.29%	612	1	15.98%
GA Department of Corrections	475	1	9.84%	434	2	11.33%
Georgia Power Company/Plant Scherer	398	4	8.25%	410	3	6.40%
Monroe County Board of Commissioners	402	2	8.33%	245	4	3.89%
Al Burris Correctional Institute	252	5	5.22%	229	5	2.38%
GA Public Safety Training Center	175	7	3.63%	149	6	2.38%
Monroe County Hospital	132	8	2.74%	91	8	1.70%
Wal-Mart	235	6	4.87%	91	7	1.02%
Bolingreen Nursing Home	102	10	2.11%	80	9	1.02%
City of Forsyth	107	9	2.22%			
Pallet One				69	10	1.25%
Total	3,053		55.54%	2,410		47.34%

SOURCE:

City of Forsyth, Georgia records.

CITY OF FORSYTH, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrative	8	8	19	21	21	19	18	19	15	18
Public safety:										
Fire	14	11	24	27	27	26	21	25	27	29
Police	26	17	20	25	30	23	13	16	27	25
Municipal Court	1	1	3	3	2	2	1	1	1	1
Public Works	12	14	15	17	21	18	10	16	19	22
Better Hometown	4	4	4	5	3	5	2	1	2	1
Electric	11	8	10	10	10	9	8	8	9	11
Total	76	63	95	108	114	102	73	86	100	107

SOURCE:

City of Forsyth, Georgia records.

CITY OF FORSYTH, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2015	2016	2017	2018
Administrative				
Business licenses issued	636	753	631	618
Permits issued	110	110	25	21
Police				
Citations processed	1,458	2,561	2,010	1,808
Public Works				
Garbage customers	1,513	1,516	1,385	1,351
Culture and Recreation				
Annual City-sponsored events	13	16	17	14
Annual non City-sponsored events	1	1	1	1
Electric				
Annual Kilowatt hours sold (millions)	126	132	81	88
Water				
Average daily consumption in gallons (millions)	1.4	1.6	-	-

SOURCE:

City of Forsyth, Georgia records.

Fiscal Year					
2019	2020	2021	2022	2023	2024
614 16	613 13	617 52	649 128	622 67	621 69
2,863	3,772	3,275	1,540	2968	4831
1,376	1,407	1,647	1,690	1771	1830
13 1	3 1	6 1	7 2	13 1	17 1
85	81	93	118	86	86
-	-	1	1.5	1.6	1.4

CITY OF FORSYTH, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrative										
Buildings	2	2	2	2	2	2	3	3	3	3
									1	1
Police										
Patrol units	22	22	22	22	24	24	24	25	28	28
Fire										
Fire trucks	7	7	8	8	8	8	8	8	8	9
Public Works										
Vehicles	10	10	10	10	10	10	10	14	14	14
Highways/streets	50	50	50	50	50	50	50	50	50	50
Streetlights	795	795	795	795	795	795	800	850	860	860
Garage										
Vehicles	2	2	2	2	2	2	2	1	1	1
Culture and Recreation										
Acreage	16	16	16	16	16	16	16	16	16	16
Park sites	5	5	5	5	5	5	5	5	5	5
Electric										
Electric lines (miles)	58	58	58	58	58	58	58	58	59	59
Vehicles	5	5	9	9	9	9	10	10	11	11
Water										
Water mains (miles)	40	40	40	40	40	40	40	50	52	54
Sewer										
Sanitary sewers (miles)	40	40	40	40	40	40	40	40	52	54

SOURCE:

City of Forsyth, Georgia records.

COMPLIANCE SECTION



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

**To the Honorable Mayor and Members
of City Council
City of Forsyth, Georgia
Forsyth, Georgia**

We have audited, 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 ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Forsyth, Georgia (the "City"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 26, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001.

City of Forsyth, Georgia's Response to the Finding

Government Auditing Standards require the auditor to perform limited procedures on the City of Forsyth, Georgia's response to the finding identified in our audit which are described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
June 26, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members
of City Council
City of Forsyth, Georgia
Forsyth, Georgia

Report on Compliance for The Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Forsyth, Georgia's ("the City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the fiscal year ended December 31, 2024. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year fiscal ended December 31, 2024.

Basis for Opinion on Each Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
June 26, 2025

CITY OF FORSYTH, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
U.S. Environmental Protection Agency				
Passed through Georgia Environmental Finance Authority: Drinking Water State Revolving Loan Fund	66.468	DWLSL2022010	\$ 29,997	\$ -
Total U.S. Environmental Protection Agency			<u>29,997</u>	<u>-</u>
U.S. Department of Housing and Urban Development				
Passed through Georgia Department of Community Affairs: Community Development Block Grant	14.228	22p-x-102-2-6280	1,000,000	-
Total U.S. Department of Housing and Urban Development			<u>1,000,000</u>	<u>-</u>
U.S. Department of Homeland Security				
Passed through Georgia Emergency Management Agency: Assistance to Firefighter's Grant	97.044	EMW-2022-FG-07603	55,751	-
Total U.S. Department of Homeland Security			<u>55,751</u>	<u>-</u>
U.S. Department of Transportation				
Passed through Georgia Governor's Office of Highway Safety: State and Community Highway Safety Cluster	20.600	TEN-2025-ForsythPD-020	35,000	-
Total Highway Safety Cluster			35,000	-
Total U.S. Department of Transportation			<u>35,000</u>	<u>-</u>
U.S. Department of Justice				
Direct Award: Bulletproof Vest Partnership Program	16.607	N/A	1,708	-
Total U.S. Department of Justice			<u>1,708</u>	<u>-</u>
U.S. Department of the Treasury				
Direct Award: COVID-19 Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF")	21.027	N/A	1,533,438	-
Passed through the Georgia Governor's Office of Planning and Budget COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	980,650	-
Total U.S. Department of the Treasury			<u>2,514,088</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 3,636,544</u>	<u>\$ -</u>

CITY OF FORSYTH, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Forsyth, Georgia (the "City"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the 10% de minimis cost rate for the year ended December 31, 2024.

CITY OF FORSYTH, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered to be material weaknesses?

___ Yes X None Reported

Noncompliance material to financial statements noted?

X Yes ___ No

Federal Awards

Internal control over major programs:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered to be material weaknesses?

___ Yes X None Reported

Type of auditor's report issued on compliance for major programs. Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

___ Yes X No

Identification of major program:

AL Number

21.027

14.228

Name of Federal Program or Cluster

U.S. Department of the Treasury –
COVID-19 -Coronavirus State and Local Fiscal Recovery Funds

U.S. Department of Housing and Urban Development –

Community Development Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

___ Yes X No

CITY OF FORSYTH, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

SECTION II FINANCIAL STATEMENT FINDINGS

2024-001 – 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 at the department level. In addition, each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each Special Revenue Fund and each Debt Service Fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article.

Condition: For the year ended December 31, 2024, the City was in violation of State budget statutes:

- An annual budget was not adopted for the Local Fiscal Recovery Fund.
- An annual budget was not adopted for the Police Special Purpose Revenue Fund.

Context: We addressed the matter with the City to determine the appropriate actions needed as to be in compliance with state budget requirements at December 31, 2024.

Effect: The City did not adopt an annual balanced budget for the fund noted above for the year ended December 31, 2024.

Cause: The above conditions were caused by the City not adopting a balanced budget for all necessary funds.

Recommendation: We recommend the City adopt balanced budgets for all required funds.

Views of responsible officials: 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 operations and financial perspectives. We will also review budgets to ensure balanced budgets are adopted.

SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

CITY OF FORSYTH, GEORGIA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

STATUS OF PRIOR YEAR AUDIT FINDINGS

2023-001 – 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 at the department level. In addition, each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each special revenue fund and each debt service fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article.

Condition: Careful monitoring of expenditures compared to budget would alert management and the public to budget violations, and possible misuse of City resources.

Auditee Response/Status: Unresolved. See current year financial audit finding 2024-001.



CITY OF FORSYTH

P. O. BOX 1447
FORSYTH, GEORGIA 31029
(478) 994-5649

CITY OF FORSYTH, GEORGIA

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

2024-001 Budgetary Requirements

Name of Contact Person Responsible for Corrective Action Plan: Craig Mims, City Manager

Corrective Action Plan: We concur. We will implement procedures to ensure budgets are adopted for all necessary funds.

Anticipated Completion Date: Fiscal year 2025