

CITY OF FORSYTH, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

Prepared by:
City Finance Department

CITY OF FORSYTH, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

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INTRODUCTORY SECTION



CITY OF FORSYTH

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

July 5, 2024

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 Annual Comprehensive Financial Report of the City of Forsyth, Georgia (the “City”), for the year ended December 31, 2023, 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. 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 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.

The City 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 (the City 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, the City 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 2023. 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. The 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 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 for the 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 prior goals and set new goals for the upcoming year. Goals established for 2023 were review of annexation areas, improving relationships, addressing blight, and reviewing future needs for all infrastructure.

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/City Clerk is responsible for City Council agenda preparation, minutes, and custodian of City records. The Assistant City Manager/City Clerk is responsible for planning, developing, implementing, and maintaining the administrative and financial operations of the City including purchasing and assisting the City Manager with preparing the annual budget and capital improvement plan.

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

Municipal Court:

Overview - The Municipal Court of the City 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 2023, the Municipal Court heard 2,446 cases in court.

Police:

Overview - The men and women of the Forsyth Police Department is committed to providing a safe community and improving the life of all its citizens. To achieve this goal, we work in partnership with the community to deliver services in a professional and transparent process, while holding ourselves to the highest professional standards. In addition, we hold ourselves to our core values of Professionalism, Respect, Integrity, Dedication, and Excellence.

The Police Department has been completely renovated to better serve the public. There have been major upgrades to the interior of the building such as painting, new flooring, and new furniture. The Training/Squad room has seen major technological upgrades. In addition, the main lobby and reception area was redesigned and updated. Also, new computers have been added that will help us be more efficient in our operations.

Fire:

Overview - The City 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 1,840 calls for service in 2023. The Fire Department completed all training and response to calls during 2023 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 grass cutting along city streets and state highways, three city cemeteries, five public parks, a closed city landfill, and all city buildings. The department provides landscaping services for public property. 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 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 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 will provide 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 is set to begin the second quarter of 2023 for Country Club Park.

Community Development:

Overview - The Community Development Department strives to maintain and improve the overall quality of life for all citizens of the City 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. 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 decision resulting in orderly growth and development and a high quality of life for present and future citizens.

In 2023, the City saw the opening of over 25 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), falls under Community Development. In 2023, the Forsyth Main Street program conducted a successful Summer Concert series, to include a Fourth of July fireworks show, and assisted with raising funds for the annual shop with a 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 2023 consisted of approximately 3,100 electric and 3,300 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 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. The project is expected to conclude in the fourth quarter of 2024.

Convention and Visitors Bureau:

Overview - In January 2015, the City 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 and operates the City Welcome Center.

The total hotel/motel tax revenue received in 2023 was \$617,699 with \$247,079 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 judgments 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) Special Purpose Local Option Sales Tax (“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 \$617,699 with Expenditures in the amount of \$247,079 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 2023 were \$17,066,039. Total operating expenditures for 2023 were \$16,345,938.

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 accounts. The accounting firm of 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 entire staff of my office 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

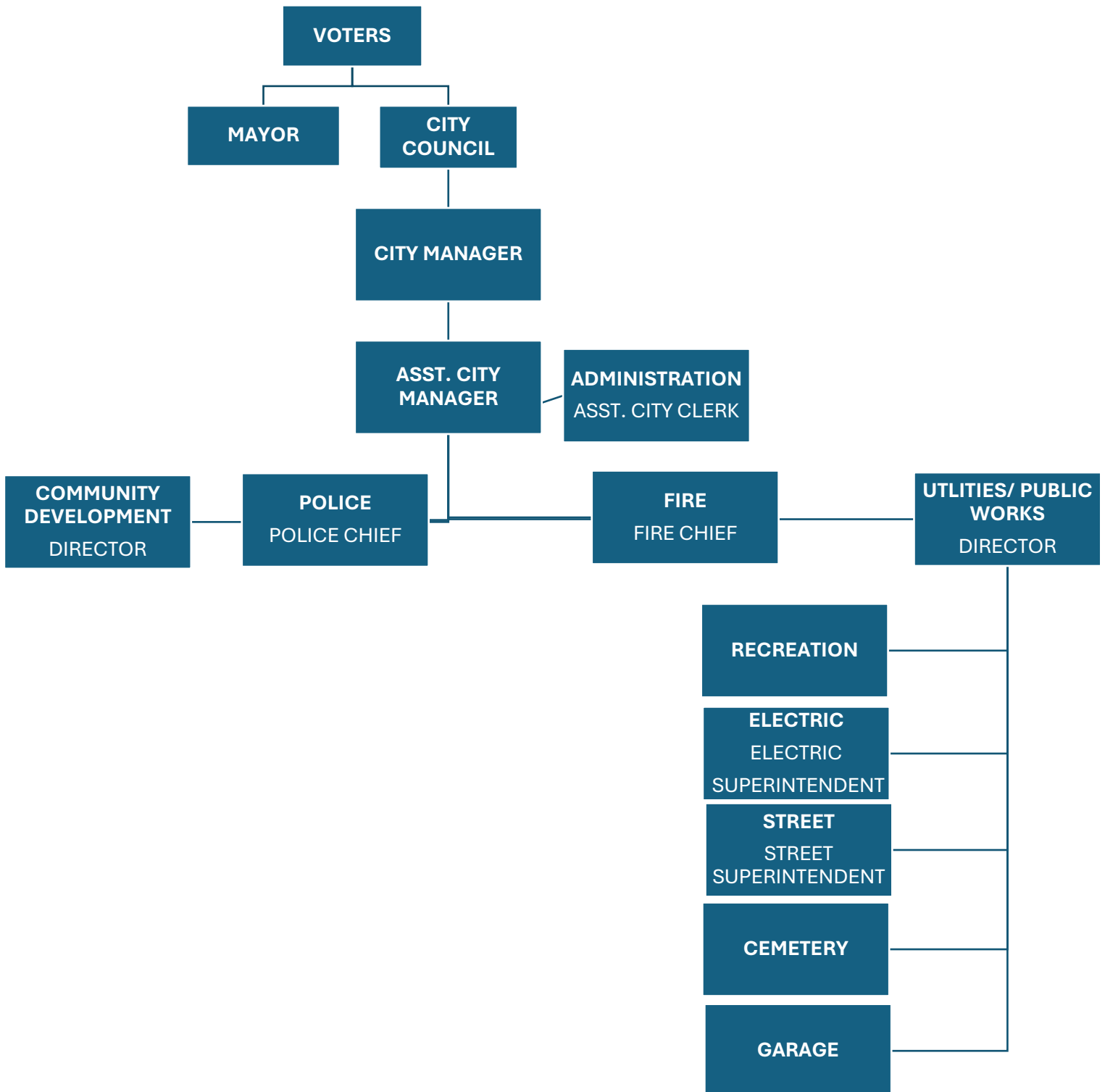
December 31, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF FORSYTH, GEORGIA

ORGINIZATIONAL CHART DECEMBER 31, 2023



CITY OF FORSYTH, GEORGIA

LIST OF PRINCIPALS AS OF DECEMBER 31, 2023

Mayor

Eric S. Wilson

City Council Members

Josh Hill

Chris M. Hewett

Lois Allen

Mike E. Dodd

Gregory Goolsby

Charles Wilder Jr.

City Manager

Craig Mims

Assistant City Manager/City Clerk

Regina L. Ivie

Police Chief

Woodrow Blue

Fire Chief

Kevin Bunn

Utilities Director

Michael Batchelor

Community Development

Cody Ellis

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, 2023, 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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, 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 as listed in the table of contents, 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 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 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 on them.

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 July 5, 2024, 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
July 5, 2024

CITY OF FORSYTH, GEORGIA
MANAGEMENT’S DISCUSSION & ANALYSIS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

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, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City’s primary government activities exceeded its liabilities as of December 31, 2023, by \$37,776,299.
- As of December 31, 2023, total net position consisted of \$22,827,774 net investment in capital assets, \$2,990,258 restricted for law enforcement and capital projects, and \$11,958,267 unrestricted.
- As of December 31, 2023, the City’s governmental funds reported ending fund balance of \$10,086,717, an increase of \$1,099,434 from the prior year.
- As of December 31, 2023, the City’s General Fund reported ending fund balance of \$3,116,410, an increase of \$17,828 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 seven (7) 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, Hotel/Motel Tax Fund, and the Local Fiscal Recovery Fund, of which are considered to be major funds. Data from the other one (1) governmental fund is combined into a single, aggregated presentation. Individual fund data for this nonmajor governmental fund is 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 \$37,776,299 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	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	\$ 12,878,495	\$ 11,291,813	\$ 13,207,879	\$ 13,716,225	\$ 26,086,374	\$ 25,008,038
Capital assets, net of accumulated depreciation	13,150,726	12,666,662	14,760,672	13,849,066	27,911,398	26,515,728
Total assets	<u>\$ 26,029,221</u>	<u>\$ 23,958,475</u>	<u>\$ 27,968,551</u>	<u>\$ 27,565,291</u>	<u>\$ 53,997,772</u>	<u>\$ 51,523,766</u>
Deferred outflows of resources	\$ 743,104	\$ 495,284	\$ -	\$ -	\$ 743,104	\$ 495,284
Liabilities						
Current and other	1,248,838	785,080	1,411,688	1,599,511	2,660,526	2,384,591
Long-term liabilities	13,339,155	\$ 12,573,772	844,836	947,268	14,183,991	13,521,040
Total liabilities	<u>\$ 14,587,993</u>	<u>\$ 13,358,852</u>	<u>\$ 2,256,524</u>	<u>\$ 2,546,779</u>	<u>\$ 16,844,517</u>	<u>\$ 15,905,631</u>
Deferred inflows of resources	\$ 120,060	\$ 927,134	\$ -	\$ -	\$ 120,060	\$ 927,134
Net position						
Net investment in capital assets	8,911,938	8,111,544	13,915,836	12,901,798	22,827,774	21,013,342
Restricted for:						
Debt service	-	-	-	-	-	-
Law enforcement	9,374	8,600	-	-	9,374	8,600
Capital projects	2,980,884	1,910,057	-	-	2,980,884	1,910,057
Unrestricted	162,076	137,572	11,796,191	12,116,714	11,958,267	12,254,286
Total net position	<u>\$ 12,064,272</u>	<u>\$ 10,167,773</u>	<u>\$ 25,712,027</u>	<u>\$ 25,018,512</u>	<u>\$ 37,776,299</u>	<u>\$ 35,186,285</u>

Current and other assets increased in governmental activities by \$1.6 million from the prior year. The increase was mainly attributable to the City's SPLOST and Transportation Special Purpose Local Sales Tax ("TSPLOST") collections. Current and other assets decreased in business-type activities by \$508,346 from the prior year. The decrease was, in part, due to reduction in debt during the current year.

Capital assets net of accumulated depreciation increased in governmental activities by \$484,064 from the prior year due mainly to capital asset acquisitions in the current year.

Deferred outflows of resources increased in the governmental activities by \$248,000 due to pension assumption changes.

Current and other liabilities for governmental and business-type activities combined increased by \$939,000, which was mainly attributable to the timing differences of payments.

Deferred inflows of resources decreased in the governmental activities by \$807,074 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 \$285,000 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, \$22,827,774, 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, \$2,990,258, 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 \$11,958,267.

The City's overall net position increased \$2.6 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	
	2023	2022	2023	2022	2023	2022
Revenues						
Program services:						
Charges for services	\$ 1,002,927	\$ 1,045,743	\$ 15,513,393	\$ 17,584,332	\$ 16,516,320	\$ 18,630,075
Operating grants and contributions	12,232	565	-	-	12,232	565
Capital grants and contributions	2,308,808	1,953,419	-	-	2,308,808	1,953,419
General revenues:						
Taxes	3,495,200	3,561,360	-	-	3,495,200	3,561,360
Investment and interest revenues	2,387	675	-	-	2,387	675
Other	-	-	-	877,247	-	877,247
Total revenues	6,821,554	6,561,762	15,513,393	18,461,579	22,334,947	25,023,341
Expenditures/expenses						
General government	1,813,106	1,619,967	-	-	1,813,106	1,619,967
Judicial	-	-	-	-	-	-
Public safety	4,084,867	3,025,930	-	-	4,084,867	3,025,930
Public works	1,831,942	1,814,757	-	-	1,831,942	1,814,757
Housing and development	247,060	259,808	-	-	247,060	259,808
Culture and recreation	376,408	326,033	-	-	376,408	326,033
Better Hometown	250,932	169,755	-	-	250,932	169,755
Interest	341,949	509,680	-	-	341,949	509,680
Combined utilities	-	-	10,798,669	14,326,149	10,798,669	14,326,149
Total expenses	8,946,264	7,725,930	10,798,669	14,326,149	19,744,933	22,052,079
Change in net position before transfers	(2,124,710)	(1,164,168)	4,714,724	4,135,430	2,590,014	2,971,262
Transfers	4,021,209	4,464,463	(4,021,209)	(4,464,463)	-	-
Change in net position	1,896,499	3,300,295	693,515	(329,033)	2,590,014	2,971,262
Net position, beginning, as restated	10,167,773	6,867,478	25,018,512	25,347,545	35,186,285	32,215,023
Net position, ending	\$ 12,064,272	\$ 10,167,773	\$ 25,712,027	\$ 25,018,512	\$ 37,776,299	\$ 35,186,285

MANAGEMENT'S DISCUSSION & ANALYSIS

Governmental activities

During the current fiscal year, net position for governmental activities increased \$1,896,499 from the prior fiscal year for an ending balance of \$12,064,272. The increase in the overall net position of governmental activities is primarily due to increase in transfers from the enterprise fund.

Revenues increased \$259,792 from the prior year, primarily due to the increase in nonmajor governmental funds.

Total expenses were \$1,220,334 (16%) higher than the prior fiscal year. The biggest areas of change were in the functional areas of:

- Public safety increased by \$1,058,937 (or 35%) due to recruitment and hiring efforts to fully staff the police department.

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 \$25,712,027. 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 \$693,515 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 and an increase in water and sewer rates.

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, 2023, the City's governmental funds reported combined fund balances of \$10,086,717, an increase of \$1,099,434 in comparison with the prior year.

Of this amount, \$3,116,410 (or 31%) 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, \$6,970,307.

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 increased by \$17,828, which was mainly from the transfers in from the city's proprietary 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 34% of total General Fund expenditures, while total fund balance represents 34% of that 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 2023 fiscal year, the Capital Projects Fund had a total fund balance of \$3,9230,049, an increase of \$9,985 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 2023 fiscal year, the 2019 SPLOST had a total fund balance of \$1,279,465, an increase of \$61,729 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 2023 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 2023 fiscal year, the Local Fiscal Recovery Fund had a total fund balance of \$936.

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 \$13,915,836 and \$11,796,191, 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. For fiscal year 2023, the differences between the General Fund original budget and the final amended budget that increased appropriations are as follows:

- A budget amendment was approved to increase appropriations to maintain services

MANAGEMENT'S DISCUSSION & ANALYSIS

The General Fund's actual expenditures of \$168,684 were less than the final amended budget. This was due to a combined effort on the part of all of the departments to tightly manage their spending as summarized below:

- General Government Activities actual expenditures were \$3,164 less than the final budget.
- Public Safety actual expenditures were \$5,567 less than final budget.
- Public Works actual expenditures were \$6,232 less than final budget.
- Better Hometown actual spending was \$647 less than the final budget.
- Recreation actual expenditures were \$102,827 less than the final budget.
- Debt service actual expenditures were \$50,247 less than the final budget.

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, 2023, amounts to \$27,911,398 (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 5.3% (an increase of 3.8% and increase of 6.6% 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	
	2023	2022	2023	2022	2023	2022
Land improvements	\$ 2,901,936	\$ 2,901,936	\$ -	\$ -	\$ 2,901,936	\$ 2,901,936
Distribution system	-	-	30,503,505	29,324,389	30,503,505	29,324,389
Buildings and improvements	7,557,360	7,379,286	5,196,155	5,196,155	12,753,515	12,575,441
Infrastructure	3,616,700	3,197,944	-	-	3,616,700	3,197,944
Machinery and equipment	2,290,383	1,940,450	1,219,492	1,204,849	3,509,875	3,145,299
Vehicles	4,374,885	4,154,172	1,348,446	1,348,446	5,723,331	5,502,618
Land	1,132,693	1,132,693	249,261	249,261	1,381,954	1,381,954
Construction in progress	110,344	532,380	3,081,147	2,491,854	3,191,491	3,024,234
Total capital assets	21,984,301	21,238,861	41,598,006	39,814,954	63,582,307	61,053,815
Accumulated depreciation	(8,833,575)	(8,572,199)	(26,837,334)	(25,965,888)	(35,670,909)	(34,538,087)
Total capital assets, net	\$ 13,150,726	\$ 12,666,662	\$ 14,760,672	\$ 13,849,066	\$ 27,911,398	\$ 26,515,728

MANAGEMENT’S DISCUSSION & ANALYSIS

Long-Term Debt

As of December 31, 2023, the City had approximately \$10.2 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	
	2023	2022	2023	2022	2023	2022
Financed purchases	\$ 466,068	\$ 433,650	\$ 115,332	\$ 172,835	\$ 581,400	\$ 606,485
Landfill post-closure costs	1,121,831	1,048,440	-	-	1,121,831	1,048,440
Notes payable	7,752,769	8,041,532	729,504	774,433	8,482,273	8,815,965
	\$ 9,340,668	\$ 9,523,622	\$ 844,836	\$ 947,268	\$ 10,185,504	\$ 10,470,890

Economic Factors and Next Year’s Budgets and Rates

The following economic factors currently affect the City and were considered in developing the 2023 fiscal year budget.

- The unemployment rate for the City is currently 3%, a slight increase of 0.2% 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, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
ASSETS					
Cash and cash equivalents	\$ 11,948,309	\$ 600,453	\$ 12,548,762	\$ 273,966	\$ 74,783
Investments	-	11,539,050	11,539,050	-	-
Accounts receivable, net of allowances:					
Taxes	98,309	-	98,309	-	-
Accounts	17,547	613,811	631,358	-	-
Due from other governments	782,807	-	782,807	-	-
Due from primary government	-	-	-	31,146	-
Due from component unit	31,523	-	31,523	-	-
Inventories	-	407,031	407,031	-	-
Prepaid expenses	-	47,534	47,534	-	-
Capital assets, non-depreciable	1,243,037	3,330,408	4,573,445	-	-
Capital assets, depreciable, net of accumulated depreciation	11,907,689	11,430,264	23,337,953	-	164,542
Total assets	26,029,221	27,968,551	53,997,772	305,112	239,325
DEFERRED OUTFLOWS OF RESOURCES					
Pension	743,104	-	743,104	-	-
Total deferred outflows of resources	743,104	-	743,104	-	-
LIABILITIES					
Accounts payable	292,422	826,902	1,119,324	6,158	-
Accrued liabilities	188,512	58,565	247,077	-	-
Due to component unit	31,146	-	31,146	-	-
Due to primary government	-	-	-	31,523	-
Due to other governments	736,758	-	736,758	-	-
Customer deposits	-	526,221	526,221	-	-
Unearned revenues	1,533,438	-	1,533,438	-	-
Financed purchases due within one year	71,850	60,354	132,204	-	-
Financed purchases due in more than one year	394,218	54,978	449,196	-	-
Notes payable due within one year	299,143	46,014	345,157	-	-
Notes payable due in more than one year	7,453,626	683,490	8,137,116	-	-
Net pension liability due in more than one year	2,465,049	-	2,465,049	-	-
Landfill post-closure care costs due in more than one year	1,121,831	-	1,121,831	-	-
Total liabilities	14,587,993	2,256,524	16,844,517	37,681	-
DEFERRED INFLOWS OF RESOURCES					
Pension	120,060	-	120,060	-	-
Total deferred inflows of resources	120,060	-	120,060	-	-
NET POSITION					
Net investment in capital assets	8,911,938	13,915,836	22,827,774	-	164,542
Restricted for:					
Law enforcement	9,374	-	9,374	-	-
Capital projects	2,980,884	-	2,980,884	-	-
Unrestricted	162,076	11,796,191	11,958,267	267,431	74,783
Total net position	\$ 12,064,272	\$ 25,712,027	\$ 37,776,299	\$ 267,431	\$ 239,325

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, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 1,813,106	\$ 367,052	\$ 770	\$ 354
Judicial	-	286,348	-	-
Public safety	4,084,867	-	10,925	1,177,755
Public works	1,831,942	349,527	537	1,130,699
Housing and development	247,060	-	-	-
Culture and recreation	376,408	-	-	-
Better Hometown	250,932	-	-	-
Interest on long-term debt	341,949	-	-	-
Total governmental activities	8,946,264	1,002,927	12,232	2,308,808
Business-type activities:				
Water and sewer	3,661,043	4,706,116	-	-
Electric	7,137,626	10,807,277	-	-
Total business-type activities	10,798,669	15,513,393	-	-
Total primary government	\$ 19,744,933	\$ 16,516,320	\$ 12,232	\$ 2,308,808
Component units				
Forsyth Convention and Visitors Bureau Authority				
	\$ 265,705	\$ 249,647	\$ -	\$ -
Downtown Development Authority				
	6,017	-	-	-
Total component units	\$ 271,722	\$ 249,647	\$ -	\$ -
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				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
\$ (1,444,930)	\$ -	\$ (1,444,930)	\$ -	\$ -
286,348	-	286,348	-	-
(2,896,187)	-	(2,896,187)	-	-
(351,179)	-	(351,179)	-	-
(247,060)	-	(247,060)	-	-
(376,408)	-	(376,408)	-	-
(250,932)	-	(250,932)	-	-
(341,949)	-	(341,949)	-	-
<u>(5,622,297)</u>	<u>-</u>	<u>(5,622,297)</u>	<u>-</u>	<u>-</u>
-	1,045,073	1,045,073	-	-
-	3,669,651	3,669,651	-	-
-	4,714,724	4,714,724	-	-
<u>(5,622,297)</u>	<u>4,714,724</u>	<u>(907,573)</u>	<u>-</u>	<u>-</u>
-	-	-	(16,058)	-
-	-	-	-	(6,017)
-	-	-	<u>(16,058)</u>	<u>(6,017)</u>
1,616,053	-	1,616,053	-	-
499,501	-	499,501	-	-
137,364	-	137,364	-	-
224,468	-	224,468	-	-
400,135	-	400,135	-	-
617,679	-	617,679	-	-
2,387	-	2,387	-	-
4,021,209	(4,021,209)	-	-	-
<u>7,518,796</u>	<u>(4,021,209)</u>	<u>3,497,587</u>	<u>-</u>	<u>-</u>
1,896,499	693,515	2,590,014	(16,058)	(6,017)
10,167,773	25,018,512	35,186,285	283,489	245,342
<u>\$ 12,064,272</u>	<u>\$ 25,712,027</u>	<u>\$ 37,776,299</u>	<u>\$ 267,431</u>	<u>\$ 239,325</u>

CITY OF FORSYTH, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>SPLOST 2019 Fund</u>
ASSETS			
Cash and cash equivalents	\$ 2,881,035	\$ 3,980,049	\$ 1,782,124
Accounts receivable, net of allowances:			
Taxes	59,326	-	-
Accounts	17,547	-	-
Due from other governments	344,064	-	232,098
Due from other funds	273,351	-	-
Due from component unit	31,523	-	-
Total assets	<u>\$ 3,606,846</u>	<u>\$ 3,980,049</u>	<u>\$ 2,014,222</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 292,422	\$ -	\$ -
Accrued liabilities	164,779	-	-
Due to component unit	-	-	-
Due to other funds	-	50,000	-
Due to other governments	-	-	734,757
Unearned revenue	-	-	-
Total liabilities	<u>457,201</u>	<u>50,000</u>	<u>734,757</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	33,235	-	-
Total deferred inflows of resources	<u>33,235</u>	<u>-</u>	<u>-</u>

<u>Hotel/Motel Tax Fund</u>	<u>Local Fiscal Recovery Fund</u>	<u>Nonmajor Governmental Fund</u>	<u>Total Governmental Funds</u>
\$ 217,515	\$ 1,534,374	\$ 1,553,212	\$ 11,948,309
38,983	-	-	98,309
-	-	-	17,547
-	-	206,645	782,807
-	-	-	273,351
-	-	-	31,523
<u>\$ 256,498</u>	<u>\$ 1,534,374</u>	<u>\$ 1,759,857</u>	<u>\$ 13,151,846</u>

\$ -	\$ -	\$ -	\$ 292,422
-	-	-	164,779
31,146	-	-	31,146
223,351	-	-	273,351
2,001	-	-	736,758
-	1,533,438	-	1,533,438
<u>256,498</u>	<u>1,533,438</u>	<u>-</u>	<u>3,031,894</u>

-	-	-	33,235
-	-	-	33,235

(Continued)

CITY OF FORSYTH, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	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	-	3,930,049	1,279,465
Unassigned	3,116,410	-	-
Total fund balances	3,116,410	3,930,049	1,279,465
Total liabilities, deferred inflows of resources and fund balances	\$ 3,606,846	\$ 3,980,049	\$ 2,014,222

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.

<u>Hotel/Motel Tax Fund</u>	<u>Local Fiscal Recovery Fund</u>	<u>Nonmajor Governmental Fund</u>	<u>Total Governmental Funds</u>
\$ -	\$ 936	\$ 8,438	\$ 9,374
-	-	1,751,419	6,960,933
-	-	-	3,116,410
<u>-</u>	<u>936</u>	<u>1,759,857</u>	<u>10,086,717</u>
<u>\$ 256,498</u>	<u>\$ 1,534,374</u>	<u>\$ 1,759,857</u>	

13,150,726

33,235

(1,842,005)

(9,364,401)

\$ 12,064,272

CITY OF FORSYTH, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>SPLOST 2019 Fund</u>
Revenues			
Taxes:			
Property taxes	\$ 469,874	\$ -	\$ -
Sales taxes	1,616,053	-	-
Insurance premium taxes	400,135	-	-
Beer, wine and alcohol taxes	224,468	-	-
Franchise taxes	137,364	-	-
Other taxes	-	-	-
Licenses and permits	135,507	-	-
Intergovernmental	113,630	-	1,177,755
Fines and forfeitures	286,348	-	-
Charges for services	349,527	-	-
Interest revenue	2,367	9,985	940
Other revenues	231,545	-	-
Total revenues	<u>3,966,818</u>	<u>9,985</u>	<u>1,178,695</u>
Expenditures			
Current:			
General government	1,691,895	-	-
Public safety	4,202,363	-	-
Public works	2,066,481	-	-
Housing and development	-	-	-
Better Hometown	376,408	-	-
Recreation	259,082	-	-
Capital outlay	-	-	1,070,770
Debt service:			
Principal	356,627	-	-
Interest	298,466	-	46,200
Total expenditures	<u>9,251,322</u>	<u>-</u>	<u>1,116,970</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,284,504)</u>	<u>9,985</u>	<u>61,725</u>

<u>Hotel/Motel Tax Fund</u>	<u>Local Fiscal Recovery Funds</u>	<u>Nonmajor Governmental Fund</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 469,874
-	-	-	1,616,053
-	-	-	400,135
-	-	-	224,468
-	-	-	137,364
617,679	-	-	617,679
-	-	-	135,507
-	8,854	1,008,569	2,308,808
-	-	-	286,348
-	-	-	349,527
20	770	537	14,619
-	-	-	231,545
<u>617,699</u>	<u>9,624</u>	<u>1,009,106</u>	<u>6,791,927</u>
-	354	-	1,692,249
-	-	-	4,202,363
-	-	-	2,066,481
247,060	-	-	247,060
-	-	-	376,408
-	-	-	259,082
-	-	-	1,070,770
-	-	-	356,627
-	-	-	344,666
<u>247,060</u>	<u>354</u>	<u>-</u>	<u>10,615,706</u>
<u>370,639</u>	<u>9,270</u>	<u>1,009,106</u>	<u>(3,823,779)</u>

(Continued)

CITY OF FORSYTH, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>SPLOST 2019 Fund</u>
Other financing sources (uses)			
Financed purchases issued	\$ 100,282	\$ -	\$ -
Transfers in	5,202,050	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>5,302,332</u>	<u>-</u>	<u>-</u>
Net change in fund balances	17,828	9,985	61,725
Fund balances (deficit), beginning of year	<u>3,098,582</u>	<u>3,920,064</u>	<u>1,217,740</u>
Fund balances, end of year	<u>\$ 3,116,410</u>	<u>\$ 3,930,049</u>	<u>\$ 1,279,465</u>

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

<u>Hotel/Motel Tax Fund</u>	<u>Local Fiscal Recovery Funds</u>	<u>Nonmajor Governmental Fund</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 100,282
-	-	-	5,202,050
<u>(370,619)</u>	<u>(8,500)</u>	<u>-</u>	<u>(379,119)</u>
<u>(370,619)</u>	<u>(8,500)</u>	<u>-</u>	<u>4,923,213</u>
20	770	1,009,106	1,099,434
<u>(20)</u>	<u>166</u>	<u>750,751</u>	<u>8,987,283</u>
<u>\$ -</u>	<u>\$ 936</u>	<u>\$ 1,759,857</u>	<u>\$ 10,086,717</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, 2023

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

Net change in fund balances - total governmental funds	\$ 1,099,434
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.	1,285,786
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(801,722)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	29,627
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.	256,345
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>27,029</u>
Change in net position - governmental activities	<u>\$ 1,896,499</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, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes:				
Property taxes	\$ 533,583	\$ 533,583	\$ 469,874	\$ (63,709)
Sales taxes	1,400,000	1,450,000	1,616,053	166,053
Insurance premium taxes	370,000	370,000	400,135	30,135
Beer, wine and alcohol taxes	226,000	226,000	224,468	(1,532)
Franchise taxes	108,000	108,000	137,364	29,364
Licenses and permits	137,800	137,800	135,507	(2,293)
Intergovernmental	74,500	74,500	113,630	39,130
Fines and forfeitures	509,500	509,500	286,348	(223,152)
Charges for services	352,000	352,000	349,527	(2,473)
Interest revenue	4,200	4,200	2,367	(1,833)
Miscellaneous income	255,361	255,361	231,545	(23,816)
Total revenues	3,970,944	4,020,944	3,966,818	(54,126)
Expenditures				
Current:				
General government:				
Administration	1,073,474	1,149,279	1,148,714	565
Governing body	152,897	152,897	150,677	2,220
Mayor	323,883	365,883	365,745	138
Elections	28,000	27,000	26,759	241
Total general government	1,578,254	1,695,059	1,691,895	3,164
Public safety:				
Police	2,271,574	2,351,157	2,350,040	1,117
Fire	1,626,721	1,739,721	1,739,550	171
Municipal court	117,052	117,052	112,773	4,279
Total public safety	4,015,347	4,207,930	4,202,363	5,567
Public works:				
Streets/sanitation	1,697,018	1,680,435	1,679,949	486
Garage	309,978	215,978	210,855	5,123
Cemetery	195,300	176,300	175,677	623
Total public works	2,202,296	2,072,713	2,066,481	6,232
Better Hometown	400,055	377,055	376,408	647
Recreation	463,714	361,909	259,082	102,827
Debt service:				
Principal	211,874	406,874	356,627	50,247
Interest	298,466	298,466	298,466	-
Total debt service	510,340	705,340	655,093	50,247
Total expenditures	9,170,006	9,420,006	9,251,322	168,684
Deficiency of revenues under expenditures	(5,199,062)	(5,399,062)	(5,284,504)	114,558

(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, 2023**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Other financing sources (uses)				
Financed purchases issued	\$ -	\$ -	\$ 100,282	\$ (100,282)
Transfers in	4,946,431	5,146,431	5,202,050	(55,619)
Total other financing sources (uses) net	<u>4,946,431</u>	<u>5,146,431</u>	<u>5,302,332</u>	<u>(155,901)</u>
Net change in fund balances	(252,631)	(252,631)	17,828	270,459
Fund balances, beginning of year	<u>3,098,582</u>	<u>3,098,582</u>	<u>3,098,582</u>	<u>(200,564)</u>
Fund balances, end of year	<u>\$ 2,845,951</u>	<u>\$ 2,845,951</u>	<u>\$ 3,116,410</u>	<u>\$ 69,895</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, 2023**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Other taxes	\$ 525,000	\$ 525,000	\$ 617,679	\$ 92,679
Interest revenues	-	-	20	20
Total revenues	<u>525,000</u>	<u>525,000</u>	<u>617,699</u>	<u>92,679</u>
Expenditures				
Current:				
Housing and development	<u>190,000</u>	<u>190,000</u>	<u>247,060</u>	<u>(57,060)</u>
Total expenditures	<u>190,000</u>	<u>190,000</u>	<u>247,060</u>	<u>(57,060)</u>
Excess of revenues over expenditures	<u>335,000</u>	<u>335,000</u>	<u>370,639</u>	<u>35,639</u>
Other financing uses				
Transfers out	<u>(285,000)</u>	<u>(285,000)</u>	<u>(370,619)</u>	<u>(85,619)</u>
Total other financing uses	<u>(285,000)</u>	<u>(285,000)</u>	<u>(370,619)</u>	<u>(85,619)</u>
Net change in fund balances	50,000	50,000	20	(49,980)
Fund balances (deficit), beginning of year	<u>(20)</u>	<u>(20)</u>	<u>(20)</u>	<u>-</u>
Fund balances, end of year	<u>\$ 49,980</u>	<u>\$ 49,980</u>	<u>\$ -</u>	<u>\$ (49,980)</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
LOCAL FISCAL RECOVERY FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental	\$ -	\$ 8,854	\$ 8,854
Interest revenue	-	770	770
Total revenues	<u>-</u>	<u>9,624</u>	<u>9,624</u>
Expenditures			
Current:			
General government	-	354	(354)
Total expenditures	<u>-</u>	<u>354</u>	<u>(354)</u>
Excess of revenues over expenditures	<u>-</u>	<u>9,270</u>	<u>9,270</u>
Other financing uses			
Transfers out	-	(8,500)	(8,500)
Total other financing uses	<u>-</u>	<u>(8,500)</u>	<u>(8,500)</u>
Net change in fund balances	-	770	770
Fund balances, beginning of year	<u>166</u>	<u>166</u>	<u>-</u>
Fund balances, end of year	<u>\$ 166</u>	<u>\$ 936</u>	<u>\$ 770</u>

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

CITY OF FORSYTH, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2023**

	Major Enterprise Fund Combined Utilities Fund
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 600,453
Investments	11,539,050
Accounts receivable, net of allowances	613,811
Inventories	407,031
Prepaid expenses	47,534
	13,207,879
NON-CURRENT ASSETS	
Capital assets:	
Capital assets, non-depreciable	3,330,408
Capital assets, depreciable, net of accumulated depreciation	11,430,264
	14,760,672
Total capital assets	14,760,672
Total non-current assets	14,760,672
Total assets	27,968,551
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	826,902
Accrued liabilities	58,565
Customer deposits payable	526,221
Notes payable, current portion	46,014
Financed purchases, current portion	60,354
	1,518,056
NON-CURRENT LIABILITIES	
Notes payable, net of current portion	683,490
Financed purchases, net of current portion	54,978
	738,468
Total liabilities	2,256,524
NET POSITION	
Net investment in capital assets	13,915,836
Unrestricted	11,796,191
Total net position	\$ 25,712,027

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, 2023**

	Major Enterprise Fund
	Combined Utilities Fund
OPERATING REVENUES	
Charges for services:	
Water and sewer sales	\$ 4,706,116
Electric sales	10,807,277
Total operating revenues	15,513,393
OPERATING EXPENSES	
Personnel services	843,048
Purchase of utilities	6,538,468
Material and supplies	1,190,158
Repairs and maintenance	447,949
Depreciation	871,446
Management fees	1,369,409
Miscellaneous	252,032
Total operating expenses	11,512,510
Operating income	4,000,883
NON-OPERATING INCOME (EXPENSES)	
Investment earnings	742,424
Interest expense	(28,583)
Total non-operating income (expenses) net	713,841
Income before transfers and capital contributions	4,714,724
TRANSFERS	
Transfers in	8,500
Transfers out	(4,831,431)
Total transfers	(4,822,931)
CAPITAL CONTRIBUTIONS	
Change in net position	801,722
Change in net position	693,515
NET POSITION, beginning of year	25,018,512
NET POSITION, end of year	\$ 25,712,027

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, 2023**

	Major Enterprise Fund
	Combined Utilities Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 15,502,022
Payments to suppliers and service providers	(10,002,444)
Payments to employees	(825,126)
	4,674,452
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers in	8,500
Transfers out	(4,831,431)
	(4,822,931)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of property and equipment	(981,330)
Principal paid on notes payable	(44,929)
Principal paid on financed purchases	(57,503)
	(1,083,762)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(711,706)
Interest earned	713,841
	2,135
Decrease in cash and cash equivalents	(1,230,106)
Cash and cash equivalents:	
Beginning of year	1,830,559
End of year	\$ 600,453

(Continued)

CITY OF FORSYTH, GEORGIA

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUND
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

	Major Enterprise Fund
	Combined Utilities Fund
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 4,000,883
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	871,446
(Increase) decrease in assets:	
Accounts receivable	(11,371)
Inventories	26,584
Prepaid expenses	(25,267)
Increase (decrease) in liabilities:	
Accrued liabilities	5,745
Accounts payable	(205,745)
Customer deposits payable	12,177
	\$ 4,674,452
Net cash provided by operating activities	\$ 4,674,452
Noncash capital and related financing activities:	
Contributions of capital assets from governmental funds	\$ 801,722

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

CITY OF FORSYTH, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2023**

	<u>Custodial Fund Municipal Court</u>
ASSETS	
Cash and cash equivalents	\$ 127,967
Total assets	<u>127,967</u>
LIABILITIES	
Due to others	<u>45,846</u>
Total liabilities	<u>45,846</u>
NET POSITION	
Restricted:	
Individuals, organizations, and other governments	<u>82,121</u>
Total net position	<u>\$ 82,121</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, 2023**

	<u>Custodial Fund Municipal Court</u>
ADDITIONS	
Fines and fees	\$ 596,648
Total additions	<u>596,648</u>
DEDUCTIONS	
Taxes and fees paid to other governments	246,173
Other custodial disbursements	<u>276,442</u>
Total deductions	<u>522,615</u>
Change in fiduciary net position	74,033
NET POSITION, beginning of year	<u>8,088</u>
NET POSITION, end of year	<u>\$ 82,121</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, 2023

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 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 **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.

Additionally, the City reports the following fund types:

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

The **Capital Projects Fund** account for used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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:

<u>Asset</u>	<u>Years</u>
Buildings	40
Land improvements	10
Public domain infrastructure	40
System infrastructure	30
Vehicles	5
Furniture, fixtures and equipment	5

L. Compensated Absences

In accordance with the City’s policy, employees are entitled to annual vacation and sick leave. The annual vacation benefits do not accrue and cannot be carried forward to subsequent periods. 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. Accordingly, there is no liability for unpaid accumulated vacation or sick leave.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

Fund Balance (Continued) –

- **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.

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 three items that qualify for reporting in this category. All items relate to the City's Retirement Plan, which are reported in the government-wide and proprietary fund Statements 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. 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 outflows of resources. 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 and proprietary fund Statements 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 inflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. 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	\$ (23,733)
Notes payable	(7,752,769)
Financed purchases	(466,068)
Landfill post-closure care costs	<u>(1,121,831)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (9,364,401)</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	\$ 1,964,400
Depreciation expense	<u>(678,614)</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>\$ 1,285,786</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. Nether transaction, however, has any effect of net position.” The details of this difference are as follows:

Debt issued:	
Notes payable	\$ (100,282)
Principal repayments:	
Notes payable	288,763
Financed purchases	<u>67,864</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>\$ 256,345</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:

Landfill post-closure care costs	\$ (73,391)
Accrued interest	2,717
Net pension liability and related deferred outflows and inflows of resources	<u>97,703</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>\$ 27,029</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2023 are summarized as follows:

Amount as presented on the entity-wide statements of net position:	
Cash and cash equivalents	\$ 12,548,762
Investments	11,539,050
Amounts as presented on the fiduciary statement of net position:	
Cash and cash equivalents - Custodial Fund	127,967
Component Units - cash and cash equivalents	348,749
Total	\$ 24,564,528
Cash deposited with financial institutions	\$ 13,025,478
Investments in the Municipal Competitive Trust	11,539,050
Total	\$ 24,564,528

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, 2023, 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, 2023, the City had the following investments:

Investment	Weighted Average Maturities	Fair Value
Municipal Competitive Trust (Interm. Ext. Mat.)	2.80 years	\$ 8,020,453
Municipal Competitive Trust (Intermediate)	2.14 years	1,465,482
Municipal Competitive Trust (Short-Term)	181 days	2,053,115
		\$ 11,539,050

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, 2023, 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, 2023, including the applicable allowances for uncollectible accounts, are as follows:

	General	Hotel/Motel Tax Fund	Combined Utility Fund	SPLOST 2019 Fund	Nonmajor Governmental	Total
Receivables:						
Taxes	\$ 84,402	\$ 38,983	\$ -	\$ -	\$ -	\$ 123,385
Due from other governments	344,064	-	-	232,098	206,645	782,807
Accounts	27,869	-	662,811	-	-	690,680
Gross receivables	456,335	38,983	662,811	232,098	206,645	1,596,872
Less allowance for uncollectibles	35,398	-	49,000	-	-	84,398
Net total receivables	<u>\$ 420,937</u>	<u>\$ 38,983</u>	<u>\$ 613,811</u>	<u>\$ 232,098</u>	<u>\$ 206,645</u>	<u>\$ 1,512,474</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 18, 2023, (levy date) based upon property values assessed as of January 1, 2022. Property taxes levied by 2023 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the year ended December 31, 2023, and collected by December 1, 2023, are recognized as revenues in the year ended December 31, 2023. Net receivables estimated to be collected subsequent to December 1, 2023 are deferred as of December 31, 2023, 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, 2023 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	532,380	52,268	-	(474,304)	110,344
Total	<u>1,665,073</u>	<u>52,268</u>	<u>-</u>	<u>(474,304)</u>	<u>1,243,037</u>
Capital assets, being depreciated:					
Buildings	7,379,286	121,008	(417,238)	474,304	7,557,360
Infrastructure	3,197,944	1,220,478	-	(801,722)	3,616,700
Land improvements	2,901,936	-	-	-	2,901,936
Furniture, fixtures and equipment	1,940,450	349,933	-	-	2,290,383
Vehicles	4,154,172	220,713	-	-	4,374,885
Total	<u>19,573,788</u>	<u>1,912,132</u>	<u>(417,238)</u>	<u>(327,418)</u>	<u>20,741,264</u>
Less accumulated depreciation for:					
Buildings	1,407,634	290,276	(417,238)	-	1,280,672
Infrastructure	1,098,369	90,444	-	-	1,188,813
Land improvements	1,645,910	77,432	-	-	1,723,342
Furniture, fixtures and equipment	1,710,948	68,403	-	-	1,779,351
Vehicles	2,709,338	152,059	-	-	2,861,397
Total	<u>8,572,199</u>	<u>678,614</u>	<u>(417,238)</u>	<u>-</u>	<u>8,833,575</u>
Total assets, being depreciated, net	<u>11,001,589</u>	<u>1,233,518</u>	<u>-</u>	<u>(327,418)</u>	<u>11,907,689</u>
Governmental activities capital assets, net	<u>\$ 12,666,662</u>	<u>\$ 1,285,786</u>	<u>\$ -</u>	<u>\$ (801,722)</u>	<u>\$ 13,150,726</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	2,491,854	589,293	-	-	3,081,147
Total	2,741,115	589,293	-	-	3,330,408
Capital assets, being depreciated:					
Buildings	5,196,155	-	-	-	5,196,155
Distribution system	29,324,389	377,394	-	801,722	30,503,505
Machinery and equipment	1,204,849	14,643	-	-	1,219,492
Vehicles	1,348,446	-	-	-	1,348,446
Total	37,073,839	392,037	-	801,722	38,267,598
Less accumulated depreciation for:					
Buildings	5,047,818	5,863	-	-	5,053,681
Distribution system	18,803,343	778,693	-	-	19,582,036
Machinery and equipment	1,030,622	26,670	-	-	1,057,292
Vehicles	1,084,105	60,220	-	-	1,144,325
Total	25,965,888	871,446	-	-	26,837,334
Total assets, being depreciated, net	11,107,951	(479,409)	-	801,722	11,430,264
Business-type activities capital assets, net	\$ 13,849,066	\$ 109,884	\$ -	\$ 801,722	\$ 14,760,672

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

Governmental activities

General government	\$ 193,181
Public safety	264,519
Public works	169,957
Culture and recreation	50,957
	\$ 678,614

Total depreciation expense - governmental activities

\$ 678,614

Business-type activities

Electric	\$ 142,332
Water and sewer	729,114
	\$ 871,446

Total depreciation expense - business-type activities

\$ 871,446

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, 2023 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, being depreciated:					
Buildings	\$ 179,999	\$ -	\$ -	\$ -	\$ 179,999
Total	<u>179,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,999</u>
Less accumulated depreciation for:					
Buildings	10,957	4,500	-	-	15,457
Total	<u>10,957</u>	<u>4,500</u>	<u>-</u>	<u>-</u>	<u>15,457</u>
Total assets, being depreciated, net	<u>169,042</u>	<u>(4,500)</u>	<u>-</u>	<u>-</u>	<u>164,542</u>
Discretely presented component unit, capital assets, net	<u>\$ 169,042</u>	<u>\$ (4,500)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 164,542</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>
2024	\$ 18,476	\$ 27,931
2025	19,277	27,195
2026	20,112	26,428
2027	20,984	25,627
2028	21,893	24,792
2029-2033	124,548	110,104
2034-2038	153,979	83,067
2039-2043	190,365	49,641
2044 and 2045	60,675	10,706
Total	<u>\$ 630,309</u>	<u>\$ 385,491</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, 2023:

<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	\$ 729,504
				729,504
			Less current maturities:	(46,014)
				<u>\$ 683,490</u>

The City’s outstanding note from direct borrowings related to business-type activities of \$729,504 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 construction line of credit are as follows:

Year	Principal	Interest
2024	\$ 46,014	\$ 16,933
2025	47,126	15,821
2026	48,265	14,683
2027	49,431	13,516
2028	50,625	12,322
2029 – 2033	272,077	42,659
2034 – 2037	215,966	9,595
Total	\$ 729,504	\$ 125,529

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 \$386,657 as of December 31, 2023.

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 \$79,411 as of December 31, 2023.

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

Year	Principal	Interest
2024	\$ 71,850	\$ 17,528
2025	75,913	15,629
2026	77,969	13,652
2027	61,325	11,596
2028	57,289	9,457
2029 and 2030	121,722	14,654
Total	\$ 466,068	\$ 82,516

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. Financed Purchases (Continued)

Business-type activities

In 2019, the City entered into a financed purchase agreement with ALTEC Capital Services to purchase a vehicle. The amount financed was \$190,985, due in annual installments of \$36,399, including interest at 5.70%. The balance was \$34,436 as of December 31, 2023.

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 \$80,896 as of December 31, 2023.

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

Year	Principal	Interest
2024	\$ 60,354	\$ 4,073
2025	26,952	1,075
2026	28,026	-
Total	\$ 115,332	\$ 5,148

C. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Notes payable from direct borrowing	\$ 8,041,532	\$ -	\$ (288,763)	\$ 7,752,769	\$ 299,143
Financed purchases	433,650	100,282	(67,864)	466,068	71,850
Landfill post-closure costs	1,048,440	73,391	-	1,121,831	-
Net pension liability	1,507,858	1,454,132	(496,941)	2,465,049	-
Governmental activities Long-term liabilities	\$ 11,031,480	\$ 1,627,805	\$ (853,568)	\$ 11,805,717	\$ 370,993
Business-type activities					
Notes payable from direct borrowing	\$ 774,433	\$ -	\$ (44,929)	\$ 729,504	\$ 46,014
Financed purchases	172,835	-	(57,503)	115,332	60,354
Business-type activities Long-term liabilities	\$ 947,268	\$ -	\$ (102,432)	\$ 844,836	\$ 106,368

For the governmental activities, the net pension liability and landfill post-closure costs are generally liquidated by the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

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 \$1,121,831 over the remaining 15-year period at December 31, 2023. 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.

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, 2023, pension plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	75
Terminated plan members entitled to, but not receiving benefits	42
Active plan members	65
	<hr/>
Total beneficiaries	182
	<hr/> <hr/>

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 \$462,874, which is 14.6% of covered payroll for the year ended December 31, 2023.

B. Net Pension Liability of the City

The City's net pension liability was measured as of March 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2023.

Actuarial Assumptions. The total pension liability in the July 1, 2023 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:

Asset Class	Target Allocation	Long-term expected real rate of return
Domestic equity	45%	6.40%
International equity	20%	6.80%
Domestic fixed income	20%	0.40%
Real estate	10%	3.90%
Global fixed income	5%	0.46%
Cash	0%	
Total	100%	

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, 2023 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	\$ 9,046,481	\$ 7,538,623	\$ 1,507,858
<i>Changes for the year:</i>			
Service cost	144,976	-	144,976
Interest	658,522	-	658,522
Differences between expected and actual experience	124,023	-	124,023
Contributions - employer	-	496,941	(496,941)
Net investment income	-	(501,027)	501,027
Benefit payments, including refunds of employee contributions	(524,684)	(524,684)	-
Administrative expense	-	(25,584)	25,584
<i>Net changes</i>	<u>402,837</u>	<u>(554,354)</u>	<u>957,191</u>
Ending Balance	<u>\$ 9,449,318</u>	<u>\$ 6,984,269</u>	<u>\$ 2,465,049</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>\$ 3,485,202</u>	<u>\$ 2,465,049</u>	<u>\$ 1,601,254</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, 2023, 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, 2023, the City recognized pension expense of \$365,171. At December 31, 2023, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 82,682	\$ (120,060)
Net difference between projected and actual earnings on pension plan investments	313,266	-
City contributions subsequent to the measurement date	347,156	-
Total	\$ 743,104	\$ (120,060)

City contributions subsequent to the measurement date of \$347,156, 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,			
2024	\$	(65,428)	
2025		(99,354)	
2026		229,663	
2027		211,007	
Total	\$	275,888	

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The City had the following interfund balances as of December 31, 2023.

Receivable Fund	Payable Fund		Total
	Hotel/Motel Tax Fund	Capital Projects Fund	
General Fund	\$ 223,351	\$ 50,000	\$ 273,351
Total	\$ 223,351	\$ 50,000	\$ 273,351

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, 2023 is as follows:

Transfers In	Transfers Out			Total
	Hotel/Motel Tax Fund	Combined Utilities Fund	Local Fiscal Recovery Fund	
General Fund	\$ 370,619	\$ 4,831,431	\$ -	\$ 5,202,050
Combined Utilities Fund	-	-	8,500	8,500
Total	\$ 370,619	\$ 4,831,431	\$ 8,500	\$ 5,210,550

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 2023, \$801,722 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, 2023:

<u>Department</u>	<u>Excess</u>
Hotel/Motel Fund:	
Housing and development	57,060
Other financing uses:	
Transfers out	85,619
Local Fiscal Recovery Fund:	
General government	354
Other financing uses:	
Transfers out	8,500

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, 2023, \$617,679 of hotel/motel tax was collected. Of the total collected, 60% was used for the promotion of tourism in the General Fund for \$370,619 and 40% was used for the promotion of tourism in the Convention and Visitors Board for \$247,060.

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, 2023, the City paid \$5,926 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, 2023, 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 \$5,988,444 in 2023.

At December 31, 2023, the outstanding debt of MEAG was approximately \$7.89 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$88.02 million at December 31, 2023.

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, 2023, the County abated property taxes totaling \$61,902.

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		Total
	Governmental Activities	Business-Type Activities	
Capital assets, non-depreciable assets	\$ 1,243,037	\$ 3,330,408	\$ 4,573,445
Capital assets, depreciable assets	20,741,264	38,267,598	59,008,862
Accumulated depreciation	(8,833,575)	(26,837,334)	(35,670,909)
Current notes payable	(299,143)	(46,014)	(345,157)
Non-current notes payable	(7,453,626)	(683,490)	(8,137,116)
Current financed purchases	(71,850)	(60,354)	(132,204)
Non-current financed purchases	(394,218)	(54,978)	(449,196)
Unspent proceeds - notes payable	3,980,049	-	3,980,049
	\$ 8,911,938	\$ 13,915,836	\$ 22,827,774

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		
	2023	2022	2021
Total pension liability			
Service cost	\$ 144,976	\$ 145,224	\$ 117,299
Interest on total pension liability	658,522	659,284	607,919
Differences between expected and actual experience	124,023	(360,181)	342,184
Changes of assumptions	-	-	-
Changes in benefit terms	-	-	-
Benefit payments, including refunds of employee contributions	(524,684)	(384,138)	(413,555)
Net change in total pension liability	402,837	60,189	653,847
Total pension liability - beginning	9,046,481	8,986,292	8,332,445
Total pension liability - ending (a)	9,449,318	9,046,481	8,986,292
Plan fiduciary net position			
Contributions - employer	496,941	464,293	341,245
Net investment income	(501,027)	428,998	2,212,381
Benefit payments, including refunds of employee contributions	(524,684)	(384,138)	(413,555)
Administrative expenses	(25,584)	(24,380)	(23,470)
Net change in plan fiduciary net position	(554,354)	484,773	2,116,601
Plan fiduciary net position - beginning	7,538,623	7,053,850	4,937,249
Plan fiduciary net position - ending (b)	6,984,269	7,538,623	7,053,850
City's net pension liability (a) - (b)	\$ 2,465,049	\$ 1,507,858	\$ 1,932,442
Plan fiduciary net position as a percentage of the total pension liability	73.9%	83.3%	78.5%
Covered payroll	\$ 3,061,796	\$ 3,278,773	\$ 3,225,142
City's net pension liability as a percentage of covered payroll	80.5%	46.0%	59.9%

Notes to the Schedule:

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

Fiscal Year					
2020	2019	2018	2017	2016	
\$ 95,423	\$ 102,510	\$ 81,022	\$ 96,516	\$ 103,491	
519,742	489,784	450,989	438,598	417,009	
292,806	216,432	358,922	(20,384)	83,950	
35,016	-	98,880	-	-	
763,073	-	-	-	-	
<u>(416,164)</u>	<u>(388,234)</u>	<u>(373,945)</u>	<u>(335,735)</u>	<u>(316,031)</u>	
1,289,896	420,492	615,868	178,995	288,419	
7,042,549	6,622,057	6,006,189	5,827,194	5,538,775	
<u>8,332,445</u>	<u>7,042,549</u>	<u>6,622,057</u>	<u>6,006,189</u>	<u>5,827,194</u>	
306,150	216,253	211,201	211,981	199,284	
(367,012)	193,577	617,028	570,789	12,908	
(416,164)	(388,234)	(373,945)	(335,735)	(316,031)	
(25,973)	(25,250)	(22,844)	(24,458)	(11,798)	
<u>(502,999)</u>	<u>(3,654)</u>	<u>431,440</u>	<u>422,577</u>	<u>(115,637)</u>	
5,440,248	5,443,902	5,012,462	4,589,885	4,705,522	
<u>4,937,249</u>	<u>5,440,248</u>	<u>5,443,902</u>	<u>5,012,462</u>	<u>4,589,885</u>	
<u>\$ 3,395,196</u>	<u>\$ 1,602,301</u>	<u>\$ 1,178,155</u>	<u>\$ 993,727</u>	<u>\$ 1,237,309</u>	
59.3%	77.2%	82.2%	83.5%	78.8%	
\$ 2,733,560	\$ 2,367,499	\$ 2,593,409	\$ 1,961,386	\$ 2,216,376	
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		
	2023	2022	2021
Actuarially determined contribution	\$ 462,874	\$ 508,297	\$ 449,625
Contributions in relation to the actuarially determined contribution	<u>462,874</u>	<u>508,297</u>	<u>449,625</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,170,285	\$ 3,251,958	\$ 3,292,145
Contributions as a percentage of covered payroll	14.6%	15.6%	13.7%

Notes to the Schedule:

Valuation date	July 1, 2023
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 11 years.

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

Fiscal Year				
2020	2019	2018	2017	2016
\$ 305,118	\$ 273,474	\$ 204,809	\$ 212,479	\$ 210,591
<u>305,118</u>	<u>273,474</u>	<u>204,809</u>	<u>194,772</u>	<u>228,085</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,707</u>	<u>\$ (17,494)</u>
\$ 2,942,496	\$ 2,701,615	\$ 2,480,454	\$ 2,277,398	\$ 2,088,881
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.

CAPITAL PROJECTS FUND

Transportation Special Purpose Local Option Sales Tax (“TSPLOST”) Fund – This fund is used to account for capital projects activity funded by TSPLOST funds specifically for public service.

CITY OF FORSYTH, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Police Special Purpose Revenue Fund</u>	<u>TSPLOST Fund</u>	<u>Nonmajor Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 8,438	\$ 1,544,774	\$ 1,553,212
Due from other governments	-	206,645	206,645
Total assets	<u>\$ 8,438</u>	<u>\$ 1,751,419</u>	<u>\$ 1,759,857</u>
FUND BALANCES			
Restricted:			
Law enforcement	\$ 8,438	\$ -	\$ 8,438
Capital projects	-	1,751,419	1,751,419
Total fund balances	<u>8,438</u>	<u>1,751,419</u>	<u>1,759,857</u>
Total fund balances	<u>\$ 8,438</u>	<u>\$ 1,751,419</u>	<u>\$ 1,759,857</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, 2023**

	<u>Special Revenue</u>	<u>Capital Projects</u>	
	<u>Police Special Purpose Revenue Fund</u>	<u>TSPLOST Fund</u>	<u>Nonmajor Governmental Funds</u>
Revenues			
Intergovernmental	\$ -	\$ 1,008,569	\$ 1,008,569
Interest revenue	4	533	537
Total revenues	<u>4</u>	<u>1,009,102</u>	<u>1,009,106</u>
Net change in fund balances	4	1,009,102	1,009,106
Fund balances, beginning of year	<u>8,434</u>	<u>742,317</u>	<u>750,751</u>
Fund balances, end of year	<u>\$ 8,438</u>	<u>\$ 1,751,419</u>	<u>\$ 1,759,857</u>

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, 2023**

	Police Special Purpose Revenue Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Interest revenue	\$ -	\$ 4	4
Total revenues	-	4	4
Net change in fund balance	-	4	4
Fund balance, beginning of year	8,434	8,434	-
Fund balance, end of year	\$ 8,434	\$ 8,438	\$ 4

CITY OF FORSYTH, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2019 ISSUE
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

<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	\$ 548,207	\$ 801,722	\$ 1,349,929
Road Improvements	500,000	500,000	-	269,048	269,048
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>\$ 1,340,898</u>	1,070,770	<u>\$ 2,411,668</u>

Reconciliation to the Statement of Revenues, Expenditures and Changes in Fund Balances:

Debt service interest payments 46,200

Total SPLOST 2019 Fund expenditures for the current year \$ 1,116,970

CITY OF FORSYTH, GEORGIA

**SCHEDULE OF EXPENDITURES OF
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

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

CITY OF FORSYTH, GEORGIA

**BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNITS
DECEMBER 31, 2023**

	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
ASSETS		
Cash and cash equivalents	\$ 273,966	\$ 74,783
Due from other governments	31,146	-
Total assets	305,112	74,783
LIABILITIES		
Accounts payable	6,158	-
Due to primary government	31,523	-
Total liabilities	37,681	-
FUND BALANCES		
Unassigned	267,431	74,783
Total fund balances	\$ 267,431	\$ 74,783
Amounts reported for discretely presented component units in the Statement of Net Position are different because:		
Fund balances of governmental funds	\$ 267,431	\$ 74,783
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	-	164,542
Net position of discretely presented component units	\$ 267,431	\$ 239,325

CITY OF FORSYTH, GEORGIA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

	Forsyth Convention & Visitors Bureau Authority	Downtown Development Authority
Revenues		
Intergovernmental	\$ 247,060	\$ -
Miscellaneous	2,587	-
Total revenues	<u>249,647</u>	<u>-</u>
Expenditures		
Current:		
Housing and economic development	<u>265,705</u>	<u>1,517</u>
Total expenditures	<u>265,705</u>	<u>1,517</u>
Net change in fund balances	(16,058)	(1,517)
Fund balances, beginning of year	<u>283,489</u>	<u>76,300</u>
Fund balances, end of year	<u>\$ 267,431</u>	<u>\$ 74,783</u>
Amounts reported for discretely presented component units in the Statement of Activities are different because:		
Net change in fund balances	\$ (16,058)	\$ (1,517)
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>\$ (16,058)</u>	<u>\$ (6,017)</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	77 – 92
<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	93 – 97
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	98 – 103
<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	104 and 105
<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	106 – 109
<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			
	2014	2015	2016	2017
Governmental Activities:				
Net investment in capital assets	\$ 2,006,638	\$ 1,936,014	\$ 2,961,183	\$ 5,187,220
Restricted	63,489	986,027	1,399,872	1,363,713
Unrestricted	1,919,922	1,624,476	244,984	(1,275,332)
Total governmental activities net position	<u>\$ 3,990,049</u>	<u>\$ 4,546,517</u>	<u>\$ 4,606,039</u>	<u>\$ 5,275,601</u>
Business-Type Activities:				
Net investment in capital assets	\$ 13,039,009	\$ 12,461,652	\$ 11,940,235	\$ 11,940,235
Restricted	-	-	-	-
Unrestricted	2,265,923	3,153,858	2,267,208	2,267,208
Total business-type activities net position	<u>\$ 15,304,932</u>	<u>\$ 15,615,510</u>	<u>\$ 14,207,443</u>	<u>\$ 14,207,443</u>
Primary Government:				
Net investment in capital assets	\$ 14,975,023	\$ 15,422,835	\$ 17,127,455	\$ 17,127,455
Restricted	986,027	1,399,872	1,363,713	1,363,713
Unrestricted	3,890,399	3,398,842	(4,283,725)	991,876
Total primary government net position	<u>\$ 19,851,449</u>	<u>\$ 20,221,549</u>	<u>\$ 14,207,443</u>	<u>\$ 19,483,044</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 6,217,039	\$ 6,217,039	\$ 6,917,783	\$ 6,688,058	\$ 8,111,544	\$ 8,911,938
477,567	477,567	4,393,052	8,467	1,918,657	2,990,258
484,706	484,706	(4,422,421)	170,953	137,572	162,076
<u>\$ 7,179,312</u>	<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>
\$ 11,099,033	\$ 10,416,961	\$ 11,890,370	\$ 11,890,370	\$ 12,901,798	\$ 13,915,836
-	-	-	-	-	-
3,121,541	12,864,579	13,457,175	13,457,175	12,116,714	11,796,191
<u>\$ 14,220,574</u>	<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>
\$ 17,316,072	\$ 17,334,744	\$ 18,578,428	\$ 18,578,428	\$ 21,013,342	\$ 22,827,774
477,567	4,393,052	8,467	8,467	1,918,657	2,990,258
3,606,247	8,442,158	13,628,128	13,628,128	12,254,286	11,958,267
<u>\$ 21,399,886</u>	<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>

CITY OF FORSYTH, GEORGIA

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

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$ 1,282,167	\$ 1,399,516	\$ 1,502,667	\$ 1,570,103
Judicial	-	-	-	-
Public safety	2,161,085	2,214,927	2,216,538	2,326,825
Public works	1,161,433	1,142,324	1,285,931	1,710,250
Housing and development	-	-	-	-
Culture and recreation	36,124	41,613	44,433	63,729
Better Hometown	120,804	131,824	203,398	258,470
Interest on long-term debt	72,111	65,607	52,676	76,050
Total governmental activities expenses	<u>4,833,724</u>	<u>4,995,811</u>	<u>5,305,643</u>	<u>6,005,427</u>
Business-type activities:				
Water and sewer	2,716,467	2,986,704	3,111,237	3,161,040
Electric	9,567,802	8,201,218	8,064,027	7,961,400
Cable	1,004,783	10,122	750,000	-
Total business-type activities expenses	<u>13,289,052</u>	<u>11,198,044</u>	<u>11,925,264</u>	<u>11,122,440</u>
Total primary government expenses	<u>\$ 18,122,776</u>	<u>\$ 16,193,855</u>	<u>\$ 17,230,907</u>	<u>\$ 17,127,867</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 121,714	\$ 122,468	\$ 122,405	\$ 116,628
Judicial	-	-	-	-
Public safety	261,547	221,053	372,797	358,043
Public works	291,718	299,979	314,791	305,751
Operating grants and contributions	136,305	-	-	-
Capital grants and contributions	710,021	898,268	614,730	1,233,674
Total governmental activities program revenues	<u>1,521,305</u>	<u>1,541,768</u>	<u>1,424,723</u>	<u>2,014,096</u>
Business-type activities:				
Charges for services:				
Water and sewer	2,563,660	2,877,795	3,284,601	3,375,343
Electric	8,966,317	9,549,219	9,683,451	8,995,614
Cable	626,579	-	-	-
Capital grants and contributions	-	-	266,576	186,321
Total business-type activities program revenues	<u>12,156,556</u>	<u>12,427,014</u>	<u>13,234,628</u>	<u>12,557,278</u>
Total primary government program revenues	<u>\$ 13,677,861</u>	<u>\$ 13,968,782</u>	<u>\$ 14,659,351</u>	<u>\$ 14,571,374</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 1,805,038	\$ 1,356,347	\$ 1,493,680	\$ 1,510,745	\$ 1,619,967	\$ 1,813,106
-	2,000	1,999	1,000	-	-
2,533,783	2,649,908	4,045,207	3,311,187	3,025,930	4,084,867
1,136,693	2,119,935	2,706,548	2,825,459	1,814,757	1,831,942
-	207,670	138,160	220,493	259,808	247,060
130,844	269,819	254,438	217,067	326,033	376,408
233,403	9,361	171,992	159,708	169,755	250,932
81,087	88,805	392,418	416,912	509,680	341,949
<u>5,920,848</u>	<u>6,703,845</u>	<u>9,204,442</u>	<u>8,662,571</u>	<u>7,725,930</u>	<u>8,946,264</u>
3,488,235	3,542,041	3,144,862	3,318,033	3,690,075	3,661,043
7,910,144	8,053,731	7,793,713	8,722,234	10,636,074	7,137,626
-	-	-	-	-	-
<u>11,398,379</u>	<u>11,595,772</u>	<u>10,938,575</u>	<u>12,040,267</u>	<u>14,326,149</u>	<u>10,798,669</u>
<u>\$ 17,319,227</u>	<u>\$ 18,299,617</u>	<u>\$ 20,143,017</u>	<u>\$ 20,702,838</u>	<u>\$ 22,052,079</u>	<u>\$ 19,744,933</u>
\$ 132,590	\$ 672,239	\$ 649,045	\$ 353,990	\$ 349,235	\$ 367,052
300,435	364,979	436,002	476,025	352,805	286,348
308,863	-	3,083	-	-	-
7,660	321,042	317,855	341,296	343,703	349,527
345,678	-	731	11,327	565	12,232
316,296	822,283	844,319	978,785	1,953,419	2,308,808
<u>1,411,522</u>	<u>2,180,543</u>	<u>2,251,035</u>	<u>2,161,423</u>	<u>2,999,727</u>	<u>3,323,967</u>
3,350,810	3,619,420	3,855,254	4,103,895	4,488,846	4,706,116
10,703,701	10,837,890	10,442,301	12,054,675	13,095,486	10,807,277
-	-	-	-	-	-
-	-	537,377	1,264,016	-	-
<u>14,054,511</u>	<u>14,457,310</u>	<u>14,834,932</u>	<u>17,422,586</u>	<u>17,584,332</u>	<u>15,513,393</u>
<u>\$ 15,466,033</u>	<u>\$ 16,637,853</u>	<u>\$ 17,085,967</u>	<u>\$ 19,584,009</u>	<u>\$ 20,584,059</u>	<u>\$ 18,837,360</u>

(Continued)

CITY OF FORSYTH, GEORGIA

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

	Fiscal Year			
	2014	2015	2016	2017
Net (expense)/revenue				
Governmental activities	\$ (3,312,419)	\$ (3,454,043)	\$ (3,880,920)	\$ (3,991,331)
Business-type activities	(1,132,496)	1,228,970	1,309,364	1,434,838
Total primary government net expense	<u>\$ (4,444,915)</u>	<u>\$ (2,225,073)</u>	<u>\$ (2,571,556)</u>	<u>\$ (2,556,493)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	\$ 594,819	\$ 571,258	\$ 483,398	\$ 470,156
Sales taxes	891,040	921,469	910,954	952,728
Other taxes	797,757	885,101	931,994	1,012,868
Unrestricted investment earnings	2,646	2,132	1,281	1,374
Micellaneous	56,325	70,774	182,118	194,372
Transfers	447,468	1,559,777	1,430,697	-
Total governmental activities	<u>2,790,055</u>	<u>4,010,511</u>	<u>3,940,442</u>	<u>2,631,498</u>
Business-type activities:				
Unrestricted investment earnings	42,014	33,476	353,048	26,100
Micellaneous	390,072	90,853	78,863	134,237
Transfers	(447,468)	(1,559,777)	(1,430,697)	-
Total business-type activities	<u>(15,382)</u>	<u>(1,435,448)</u>	<u>(998,786)</u>	<u>160,337</u>
Total primary government	<u>\$ 2,774,673</u>	<u>\$ 2,575,063</u>	<u>\$ 2,941,656</u>	<u>\$ 2,791,835</u>
Change in Net Position				
Governmental activities	\$ (522,364)	\$ 556,468	\$ 59,522	\$ (1,359,833)
Business-type activities	(1,147,878)	(206,478)	310,578	1,595,175
Total primary government	<u>\$ (1,670,242)</u>	<u>\$ 349,990</u>	<u>\$ 370,100</u>	<u>\$ 235,342</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ (4,509,326)	\$ (4,523,302)	\$ (6,953,407)	\$ (6,501,148)	\$ (4,726,203)	\$ (5,622,297)
2,656,132	2,861,538	3,896,357	5,382,319	3,258,183	4,714,724
<u>\$ (1,853,194)</u>	<u>\$ (1,661,764)</u>	<u>\$ (3,057,050)</u>	<u>\$ (1,118,829)</u>	<u>\$ (1,468,020)</u>	<u>\$ (907,573)</u>
\$ 718,502	\$ 462,412	\$ 218,414	\$ 470,561	\$ 534,117	\$ 499,501
1,100,764	1,124,883	1,174,860	1,372,687	1,672,154	1,616,053
1,095,346	1,120,184	971,203	1,211,232	1,355,089	1,379,646
4,084	6,724	1,859	578	675	2,387
124,636	-	-	-	-	-
<u>2,869,330</u>	<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>5,912,662</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>
47,746	411,277	414,401	108,840	-	-
178,583	-	-	-	877,247	-
<u>(2,869,330)</u>	<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>(2,643,001)</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>\$ 3,269,661</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>
\$ 1,403,336	\$ 1,060,280	\$ (1,339,277)	\$ (20,936)	\$ 3,300,295	\$ 1,896,499
13,131	403,436	1,062,964	2,066,005	(329,033)	693,515
<u>\$ 1,416,467</u>	<u>\$ 1,463,716</u>	<u>\$ (276,313)</u>	<u>\$ 2,045,069</u>	<u>\$ 2,971,262</u>	<u>\$ 2,590,014</u>

CITY OF FORSYTH, GEORGIA

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

	Fiscal Year			
	2014	2015	2016	2017
General Fund:				
Non-spendable	\$ 2,941	\$ 3,371	\$ 18,995	\$ 3,037
Restricted	60,091	61,011	63,959	769,237
Unassigned	1,083,345	1,486,907	1,478,775	894,042
Total General Fund	<u>\$ 1,146,377</u>	<u>\$ 1,551,289</u>	<u>\$ 1,561,729</u>	<u>\$ 1,666,316</u>
All Other Governmental Funds:				
Non-spendable	\$ -	\$ -	\$ -	\$ 76,150
Restricted	1,058,254	880,272	753,583	594,476
Assigned	9,187	2,046	-	-
Total all other governmental funds	<u>\$ 1,067,441</u>	<u>\$ 882,318</u>	<u>\$ 753,583</u>	<u>\$ 670,626</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 3,444	\$ 4,801	\$ 4,801	\$ 60	\$ 68,481	\$ -
769,237	61,288	61,288	-	-	-
959,436	2,419,210	2,419,210	3,133,869	3,030,101	3,116,410
<u>\$ 1,732,117</u>	<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>
\$ 119,781	\$ -	\$ -	\$ -	\$ -	\$ -
751,706	904,123	904,123	344,240	5,888,701	6,970,307
-	-	-	-	-	-
<u>\$ 871,487</u>	<u>\$ 904,123</u>	<u>\$ 904,123</u>	<u>\$ 344,240</u>	<u>\$ 5,888,701</u>	<u>\$ 6,970,307</u>

CITY OF FORSYTH, GEORGIA

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

	Fiscal Year			
	2014	2015	2016	2017
Revenues				
Taxes	\$ 2,348,811	\$ 2,377,793	\$ 2,326,346	\$ 2,435,752
Licenses and permits	121,714	122,468	122,405	116,628
Intergovernmental	634,625	901,593	614,730	1,233,402
Fines and forfeitures	261,547	221,053	372,797	358,043
Charges for services	291,718	299,979	314,791	305,751
Interest income	3,042	2,132	1,281	1,646
Other revenues	56,325	70,774	182,119	194,372
Total revenues	3,717,782	3,995,792	3,934,469	4,645,594
Expenditures				
General government	1,293,127	1,285,496	1,427,457	1,493,221
Public safety	2,018,487	2,136,605	2,068,830	2,222,127
Public works	1,098,622	1,136,757	1,206,140	1,726,703
Parks and recreation	12,789	18,278	20,567	34,017
Better Hometown	120,804	131,824	203,398	203,398
Capital outlay	683,619	256,371	170,378	137,757
Debt service:				
Principal	404,516	412,611	428,157	443,727
Interest	121,303	113,694	102,146	129,850
Issuance costs	-	-	-	-
Total expenditures	5,753,267	5,491,636	5,627,073	6,390,800
Deficiency of revenues over expenditures	(2,035,485)	(1,495,844)	(1,692,604)	(1,745,206)
Other financing sources (uses)				
Issuance of debt	-	2,376,403	1,892,054	-
Issuance of refunding debt	-	-	-	-
Payment to refunded escrow agent	-	-	-	-
Transfers in	447,468	-	-	3,221,429
Transfers out	-	(660,770)	(461,357)	(282,738)
Total other financing sources (uses)	447,468	1,715,633	1,430,697	2,938,691
Net change in fund balances	\$ (1,588,017)	\$ 219,789	\$ (261,907)	\$ 1,193,485
Debt service as a percentage of non-capital expenditures	9.1%	9.6%	9.4%	9.0%

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 2,852,384	\$ 2,783,989	\$ 2,597,286	\$ 3,072,085	\$ 3,581,638	\$ 3,465,573	
92,497	120,581	115,913	132,571	119,568	135,507	
712,336	822,283	844,319	978,785	1,953,419	2,308,808	
297,182	364,979	439,085	476,025	352,805	286,348	
308,863	321,042	317,855	341,296	343,703	349,527	
4,728	6,724	2,590	11,905	1,240	14,619	
255,078	551,658	533,132	221,419	229,667	231,545	
<u>4,523,068</u>	<u>4,971,256</u>	<u>4,850,180</u>	<u>5,234,086</u>	<u>6,582,040</u>	<u>6,791,927</u>	
1,547,123	1,563,852	1,406,171	1,559,306	1,579,239	1,692,249	
2,302,215	2,472,131	3,108,674	3,106,691	3,236,913	4,202,363	
999,293	1,935,814	1,699,842	1,512,645	1,610,505	2,066,481	
37,156	207,670	230,318	474,469	503,737	506,142	
233,403	268,578	254,438	217,067	326,033	376,408	
1,380,341	70,621	2,428,580	4,698,868	101,892	1,070,770	
541,796	523,126	123,253	165,855	269,626	356,627	
81,087	73,781	325,959	420,081	379,268	344,666	
-	-	36,250	-	146,026	-	
<u>7,122,414</u>	<u>7,115,573</u>	<u>9,613,485</u>	<u>12,154,982</u>	<u>8,153,239</u>	<u>10,615,706</u>	
<u>(2,599,346)</u>	<u>(2,144,317)</u>	<u>(4,763,305)</u>	<u>(6,920,896)</u>	<u>(1,571,199)</u>	<u>(3,823,779)</u>	
-	-	5,100,000	-	-	100,282	
-	-	-	-	7,555,000	-	
-	-	-	-	(4,939,150)	-	
2,900,000	2,384,350	3,455,034	3,753,880	9,369,847	5,202,050	
(30,670)	(2,349,389)	(207,240)	(328,726)	(4,905,384)	(379,119)	
<u>2,869,330</u>	<u>34,961</u>	<u>8,347,794</u>	<u>3,425,154</u>	<u>7,080,313</u>	<u>4,923,213</u>	
<u>\$ 269,984</u>	<u>\$ (2,109,356)</u>	<u>\$ 3,584,489</u>	<u>\$ (3,495,742)</u>	<u>\$ 5,509,114</u>	<u>\$ 1,099,434</u>	
8.7%	8.4%	4.7%	4.8%	8.6%	8.1%	

CITY OF FORSYTH, GEORGIA

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

Calendar Year	General Government	Police	Fire Department	Municipal Court	Public Works
2014	\$ 1,172,578	\$ 1,297,778	\$ 677,104	\$ 92,167	\$ 1,098,622
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

	Better Hometown	Parks and Recreation	Total
\$	120,804	\$ 12,789	\$ 4,471,842
	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

CITY OF FORSYTH, GEORGIA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

<u>Calendar Year</u>	<u>Ad Valorem Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Beer and Liquor Taxes</u>
2014	\$ 660,014	\$ 1,345,126	\$ 95,334	\$ 193,725
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

<u>Insurance Premium Tax</u>	<u>Other Taxes</u>	<u>Total</u>
\$ 207,325	\$ 58,965	\$ 3,408,654
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

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
2014	\$ 891,040	\$ 454,086	\$ -	\$ 1,345,126	4%
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%

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%	0%	1%	7%
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⁾
2014	\$ 118,275,837	\$ 9,728,506	\$ 108,547,331	3.500	\$ 271,368,328	40%
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%

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	
2014	3.000	10.832	15.318	29.150
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

SOURCE:

Georgia Department of Revenue

CITY OF FORSYTH, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Calendar Year 2023			Calendar Year 2014		
	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%	\$ 4,299,500	1	3.53%
Walmart Storess East Inc	-		-	3,026,064	2	2.48%
Central Georgia Medical Properties LLC	-		-	2,555,956	3	2.10%
Ingram Timber Enterprises	-		-	1,446,304	4	1.19%
Treadwell Family Partnership	-		-	1,230,816	5	1.01%
Quiktrip Corporation	2,331,664	4	1.91%	-		0.00%
Ingles Markets Incorporated	1,947,414	7	1.60%	1,017,056	7	0.83%
Monroe Hospitality Svcs Inc	-		-	891,760	8	0.73%
SAI Ram Hotel	-		-	890,004	10	0.73%
Atlanta Gas Light Co	-		-	1,087,697	6	0.89%
Walmart Inc	2,674,109	3	2.19%	-		-
Central Georgia Medical Properties LLC	2,288,356	6	1.88%	-		-
Forsyth Cabnet, LLC	2,996,626	2	2.46%	-		-
Curtin Co DBA Ealge Precast	2,328,570	5	1.91%	-		-
Bran Hospitality Forsyth Inc	1,846,707	9	1.51%	-		-
Holiday Cover 19 LLC	1,716,838	10	1.41%	-		-
Encore Plastics Southeast LLC	1,863,021	8	1.53%	890,556	9	-
Total	\$ 23,114,525		18.96%	\$ 17,335,713		13.49%

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	
2014	\$ 359,111	\$ 302,078	84.1%	\$ 53,987
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

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		
\$ 356,065	99.2%	\$ 3,046	0.85%
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%

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
2014	\$ -	\$ 765,607	\$ 2,160,000	\$ 4,254
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

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			
\$ -	\$ -	\$ 12,167	\$ 2,942,028	2.08%	\$ 746
-	-	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
729,504	-	115,332	6,973,794	4.98%	1,591
774,433	-	172,835	9,422,450	6.43%	2,002
729,504	-	115,332	9,063,673	5.82%	1,835

CITY OF FORSYTH, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF DECEMBER 31, 2023

Jurisdiction	New Debt Outstanding	Percentage Applicable to City of Forsyth ⁽¹⁾	Amount Applicable to City of Forsyth
Monroe County, Georgia - Overlapping Debt	\$ 22,340,000	10.51%	<u>\$ 2,347,671</u>
Subtotal Overlapping Debt			2,347,671
City of Forsyth, Georgia - Direct Debt			<u>8,218,837</u>
Total Direct and Overlapping Debt			<u><u>\$ 10,566,508</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 FORSYTH, 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
2014	\$ 12,546,628	\$ 12,264,230	\$ 282,398	\$ 12,167	\$ 119	\$ 12,286
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

SOURCE:

City of Forsyth, Georgia ordinances.

<u>Total</u>		<u>Per</u>	
<u>Debt Burden</u>		<u>Capita</u>	
\$	-	\$	-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-

CITY OF FORSYTH, GEORGIA

**PLEGGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2014	\$ 5,448,935	\$ 3,582,188	\$ 1,866,747	\$ 580,000	\$ 799,210	1.35
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	2,292,841	-	-	-
2023	15,513,393	10,641,064	4,872,329	-	-	-

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⁾
2014	3,943	\$ 141,447,239	\$ 35,873	5.7
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

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

<u>Employer</u>	<u>Fiscal Year 2023</u>			<u>Fiscal Year 2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Monroe County Board of Education	535	2	11.89%	612	1	15.98%
GA Department of Corrections	688	1	15.29%	434	2	11.33%
Monroe County Board of Commissioners	398	4	8.84%	245	3	6.40%
Al Burris Correctional Institute				229	4	
GA Public Safety Training Center	445	3	9.89%	149	5	3.89%
Monroe County Hospital	125	8	2.78%	91	6	2.38%
Wal-Mart	230	6	5.11%	91	7	2.38%
Ingles	150	7				
City of Forsyth	100	9	2.22%	65	8	1.70%
Perdue Chicken				39	10	1.02%
Encore Plastics				48	9	1.25%
Total	<u>3,046</u>		<u>52.47%</u>	<u>2,003</u>		<u>46.32%</u>

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative	8	8	8	19	21	21	19	18	19	15
Public safety:										
Fire	10	14	11	24	27	27	26	21	25	27
Police	23	26	17	20	25	30	23	13	16	27
Municipal Court	1	1	1	3	3	2	2	1	1	1
Public Works	9	12	14	15	17	21	18	10	16	19
Better Hometown	2	4	4	4	5	3	5	2	1	2
Electric	11	11	8	10	10	10	9	8	8	9
Total	64	76	63	95	108	114	102	73	86	100

SOURCE:

City of Forsyth, Georgia records.

CITY OF FORSYTH, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2014	2015	2016	2017
Administrative				
Business licenses issued	471	636	753	631
Permits issued	341	110	110	25
Police				
Citations processed	1,703	1,458	2,561	2,010
Public Works				
Garbage customers	1,491	1,513	1,516	1,385
Culture and Recreation				
Annual City-sponsored events	11	13	16	17
Annual non City-sponsored events	1	1	1	1
Electric				
Annual Kilowatt hours sold (millions)	115	126	132	81
Water				
Average daily consumption in gallons (millions)	1.3	1.4	1.6	-
Cable				
Cable customers	-	-	-	-

SOURCE:

City of Forsyth, Georgia records.

Fiscal Year					
2018	2019	2020	2021	2022	2023
618	614	613	617	649	622
21	16	13	52	128	67
1,808	2,863	3,772	3,275	1,540	2968
1,351	1,376	1,407	1,647	1,690	1771
14	13	3	6	7	13
1	1	1	1	2	1
88	85	81	93	118	86
-	-	-	1	1.5	1.6
-	-	-	-	-	-

CITY OF FORSYTH, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative										
Buildings	1	2	2	2	2	2	2	3	3	3
Police										
Patrol units	14	22	22	22	22	24	24	24	25	28
Fire										
Fire trucks	7	7	7	8	8	8	8	8	8	8
Public Works										
Vehicles	8	10	10	10	10	10	10	10	14	14
Highways/streets	50	50	50	50	50	50	50	50	50	50
Streetlights	785	795	795	795	795	795	795	800	850	860
Garage										
Vehicles	2	2	2	2	2	2	2	2	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	58	59
Vehicles	5	5	5	9	9	9	9	10	10	11
Water										
Water mains (miles)	40	40	40	40	40	40	40	40	50	52
Sewer										
Sanitary sewers (miles)	40	40	40	40	40	40	40	40	40	52
Cable										
Cable lines (miles)	-	-	-	-	-	-	-	-	-	-

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, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated July 5, 2024.

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 Responses as item 2023-001.

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
July 5, 2024

CITY OF FORSYTH, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

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 No

Significant deficiencies identified not considered to be material weaknesses?

Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

There was not an audit of major federal award programs as of December 31, 2023 due to the total amount expended being less than \$750,000.

CITY OF FORSYTH, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

SECTION II
FINANCIAL STATEMENT 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: For the year ended December 31, 2023, the City was in violation of State budget statutes:

- An annual budget was not adopted for the Local Fiscal Recovery 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, 2023.

Effect: The City did not adopt an annual balanced budget for the fund noted above for the year ended December 31, 2023.

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.

CITY OF FORSYTH, GEORGIA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.