Fairburn
Situated to Succeed

2024
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2024





Prepared By
CITY OF FAIRBURN
FINANCE DEPARTMENT

CITY OF FAIRBURN, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION (Unaudited)
- Letter of Transmittal ..... i-vii
- GFOA Certificate of Achievement viii
- City Officials ..... ix-xi
- Organizational Chart xii

FINANCIAL SECTION
- Independent Auditor's Report 1-3
- Management's Discussion and Analysis 4-16
- Basic Financial Statements:
  - Government-Wide Financial Statements:
    - Statement of Net Position 17
    - Statement of Activities 18
  - Fund Financial Statements:
    - Balance Sheet – Governmental Funds 19
    - Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 20
    - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 21
    - General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 22
    - American Rescue Plan Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 23
    - Statement of Net Position – Proprietary Funds 24
    - Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds 25
    - Statement of Cash Flows – Proprietary Funds 26
- Notes to Financial Statements 27-62
- Required Supplementary Information – Retirement Plan
  - Schedule of Changes in the City's Net Pension Liability Asset and Related Ratios 63
  - Schedule of City Contributions 64
- Combining and Individual Fund Statements and Schedules:
  - Combining Balance Sheet – Nonmajor Governmental Funds 65
  - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds 66

CITY OF FAIRBURN, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024

TABLE OF CONTENTS (Continued)

Page

Combining and Individual Fund Statements and Schedules (Continued):
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Confiscated Assets Fund ... 67
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Grants Fund ... 68
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Hotel/Motel Tax Fund ... 69
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Development Authority Fund ... 70
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Improvement Fund ... 71
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Obligation Bond Capital Project Fund ... 72
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – TSPLOST Fund ... 73
- Schedule of Projects Constructed with Transportation Special Purpose Local Option Sales Tax Proceeds ... 74

STATISTICAL SECTION (Unaudited)
- Net Position by Component ... 75
- Changes in Net Position ... 76 and 77
- Fund Balances of Governmental Funds ... 78
- Changes in Fund Balances of Governmental Funds ... 79
- Governmental Activities Tax Revenues by Source ... 80
- Assessed Value and Estimated Actual Value – All Taxable Property ... 81
- Direct and Overlapping Property Tax Rates ... 82
- Principal Property Tax Payers ... 83
- Property Tax Levies and Collections ... 84
- Ratio of Outstanding Debt by Type ... 85
- Direct and Overlapping Governmental Activities Debt ... 86
- Legal Debt Margin ... 87
- Pledged Revenue Bond Coverage – Water and Sewer Fund and Electric Fund ... 88
- Pledged Revenue Bond Coverage – Educational Complex Fund ... 89
- Demographic and Economic Statistics ... 90
- Principal Employers ... 91
- Full-Time Equivalent City Government Employees by Function/Program ... 92
- Operating Indicators by Function/Program ... 93
- Capital Assets by Function/Program ... 94

INTRODUCTORY SECTION
(Unaudited)

Fairburn
Situated to Succeed

Mayor Mario B. Avery | Mayor Pro Tem James Whitmore | Alex Heath |
Samantha Hudson | Hattie Portis-Jones | Ulysses Smallwood | Linda Davis

March 20, 2025

The Honorable Mario Avery, Mayor
Members of the Fairburn City Council
and Citizens of the City of Fairburn

Dear Mayor, Council Members and Citizens:

The Annual Comprehensive Financial Report (ACFR) of the City of Fairburn, GA for the fiscal year ended September 30, 2024, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge, the enclosed data are accurate in all material aspects and fairly present the financial position and results of operations of the City. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the City's financial affairs are included.

To provide a reasonable basis for making its representations, management has established a comprehensive framework of internal controls surrounding the accounting system. Internal accounting controls are designed to provide a reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In compliance with state laws requiring an annual audit by independent certified public accountants, the financial statements for the fiscal year ended September 30, 2024, were audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of an independent audit is to provide reasonable assurance that the financial statements are free of material misstatements. The audit involved performing procedures to obtain audit evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and evaluating the risks of material misstatement whether due to fraud or error. Mauldin & Jenkins expressed an unmodified opinion, and it is included in this report. Their audit was conducted in accordance with auditing standards generally accepted in the United States of America and with *Government Auditing Standards* issued by the Comptroller of the United States of America. An unmodified opinion indicates that the audit did not disclose any conditions that would cause the basic financial statements not to be fairly presented in all material aspects. The independent auditor's report can be found at the beginning of the financial section.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Fairburn's MD&A can be found immediately following the independent auditor's report.

Profile of the City of Fairburn

The territory on which the City of Fairburn was originally located was acquired by the State of Georgia from the Creek Indians in the treaty of Indian Springs in 1825. U.S. Government records show a settlement as early as 1830, but the City's real growth began with the construction of the Atlanta and West Point Railroad in 1854. The City of Fairburn was incorporated on February 17, 1854, and adopted its City Charter on August 3, 1925 (Georgia Statutes 1925).

It is believed that Fairburn was named for a township in the County of York, England by William McBride, the City's first postmaster, to honor his ancestral hometown. Fairburn was once the county seat for Campbell County, Georgia, from 1870 until the County was dissolved in 1931. A telephone system was installed in 1905 and the City received electric lights in 1911. Fairburn gained worldwide distinction in 1921 by erecting the first monument to World War I.

City Administration and Officials

The City of Fairburn operates as a Mayor/Council form of government with a City Administrator. The Mayor and six council members are part-time employees. The Mayor, while a part-time employee, is also the City's Chief Executive Officer. A full-time City Administrator is appointed by and serves at the pleasure of the Mayor and Council and is responsible for carrying out their policy directives and managing the day-to-day operations of the City.

The Mayor and City Council are elected by the entire City and serve "at large" rather than representing various districts. Each year at the first regularly scheduled meeting in January, the Council elects a Mayor Pro Tem from among its members. Fairburn's Mayor Pro Tem assumes all duties and powers of the Mayor during the Mayor's absence or disability. The Mayor and Council Members serve four-year staggered terms.

The Mayor presides at all meetings of the City Council; however, the Mayor can only cast tie-breaking votes.

It is the responsibility of the Fairburn City Council to set policy for City operations, to set millage rates for property taxes, to approve a balanced budget for the City's operations, to pass ordinances and to hear and act on requests for rezoning and annexation.

The Code for the State of Georgia requires the City to adopt by local resolution an annual balanced budget. The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function and department and is closely monitored throughout the year. All activities of the City including: the general fund, the special revenue funds, the debt service fund, the capital project funds, and enterprise funds are included in the annual budget. The City's legal level of control is at the department level. Administrative budgetary control, however, is maintained at the line-item level. As conditions change, the budget process allows for transfers and amendments. Increases in departmental or fund appropriations (amendments) are approved by the Council.

City Services

The City of Fairburn provides a range of municipal government services to its residents including police and fire protection; planning and engineering; code enforcement; street maintenance; municipal court; traffic control and park operations and maintenance. In addition, electric, water, sewer and storm water services are provided to residents by the City and are primarily financed by charges to the customers of the related service. Solid waste collection and disposal services are offered to the citizens through a contractual agreement.

Local Economy

As a part of the Atlanta Metropolitan area, Fairburn is positioned for significant economic growth with easy access to markets in the Northeastern, Southern and Midwestern States by air, rail, or highway. The City of Fairburn is located ten miles south of Atlanta Hartsfield-Jackson International Airport, the world's busiest airport. A mainline operated by CSX provides access to their growing Fairburn intermodal yard. The community is bisected by Interstate 85 and contains portions of three state highways. Downtown Fairburn is about a 25-minute drive from the intersection of I-75, I-85, and I-20 in downtown Atlanta near the State Capital.

Fairburn works in partnership with a wide range of organizations to market the area to potential developers. The Economic & Community Development Group of the Electric Cities of Georgia is an important partner in marketing the City to developers and in helping to provide extensive support to existing utility customers. The Fulton County Development Authority and the State of Georgia's Department of Economic Development also regularly present Fairburn to interested site locators.

Fairburn is the long-time home to several large manufacturing facilities. Nestle-Purina's Fairburn plant has laid claim to be the largest dry pet food manufacturing facility in the world. Owens-Corning and Porex celebrated their 40th and 50th anniversaries, respectively, during this decade. These businesses remain some of the region's largest employers.

The City is also home to many regional distribution facilities, including Google, US Foods, Nestle Purina, Toto USA, Duracell, Google; Electrolux, Pangborn, Smuckers, Owens Corning, and Clorox. These large warehouses take advantage of Fairburn's proximity to downtown Atlanta, the Atlanta Airport, and the CSX intermodal facilities, as well as its easy access to I-85. It is because of these amenities that Fairburn continues to attract large industrial warehouse users. And to ensure City residents and others in South Fulton have access to the employment opportunities these companies provide, the City's strategic investment in the Fairburn Educational Campus aims to create a qualified workforce to meet the employment needs of its business sector. The Fairburn Educational Campus is home to two educational institutions: Brenau University South and Georgia Military College.

The City has seen several signs that the local economy is stable. The collection of City revenues has increased by 38% over the last five years. Tax collections have remained positive. In addition, the City continues to focus on plans for residential and economic growth. Retail sales are also steadily increasing as evidenced by the Local Option Sales Taxes (LOST); During fiscal year 2023, LOST distributions were renegotiated by for all cities in Fulton County. Overall increased revenues resulted in the city receiving larger distributions. New home permits have continued to increase over the last 5 years.

The City's proximity to Pinewood Atlanta Studio in adjoining Fayette County and Atlanta Metro Studies in Union City bodes well for future economic development. Fairburn's State Road (SR) 74 interchange on Interstate 85 is the gateway to Pinewood from both downtown Atlanta and the Atlanta Airport, creating an opportunity for commercial and residential growth that caters to the Studio's users and suppliers. Fairburn strives to capitalize on the ever-expanding film industry and associated careers by teaming with our local colleges to offer training in these fields.

Fairburn continues to be the home of the Georgia Renaissance Festival, a re-creation of a 16th-Century European Country Faire. Located on 120 acres just minutes from downtown Fairburn, the festival attracts more than 250,000 visitors annually. As part of Fairburn's marketing strategy, the City looks to partner with the Renaissance Festival to capture some of the tourism dollars this event generates.

The City has been building upon its inherent strengths in areas such as location, transportation, infrastructure, and partnerships. Overall, the City's economic development, both residential and commercial/industrial, is stable. The unemployment rate remains low, and our population is steadily increasing, indicating that the City has a solid base to its financial position. The increase in revenue in conjunction with the reduction in spending has enabled the City to remain consistent with the services offered to its citizens and has allowed the City to remain fiscally strong.

Long-Term Financial Planning

The City's transportation improvements were funded with the 2016 Transportation Special Purpose Local Option Sales Tax (TSPLOST). On November 8, 2016, voters approved the TSPLOST. This seventy-five cents sales tax program can only be spent on transportation improvements, such as roads, bridges, sidewalks, bicycle paths and signal lights. The TSPLOST I initiative was collected from April 1, 2017, to March 30, 2022. The City collected $12,659,514 over the 5-year life of the program. The total collected on TSPLSOST II from April 1, 2022, through September 30, 2024 is $8,620,733.

The Government Finance Officers Association recommends an unassigned general fund balance of at least two months of expenditures for governments. Two months of expenditure for the City of Fairburn is 17% of total expenditures. Currently the City of Fairburn has 92% of expenditures in unassigned general fund balance. The City of Fairburn is placing an emphasis on financial stability which includes increasing revenues, reducing expenditures, and minimizing debt. The City has devoted attention to the redevelopment of various areas of the City. The City is also focused on developing the SR 74 corridor. Attracting more restaurants and businesses for both the downtown area and the SR 74 corridor are top priorities.

Relevant Financial Policies

The City of Fairburn operates under a set of fiscal policies to ensure the City is financially sound. These policies cover five financial areas: 1) budget, 2) capital, 3) revenue, 4) fund balance and 5) debt. Below is a summary of those policies which are relevant to understanding the financial statements and the financial condition of the City.

1. The City of Fairburn will finance all current expenditures with current revenues. Fairburn will avoid balancing current expenditures through the obligation of future resources. The City will adopt a balanced annual operating budget each year.

2. Capital budgeting is essential and prevents excessive costs in any one budget year. Capital purchases maintain the City's infrastructure. The City continued a multi-year initiative to resurface roads, build sidewalks, upgrade/replace traffic control devices and other transportation related purposes. Capital transportation projects are currently funded by TSPLOST2 and the General Fund.

Major Initiatives

The TSPLOST and Capital Improvements Projects completed in Fiscal Year 2024 included: 1) resurfacing and reconstructing (reclamation) of city roads, and the 2) installation of sidewalks, and other pedestrian improvements to include handicap ramps.

Completed the City of Fairburn's 2024 CDBG Project, the Golightly Rain Garden and Greenspace Project

This project entailed the construction of a passive, public green space on a city-owned parcel at the intersection of Golightly Street and W. Campbellton Street. The greenspace includes walking trials, a pedestrian footbridge, a small picnic pavilion, seating options, and aesthetically pleasing green infrastructure. The trail is comprised of slate chips with timber edging. In addition, timber steps were incorporated into the trail at certain locations to navigate grade changes. The project also includes a bioretention area designed to capture and absorb stormwater run-off. This feature should aid in addressing some of the drainage issues in the Community. The project also included related grading, clearing and the removal of invasive plant species. Lastly, this provides connectivity to the City of Fairburn's 2023 CDBG Project, the Golightly Street Pedestrian Improvements Project. Both projects were based on recommendations contained in the 2009 Livable Centers Initiative (LCI) Study and the Lightning Community Development Study which was completed in 2019. It is important to note that the City of Fairburn received a 2023 Community Development Block Grant (CDBG) Award of $315,000 from the Fulton County Board of Commissioners on February 6th, 2024, to help deliver this project.

Completed the Washington Street Pedestrian Improvements Project

This project involved the installation of pedestrian improvements on the west side of Washington Street, from Malone Street to West Campbellton Street. This project also included the installation of new driveway aprons, new ADA handicap ramps, and new decorative hot synthetic patterned textured paving crosswalks to accommodate pedestrian movements.

Completed the Grant Street Pedestrian Improvements Project

This project involved the installation of new sidewalk with a beauty strip (fescue sod) on the west side of Grant Street, from Milo Fisher Street to Bay Street. In addition, new sidewalk was installed on the east side of Grant Street, from Chestnut Street to Bay Street. The project also included the installation of new driveway aprons, and the installation of new ADA handicap ramps to accommodate pedestrian movements. It is important to note that this project provides connectivity to a previously completed "Safe Routes to School" project in the area designed to accommodate Landmark Christian School.

Completed the Shaw Drive Pedestrian Improvements Project

This project involved the installation of pedestrian and drainage improvements on both sides of Shaw Drive, from Roosevelt Highway/West Broad Street/SR 14/US 29 to the Global Impact Academy STEM School. This project also included the installation of new driveway aprons, new ADA handicap ramps, and decorative hot synthetic patterned textured paving crosswalks to accommodate pedestrian movements. Although paid for with local funds, this is a "Safe Routes to School Project" designed to make walking to school a safer and more appealing transportation alternative, thereby encouraging a healthy and active

lifestyle. The implementation of this project also allowed the City to address some immediate pedestrian safety concerns in the vicinity of the Global Impact Academy.

Completed the Fairview Drive Pedestrian Improvements Project
This project involved the installation of pedestrian improvements on the north side of Fairview Drive, from Shaw Drive to the existing sidewalk just east of Elder Street along the frontage of Campbell Elementary School. This project also included the installation of new driveway aprons, new ADA handicap ramps, and decorative hot synthetic patterned textured paving crosswalks to accommodate pedestrian movements. Although paid for with local funds, this is a "Safe Routes to School Project" designed to make walking to school a safer and more appealing transportation alternative, thereby encouraging a healthy and active lifestyle. The implementation of this project allowed the City to address some immediate pedestrian safety concerns in the vicinity of the Global Impact Academy. It also provided connectivity between the various schools within the City of Fairburn's Educational Cluster.

Completed the 2024 LMIG/TSPLOST City-Wide Resurfacing Project (Roadway Improvements on Various City Roads Project)
With the completion of this project, the City of Fairburn resurfaced approximately 5.2 miles of local roadway, which included but was not limited to two (2) residential subdivisions; Brookhaven at Durham Lakes and Rivertown Village. It is also important to note that the City of Fairburn's 2024 Local Maintenance Improvement Grant (LMIG) Award of $218,280 along with the City's 2024 Local Road Assistance Administration (LRA) Grant Award of $270,319 (collectively $488,599) was combined with Fulton County Transportation Special Purpose Local Option Sales Tax (TSPLOST) funds to deliver this project. No money from the General Funds was required to deliver this project.

Completed the Gullatt Road, Cleckler Road, and McLarin Road Full-Depth Reclamation (FDR) Project
With the completion of this project, the City of Fairburn reclaimed & resurfaced approximately 3.51 miles of industrial roadway. Base Bid, Gullatt Road, from McLarin Road to the I-85 bridge – 1.01 miles
Add Alternate #1, Cleckler Road (the segment north of the I-85 bridge) – 0.33 miles Add Alternate #2, McLarin Road, from Bohannon Road to Gullatt Road – 2.17 miles. It is important to note that both the Gullatt Road Full-Depth Reclamation Project and the McLarin Road Full-Depth Reclamation Project are approved Roadway Projects identified on the City of Fairburn's TSPLOST 2, Tier 1 Project List. The completion of these projects aligns with the terms of the Intergovernmental Agreement (IGA) between Fulton County and all qualifying municipalities located outside the city limits of the Ci ty of Atlanta, and located wholly or partially within Fulton County, Georgia. It is also important to note that half of the overall construction funding or $1,329,206 will be reimbursed by the City of South Fulton and the South Fulton CID, through respective IGAs.

Awards and Acknowledgements

The City of Fairburn received the Certificate of Achievement for Excellence in Financial Reporting to the Government Finance Officers Association of the United States and Canada (GFOA) for the fiscal year ended September 30, 2023. This was the thirty-fifth consecutive year; the City has achieved this prestigious award. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report was accomplished with the dedicated efforts of the Finance Department staff and through the cooperation of all City departments. We appreciate the dedication and support of each staff member for the contributions made in the preparation of this report. We would also like to thank the Mayor and City Council for the support and guidance they have given us in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

Tomeka Billingsley

Tomeka Billingsley, Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fairburn
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

CITY OF FAIRBURN, GEORGIA
CITY OFFICIALS
SEPTEMBER 30, 2024

CITY CLERK
Brenda James

HUMAN RESOURCES
TaLisha Champagne

FINANCE DIRECTOR
Tomeka Billingsley

CHIEF OF POLICE
Anthony Bazydlo

FIRE CHIEF
Cornelius Robinson

COMMUNITY DEVELOPMENT DIRECTOR
Lester Thompson

PLANNING AND ZONING DIRECTOR
Denise Brookins

ECONOMIC DEVELOPMENT DIRECTOR
Sylvia Abernathy

UTILITY DIRECTOR
John Martin

BUILDING OPERATIONS DIRECTOR
Dana Smith

STREETS AND GARAGE DIRECTOR
Gale Higgs

PARKS AND RECREATION DIRECTOR
Chapin Scott

CITY ATTORNEYS
Hilliard Starkey Law

City of Fairburn, Georgia
Mayor and Council



MAYOR MARIO AVERY



COUNCIL MAYOR PRO TEM JAMES WHITMORE



COUNCIL MEMBER LINDA J. DAVIS



COUNCIL MEMBER HIRAM ALEX HEATH



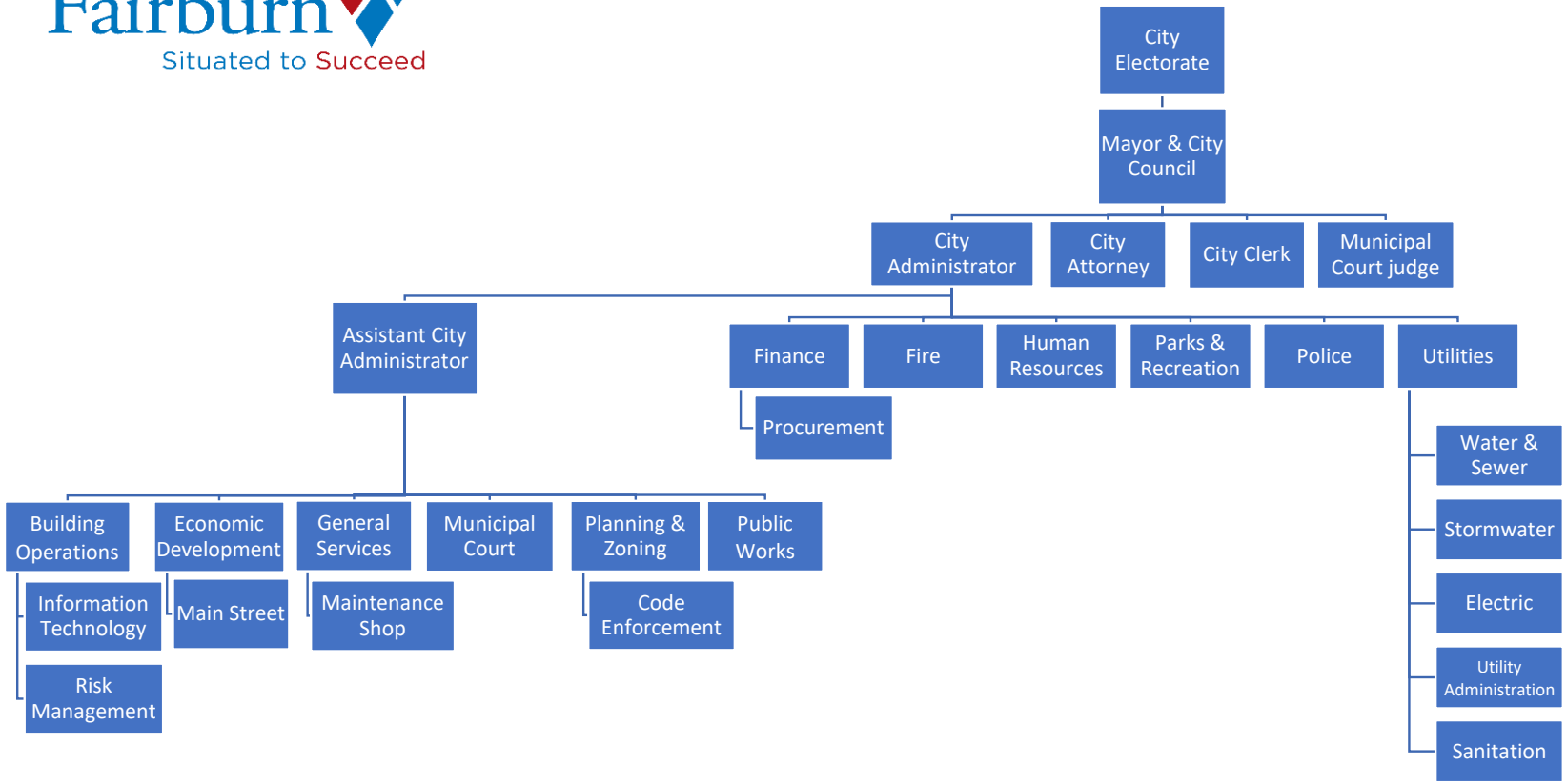
COUNCIL MEMBER SAMANTHA HUDSON



COUNCIL MEMBER HATTIE PORTIS-JONES



COUNCIL MEMBER ULYSSES SMALLWOOD



September 30, 2024

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Fairburn, Georgia** (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Fairburn, Georgia'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, each major fund, and the aggregate remaining fund information of the City of Fairburn, Georgia, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund and American Rescue Plan 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. 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 relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States 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 any 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risk. Such procedures include examining, on a test basis, evidence regarding the amount 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 circumstance, 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 financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios and the Schedule of City Contributions, as presented 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 and the Schedule of Projects Constructed with Transportation Special Purpose Local Option Sales Tax Proceeds (the "supplementary information"), as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2025 on our consideration of the City'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's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 20, 2025

As management of the City of Fairburn (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 September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2024 are as follows:

- The assets and deferred outflows of resources for the City of Fairburn exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $129,872,183 (net position). Of this amount, $77,182,952 is net investment in capital assets, net of related debt; $8,430,171 is restricted; and $44,259,060 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $8,611,721 as compared to an increase of $7,817,761 in the prior fiscal year.
- At the end of the current fiscal year, total fund balance for the General Fund was $23,485,136 a decrease of $1,507,584 over the prior fiscal year, primarily due to transfers out to other funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the primary government. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the difference between these 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. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position 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 and earned but unused vacation leave).

The governmental activities of the City include general government, judicial, public safety, public works, culture and recreation, and planning and development.

The business-type activities of the City include electric, water and sewer, educational complex, stormwater, and sanitation. The City's government-wide financial statements are presented on pages 17 and 18.

Reporting the City's Most Significant Funds

Unlike government-wide financial statements, the focus of fund financial statements is directed at specific activities of the City rather than the City as a whole. Except for the General Fund, a special revenue fund is established to satisfy managerial control over committed resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations. The City's fund financial statements are divided into two broad categories, namely, (1) governmental funds and (2) proprietary funds.

Governmental Funds

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and change in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a fiscal year, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a fiscal year. The difference between a fund's total assets, deferred inflows of resources, and total liabilities is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the statement of revenues, expenditures, and changes in fund balances for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting basis are used to prepare fund financial statements, there are often significant differences between the totals presented in these financial statements. For this reason, there is an analysis at the bottom of the balance sheet that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the statement of net position. Also, on page 21, there is a reconciliation of the statement of revenues, expenditures, and changes in fund balance of governmental funds to the statement of activities.

The City presents in separate columns funds that are most significant to the City (major funds) and all other governmental funds are aggregated and reported in a single column (nonmajor funds). The City's governmental fund financial statements are presented on pages 19 and 20.

Proprietary Funds

Proprietary fund financial statements consist of a statement of net position, the statement of revenues, expenses, and changes in fund net position and the statement of cash flows, which are prepared on the full accrual basis of accounting. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds.

The City uses Enterprise Funds to account for business-type activities that typically charge fees to customers for the use of specific goods or services. Balances and activities accounted for in the City's Enterprise Funds are also reported in the business-type activities columns of the government-wide financial statements and use the same basis of accounting as the government-wide statements.

The City presents in separate columns Enterprise Funds that are most significant to the City (major enterprise funds) and all other Enterprise Funds are aggregated and reported in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds.

The City's proprietary fund financial statements are presented on pages 24 - 26.

Overview of the City's Financial Position and Operations

The City's overall financial position and operations for the past two fiscal years are summarized as follows based on the information included in the government-wide financial statements (see pages 17 and 18):

City of Fairburn Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
Assets:	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Current and other assets	$ 39,463,717	$ 43,434,622	$ 32,823,755	$ 32,347,468	$ 72,287,472	$ 75,782,090
Capital assets, net	61,636,427	54,602,196	34,413,811	34,605,759	96,050,238	89,207,955
Total assets	101,100,144	98,036,818	67,237,566	66,953,227	168,337,710	164,990,045
Deferred outflows of resources	2,187,067	2,983,669	811,157	986,519	2,998,224	3,970,188
Liabilities:						
Other liabilities	5,004,344	11,674,452	3,938,781	5,646,268	8,943,125	17,320,720
Long-term liabilities	12,124,475	9,848,442	14,808,097	14,572,031	26,932,572	24,420,473
Total liabilities	17,128,819	21,522,894	18,746,878	20,218,299	35,875,697	41,741,193
Deferred inflows of resources	196,167	277,127	5,391,887	5,681,451	5,588,054	5,958,578
Net position:						
Net investment in capital assets	55,885,331	46,964,676	21,297,621	20,600,756	77,182,952	67,565,432
Restricted	6,706,149	6,983,439	1,724,022	1,411,629	8,430,171	8,395,068
Unrestricted	23,370,745	25,272,351	20,888,315	20,027,611	44,259,060	45,299,962
Total net position	$ 85,962,225	$ 79,220,466	$ 43,909,958	$ 42,039,996	$ 129,872,183	$ 121,260,462

Financial Position

The total net position of the City increased $8,611,721 or 7.1%, from $121,260,462 to $129,872,183 as noted in the following table.

City of Fairburn Summary of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues						
Charges for services	$ 2,684,920	$ 2,858,208	$ 23,179,520	$ 21,087,840	$ 25,864,440	$ 23,946,048
Operating grants and contributions	30,012	59,984	-	-	30,012	59,984
Capital grants and contributions	9,483,146	6,657,283	651,750	996,888	10,134,896	7,654,171
General revenues:						
Property taxes	12,987,376	12,215,558	-	-	12,987,376	12,215,558
Sales taxes	5,534,758	5,439,696	-	-	5,534,758	5,439,696
Franchise taxes	1,305,043	1,701,789	-	-	1,305,043	1,701,789
Insurance premium taxes	1,462,342	1,361,504	-	-	1,462,342	1,361,504
Motor vehicle taxes	810,659	834,477	-	-	810,659	834,477
Beer, wine, and liquor taxes	287,604	292,888	-	-	287,604	292,888
Hotel/Motel taxes	310,287	300,770	-	-	310,287	300,770
Other taxes	292,986	220,624	-	-	292,986	220,624
Miscellaneous	1,247,730	1,993,812	-	-	1,247,730	1,993,812
Gain on sale of capital assets	17,413	48,621	-	-	17,413	48,621
Unrestricted investment earnings	1,088,795	1,081,987	621,587	297,683	1,710,382	1,379,670
Total revenues	37,543,071	35,067,201	24,452,857	22,382,411	61,995,928	57,449,612
Expenses:						
General government	6,095,836	6,078,224	-	-	6,095,836	6,078,224
Judicial	647,512	650,750	-	-	647,512	650,750
Public safety	11,431,188	10,339,379	-	-	11,431,188	10,339,379
Public works	7,703,570	6,443,124	-	-	7,703,570	6,443,124
Culture and recreation	1,896,713	1,337,982	-	-	1,896,713	1,337,982
Planning and development	2,051,436	1,482,456	-	-	2,051,436	1,482,456
Interest on long-term debt	518,057	420,295	-	-	518,057	420,295
Electric	-	-	11,575,793	12,358,686	11,575,793	12,358,686
Water and sewer	-	-	8,336,715	8,253,701	8,336,715	8,253,701
Education complex	-	-	1,116,044	960,652	1,116,044	960,652
Stormwater	-	-	417,990	427,169	417,990	427,169
Sanitation	-	-	1,593,353	879,433	1,593,353	879,433
Total expenses	30,344,312	26,752,210	23,039,895	22,879,641	53,384,207	49,631,851
Increase in net position before transfers	7,198,759	8,314,991	1,412,962	(497,230)	8,611,721	7,817,761
Transfers	(457,000)	(491,394)	457,000	491,394	-	-
Changes in net position	6,741,759	7,823,597	1,869,962	(5,836)	8,611,721	7,817,761
Net position, beginning of fiscal year	79,220,466	71,396,869	42,039,996	42,045,832	121,260,462	113,442,701
Net position, end of fiscal year	$ 85,962,225	$ 79,220,466	$ 43,909,958	$ 42,039,996	$ 129,872,183	$ 121,260,462

Governmental Activities

Net position for governmental activities increased $6,741,759 or 8.51%. Total governmental revenues increased $2,475,870 or 7.06%. Capital grants and contributions increased $2,825,863 or 42.45%, primarily from increased spending of American Recovery Plan funds. Property taxes increased $771,818 or 6.32% as assessed values for real property continue to rise in Fulton County. Sales taxes were consistent with the prior year increasing slightly by $95,062 or 1.75%. Franchise taxes decreased $396,746 or 23.31% primarily from reductions in electric franchise fees. Insurance premium taxes have increased $100,838 or 7.41% as insurance premiums in Georgia continue to rise. Miscellaneous revenue decreased $746,082 or 37.42%, as the prior year benefitted from the recognition of court revenues. Other revenue sources have remained consistent with the prior year.

Overall expenses for governmental activities increased $3,592,102 or 13.43%. General government expenses were consistent with prior year increasing less than 1%. Public safety expenses increased $1,091,809 or 10.56% as a result of increases in wages and benefits to improve employee retention; and increases in depreciation as the department replaces older vehicles and equipment. Public works expenses increased $1,260,446 or 19.56% based on increases in noncapitalizable road maintenance projects as well as increases in pension allocations to this department. Culture and recreation expenses increased $558,731 or 41.76% as services have increased and the City invests more in cultural activities such as the Fairburn Festival. Planning and development expenses have increased $568,980 or 38.38% as salaries and benefits have increased and the City invests more in development projects as well as general inflationary pressures.

Business-Type Activities

Net position for business type activities increased $1,869,962 or 4.45% from the prior fiscal year. The activities of each enterprise fund are discussed below.

Electric Fund. Electric revenues increased $687,293 or 6.48% primarily from increases in rates effective January 1, 2024. Overall operating expenses decreased $783,511 or 6.34%. Cost of sales and services decreased $1,243,739 or 12.62% as a result of credits and discounts received from our wholesale supplier. General operating expenses increased $471,361 or 22.37 because of increases in wages and operating expenses. Interest income increased $317,816 as interest rates and surplus cash balances have increased. The City had capital contributions of $250,648 as a result of infrastructure purchases paid for by a local developer to benefit a subdivision being built in the City.

Electric Fund, Summary of Changes in Net Position

	2024	2023	$ Change	% Change	
OPERATING REVENUES					
Charges for sales and services	$ 11,174,128	$ 10,607,285	566,843	5.34	%
Miscellaneous Income	120,450	-	120,450	-	
	11,294,578	10,607,285	687,293	6.48	
OPERATING EXPENSES					
Cost of sales and services	8,614,600	9,858,339	(1,243,739)	(12.62)	
General operating expenses	2,578,083	2,106,722	471,361	22.37	
Depreciation and amortization	379,400	390,533	(11,133)	(2.85)	
Total operating expenses	11,572,083	12,355,594	(783,511)	(6.34)	
Operating income	(277,505)	(1,748,309)	1,470,804	(84.13)	
NON-OPERATING REVENUES					
Interest income	468,899	151,083	317,816	210.36	
Interest expense	(3,710)	(3,092)	(618)	19.99	
Income (loss) before contributions and transfers	187,684	(1,600,318)	$ 317,198	(19.82)	
Capital Contributions	250,648	-	250,648	-	
Change in net position	438,332	(1,600,318)	2,038,650	(127.39)	%

Water and Sewer Fund. Operating income for the Water and Sewer fund was $2,076,539 for fiscal year 2023 compared to $1,358,853 in the prior fiscal year, an increase of $717,686 or 52.82%. Revenues increased by $892,555 or 10.85% primarily due to rate increases effective January 1, 2024. Cost of sales decreased $684,635 or 14.56%, primarily from reductions in accruals for potential settlements of wholesale water purchases. General operating expenses increased $844,063 or 61.17% as a result of significant emergency repair work required in fiscal 2024. Transfers to meet General Fund obligations were $0 and $634,000 for 2024 and 2023, respectively.

Water and Sewer, Summary of Changes in Net Position

	2024	2023	$ Change	% Change	
OPERATING REVENUES					
Charges for sales and services	$ 9,118,258	$ 8,225,703	$ 892,555	10.85	%
OPERATING EXPENSES					
Cost of sales and services	4,018,593	4,703,228	(684,635)	(14.56)	
General operating expenses	2,223,906	1,379,843	844,063	61.17	
Depreciation and amortization	799,220	783,779	15,441	1.97	
Total operating expenses	7,041,719	6,866,850	174,869	2.55	
Operating income	2,076,539	1,358,853	717,686	52.82	
NON-OPERATING REVENUES (EXPENSE)					
Interest income	71,763	61,509	10,254	16.67	
Interest expense	(1,294,996)	(1,386,851)	91,855	(6.62)	
Total non-operating revenue (expenses)	(1,223,233)	(1,325,342)	102,109	(7.70)	
Capital contributions - tap fees	390,024	996,888	(606,864)	(60.88)	
Transfers in (out)	-	(634,705)	634,705	(100.00)	
Change in net position	$ 1,243,330	$ 395,694	$ 847,636	214.22	%

Educational Complex Fund. This fund had operating losses of $362,312 and $311,855 for fiscal years 2024 and 2023, respectively. Revenues decreased $53,543 as a one tenant discontinued their lease. General operating expenses increased $11,552 or 7.49% from significant increases in purchases of non-capitalizable furniture and equipment. Interest expense increased $76,022 or 24.5% as a result of certain debt refinancing. Transfers from the General Fund to meet ongoing obligations were $457,000 and $1,206,099 in 2024 and 2023, respectively.

Educational Complex Fund, Summary of Changes in Net Position

	2024	2023	$ Change	% Change
OPERATING REVENUES				
Charges for sales and services	$ 284,936	$ 338,479	$ (53,543)	(15.82) %
OPERATING EXPENSES				
General operating expenses	165,787	154,235	11,552	7.49
Depreciation and amortization	481,461	496,099	(14,638)	(2.95)
Total operating expenses	647,248	650,334	(3,086)	(0.47)
Operating income (loss)	(362,312)	(311,855)	(50,457)	16.18
NON-OPERATING REVENUES (EXPENSE)				
Bond issuance costs	(82,456)	-	(82,456)	-
Interest income	80,925	85,091	(4,166)	(4.90)
Interest expense	(386,340)	(310,318)	(76,022)	24.50
Total non-operating revenue (expenses)	(387,871)	(225,227)	(162,644)	72.21
Transfers in (out)	457,000	1,206,099	(749,099)	(62.11)
Change in net position	$ (293,183)	$ 669,017	$ (962,200)	(143.82) %

Stormwater Fund. This Fund was created during fiscal year 2010 to properly segregate infrastructure utility charges in accordance with state statutes. Revenues decreased slightly by $19,092 or 2%. General operating expenses decreased $10,594 or 5.16% as there were significant repair and maintenance costs incurred in the prior year.

Stormwater Fund, Summary of Changes in Net Position

	2024	2023	$ Change	% Change
OPERATING REVENUES				
Charges for sales and services	$ 928,341	$ 947,433	$ (19,092)	(2.02) %
OPERATING EXPENSES				
Cost of sales and services	-	-	-	-
General operating expenses	194,781	205,375	(10,594)	(5.16)
Depreciation and amortization	223,209	221,794	1,415	1
Total operating expenses	417,990	427,169	(9,179)	(2.15)
Operating income (loss)	510,351	520,264	(9,913)	(1.91)
NON-OPERATING REVENUES (EXPENSE)				
Capital contributions	11,078	-	11,078	-
Change in net position	$ 521,429	$ 520,264	$ 1,165	0.22 %

Sanitation Fund. Operating income increased $584,467 or 60.32% primarily from significant rate increases effective January 1, 2024. General operating expenses increased $713,920 or 81.18 percent primarily from increases in charges from our prime collection contractor. Transfers to the General Fund were $0 and $80,000 for fiscal years 2024 and 2023, respectively.

Sanitation Fund, Summary of Changes in Net Position

	2024	2023	$ Change	% Change	
OPERATING REVENUES					
Charges for sales and services	$ 1,553,407	$ 968,940	$ 584,467	60.32	%
OPERATING EXPENSES					
General operating expenses	1,593,353	879,433	713,920	81.18	
Operating income	(39,946)	89,507	(129,453)	(144.63)	
Transfers in (out)	-	(80,000)	80,000	(100.00)	
Change in net position	$ (39,946)	$ 9,507	$ (49,453)	(520.17)	%

Financial Analysis of the City's Funds

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

Governmental Fund Balance

The City's combined fund balances as of the end of the current fiscal year for governmental funds, presented on page 18, were $36,000,817 compared to $35,588,138 in the prior fiscal year, an increase of $412,679 or 1.16%.

City of Fairburn Summary of Governmental Fund Balances

	2024	2023	$ Change
General Fund	$ 23,485,136	$ 24,992,720	$ (1,507,584)
General Obligation Bond Capital Projects Fund	4,007,673	4,044,148	(36,475)
TSPLOST Fund	3,677,498	2,169,711	1,507,787
American Rescue Plan	-	-	-
Other Governmental Funds	4,830,510	4,381,559	448,951
Total Governmental Fund Balances	$ 36,000,817	$ 35,588,138	$ 412,679

Remainder of page intentionally left blank

City of Fairburn Summary Changes in Governmental Fund Balance

	2024	2023	$ Change	% Change
Revenues				
Property taxes	$ 12,970,566	$ 12,430,390	$ 540,176	4.35 %
Sales taxes	5,534,758	5,439,696	95,062	1.75
Franchise taxes	1,305,043	1,701,789	(396,746)	(23.31)
Insurance premium taxes	1,462,342	1,361,504	100,838	7.41
Motor vehicle taxes	810,659	834,477	(23,818)	(2.85)
Beer, wine, and liquor taxes	287,604	292,888	(5,284)	(1.80)
Hotel/Motel taxes	310,287	300,770	9,517	3.16
Other taxes	292,986	220,624	72,362	32.80
Licenses and permits	1,422,246	1,489,613	(67,367)	(4.52)
Intergovernmental	9,273,822	6,647,268	2,626,554	39.51
Fines and forfeitures	694,677	876,907	(182,230)	(20.78)
Charges for services	330,645	377,623	(46,978)	(12.44)
Interest revenue	1,129,364	1,130,816	(1,452)	(0.13)
Other revenues	1,375,082	2,107,877	(732,795)	(34.76)
Total revenues	$ 37,200,081	$ 35,212,242	$ 1,987,839	5.65
Expenditures				
Current:				
General government	$ 6,545,983	$ 5,887,469	$ 658,514	11.19
Judicial	626,513	638,087	(11,574)	(1.81)
Public safety	10,745,738	9,314,911	1,430,827	15.36
Public works	6,642,388	5,819,692	822,696	14.14
Culture and recreation	1,469,499	965,756	503,743	52.16
Planning and development	1,882,818	1,409,102	473,716	33.62
Capital outlays	7,551,735	5,779,854	1,771,881	30.66
Debt service:				
Principal	1,401,265	870,684	530,581	60.94
Interest	420,428	358,128	62,300	17.40
Issuance costs	-	-	-	-
Total expenditures	37,286,367	31,043,683	6,242,684	20.11
Excess (deficiency) of revenues over (under) expenditures	(86,286)	4,168,559	(4,254,845)	(102.07)
Other Financing Sources (Uses)				
Issuance of financed purchases	923,722	1,430,000	(506,278)	(35.40)
Proceeds from sale of capital assets	32,243	48,621	(16,378)	(33.69)
Issuance of leased liabilities	-	1,509,130	(1,509,130)	-
Transfers in	2,435,940	2,734,397	(298,457)	(10.91)
Transfers out	(2,892,940)	(3,225,791)	332,851	(10.32)
Total other financing sources (uses)	498,965	2,496,357	(1,997,392)	(80.01)
Net change in fund balances	$ 412,679	$ 6,664,916	$ (6,252,237)	(93.81) %

Excess (deficiency) of revenues over expenditures prior to other financing sources (uses) in the Governmental Funds before other financing sources and uses for the current fiscal year was ($86,286) as compared to an excess of $4,168,559 in the prior fiscal year. The General Fund had an excess of $1,353,113; The American Rescue Fund had an excess of $0; the General Obligation Bond Capital Projects Fund had a deficiency of ($36,475); the TSPLOST Fund had an excess of $1,507,787; and non-major governmental funds had a deficiency of ($2,910,711).

Total governmental revenues increased $1,987,839 or 5.65%. Property taxes increased $540,176 or 4.35% as assessed values for real property continue to increase in Fulton County. Sales taxes were consistent with the prior year and increased slightly by $73,924 or 1.38%. Franchise taxes decreased $396,746 or 23.31% primarily from reductions in electric franchise fees. Insurance premium taxes increased $100,838 or 7.41% as insurance premiums in Georgia continue to increase. Intergovernmental revenues increased $2,626,554 or 39.51% as the City recognized additional revenues based on spending of American Recovery Plan funds. Fines and forfeitures decreased $182,230 or 20.78% because Public Safety was not fully staffed during the fiscal year. Other revenues decreased $732,795 or 34.76% primarily from recognition of court revenues in the prior year.

Total governmental expenditures increased $6,242,684 or 20.11%. General government expenditures increased $658,514 or 11.19% primarily from management initiatives to increase salaries and benefits as well as general inflationary pressures. Public safety expenses increased $1,430,827 or 15.36% as a result of increases in wages and benefits. Public works expenses increased $822,696 or 14.14% primarily from increases in salaries and benefits as well as significant increases in street maintenance costs. Culture and recreation expenses increased $503,743 or 52.16% as services have increased as the City invests more in cultural activities such as the Fairburn Festival. Planning and development expenses have increased $473,716 or 33.62% as salaries and benefits have increased and the City invests more in development projects. Capital outlays have increased $1,771,881 as the City spends additional American Rescue Plan funding. Principal and interest costs have increased $530,581 (60.94%) and $62,300 (17.4%), respectively, as the City leased additional vehicles.

Analysis of Major Funds

General Fund

General Fund revenues decreased $965,446 or 3.68%. Property taxes increased $458,178 or 4.35% as assessed values of real property continue to increase in Fulton County. Sales taxes were consistent with the prior year and increased slightly by $95,062 or 1.75%. Franchise taxes decreased $396,746 or 23.31% primarily from reductions in electric franchise fees. Insurance premium taxes increased $100,838 or 7.41% as insurance premiums in Georgia continue to increase. Other revenues decreased $968,245 or 46.25% primarily from recognition of court revenues in the prior year.

General fund expenditures increased $3,700,271 or 18.27%. General government expenditures increased $473,701 or 8.22% primarily from increases salaries and benefits as well as general inflationary pressures. Public safety expenses increased $1,229,713 or 13.45% as a result of increases in wages and benefits. Public works expenses increased $669,839 or 33% primarily from increases in salaries and benefits as well as significant increases in street maintenance costs. Culture and recreation expenses increased $507,203 or 52.71% as services have increased and the City invests more in cultural activities such as the Fairburn Festival. Planning and development expenses have increased $473,716 or 33.62% as salaries and benefits have increased and the City invests more in development projects. Principal and interest costs have increased $279,438 and $78,235, respectively, as the City leased additional vehicles.

American Rescue Plan Fund

The American Rescue Plan Fund is a special revenue fund and accounts for the amounts awarded to the City under the Coronavirus State and Local Fiscal Recovery Funds program, provided for under the American Rescue Plan Act of 2021. The City received a total of $6,261,782 under this program and expended $4,095,229 and $1,866,637 in fiscal years 2024 and 2023, respectively. At September 30, 2024, the City had $136,556 of available funds remaining under this program.

General Obligation Capital Projects Fund

The General Obligation Bond Capital Projects Fund accounts for the City's general obligation bond proceeds to be used for the acquisition and construction of major capital facilities. These bonds are repaid by a separate millage applied to property taxes. Property taxes for this fund were $1,970,087 and $1,888,089 for fiscal 2024 and 2023, respectively. Property taxes increased $81,998 or 4.34%, as assessed values continue to increase in Fulton County. This fund had capital outlays of $1,251,893 for design and construction of a new fire station. Debt service expenditures were $795,113 and $801,047 for fiscal 2024 and 2023, respectively.

TSPLOST Fund

This fund accounts for the proceeds of the transportation special purpose local option sales tax for the various improvement projects approved by voter referendum. Intergovernmental revenues for this fund were $3,671,831 and $3,674,359 for fiscal 2024 and 2023, respectively. Capital outlays for this fund decreased $1,553,021 or 41.33%, from $3,757,634 in fiscal 2023 to $2,204,613 in fiscal 2024, primarily for streetscape and roadway improvements.

General Fund Budgetary Highlights

The final amended budgets passed by the City Council anticipated revenues and transfers from the Enterprise Funds being sufficient to meet operations of the General Fund. Actual results were $3,825,609 better than budgeted.

A comparison of the final budgets to actual results are located on page 22.

- General Fund revenues in total were $2,104,903 less than budgeted. Budgeted revenues are generally based on prior years' activity and trends. Property taxes were $1,760,815 less than budgeted as assessed values did not increase as originally projected. Increases in franchise taxes, licenses and permits, fines and forfeitures, and charges for services did not materialize as anticipated.
- The actual expenditures of $23,951,308 were $4,658,743 less than budgeted as management continues control measures implemented in prior years as well as very conservative budget estimates.

Capital Asset and Debt Administration

Capital Assets

The City has invested $96,050,238 in capital assets (net of accumulated depreciation). Capital assets held by the City at the end of the current and previous fiscal years are summarized as follows:

City of Fairburn, Summary of Captial Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 5,987,227	$ 5,747,956	$ 3,924,899	$ 3,924,899	$ 9,912,126	$ 9,672,855
Construction in progress	14,776,208	14,606,650	15,299	43,715	14,791,507	14,650,365
Buildings, grounds, and improvements	7,088,790	5,998,172	14,063,351	14,689,376	21,152,141	20,687,548
Machinery and equipment	456,350	748,900	358,527	280,595	814,877	1,029,495
Infrastructure	29,749,691	23,893,863	13,753,726	13,228,235	43,503,417	37,122,098
Vehicles	1,539,121	1,934,898	1,793,379	2,044,614	3,332,500	3,979,512
Right-to-use assets	2,039,040	1,671,757	504,630	394,325	2,543,670	2,066,082
	$ 61,636,427	$ 54,602,196	$ 34,413,811	$ 34,605,759	$ 96,050,238	$ 89,207,955

Net capital assets for governmental activities increased $7,034,231 and is primarily related to infrastructure projects funded by TSPLOST funds as well as significant replacement of city-wide vehicles and a new fire station. Net capital assets for business-type activities decreased $191,948 as depreciation expenses offset asset purchases. The detailed capital assets schedule is reported in Note 7 of the footnotes to the financial statements.

Long-Term Debt

At the end of the current fiscal year, the City had long-term debt related to business-type activities of $15,708,098 and $10,358,778 for governmental activities. Bonds, notes, and financed purchases outstanding as of the fiscal year ended September 30, 2024 are fully secured by the full faith and credit of the City. Business-type activities debt is secured by electric, water and sewer, and educational complex revenues while governmental debt is secured by general revenues.

The long-term debt position of the City is summarized below and is more fully analyzed in Note 8 of the footnotes to the financial statements.

City of Fairburn Outstanding Long-Term Liabilities

	2024	2023
Governmental Activities		
2017 Refunding Bonds	$ 5,475,000	$ 6,125,000
Financed Purchases	2,765,857	3,007,000
Lease Liabilities	2,117,921	1,704,321
	$ 10,358,778	$ 10,836,321
Business-Type Activities		
Series 2013 Revenue Refunding Bonds	$ 1,110,000	$ 2,165,000
Series 2014 Utility Bonds	2,910,000	3,120,000
Series 2017 Educational Revenue Refunding Bonds	7,270,000	11,055,000
Seried 2023 Educational Revenue Refunding Bonds	3,915,000	-
Lease Liabilites	503,098	385,960
	$ 15,708,098	$ 16,725,960

Economic Factors and Next Fiscal Year's Budgets and Rates

The City continues to enjoy the benefits of its location along I-85 and its proximity to the Atlanta Airport. Commercial and industrial development is also rebounding, especially large regional distribution centers along Oakley Industrial Boulevard and national retailers along the Highway 74 corridor to Tyrone and Peachtree City south of the Interstate 85 interchange.

Service levels continue to improve, and revenue estimates are conservatively made. Property taxes for general operations remained at 8.1 mills and debt service millage remained at 1.46 for the October 2024 billing.

Utility rates had not increased since 2013. The city increased rates in January 2024 for electric by 8% and water and sewage by 5%. Rate increases will continue for 3 years. The rate increase will help continue to improve services for the citizens of Fairburn.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department (770) 964-2244, City Hall, 56 Malone Street, Fairburn, Georgia 30213-1341.

CITY OF FAIRBURN, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 31,407,969	$ 12,655,972	$ 44,063,941
Restricted cash and cash equivalents	2,953,087	3,802,541	6,755,628
Investments	107,534	6,175,071	6,282,605
Investments with fiscal agent (restricted assets)	-	70,139	70,139
Accounts receivable, net of allowances	-	4,206,971	4,206,971
Taxes receivable, net of allowances	774,122	-	774,122
Lease receivable, current	36,333	227,666	263,999
Lease receivable, noncurrent	163,164	5,334,628	5,497,792
Intergovernmental receivables	501,895	-	501,895
Inventory	20,913	-	20,913
Other receivables	312,056	350,517	662,573
Prepaid items	3,186,644	250	3,186,894
Capital assets:			
Non-depreciable	20,763,435	3,940,198	24,703,633
Depreciable, net of accumulated depreciation/amortization	40,872,992	30,473,613	71,346,605
Total assets	101,100,144	67,237,566	168,337,710
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding of debt	343,023	505,010	848,033
Pension related items	1,844,044	306,147	2,150,191
Total deferred outflows of resources	2,187,067	811,157	2,998,224
LIABILITIES			
Accounts payable	1,211,297	1,546,663	2,757,960
Retainage payable	269,006	-	269,006
Funds held in escrow (due to others)	966,159	-	966,159
Accrued liabilities	216,500	40,654	257,154
Accrued interest payable	45,625	48,346	93,971
Unearned revenue	115,251	-	115,251
Customer deposits payable	1,100	753,492	754,592
Compensated absences due within one fiscal year	657,169	72,529	729,698
Compensated absences due in more than one fiscal year	183,868	-	183,868
Lease liabilities due within one fiscal year	616,631	152,097	768,728
Lease liabilities due in more than one fiscal year	1,501,290	351,001	1,852,291
Financed purchases due within one fiscal year	250,606	-	250,606
Financed purchases due in more than one fiscal year	2,515,251	-	2,515,251
Bonds payable due within one fiscal year	655,000	1,325,000	1,980,000
Bonds payable due in more than one fiscal year	4,820,000	13,941,760	18,761,760
Net pension liability	3,104,066	515,336	3,619,402
Total liabilities	17,128,819	18,746,878	35,875,697
DEFERRED INFLOWS OF RESOURCES			
Deferred lease revenue	196,167	5,391,887	5,588,054
Total deferred inflows of resources	196,167	5,391,887	5,588,054
NET POSITION			
Net investment in capital assets	55,885,331	21,297,621	77,182,952
Restricted for debt service	12,533	1,653,883	1,666,416
Restricted for capital construction	2,119,580	-	2,119,580
Restricted for transportation projects	4,117,056	-	4,117,056
Restricted for law enforcement activities	42,017	-	42,017
Restricted for corpus of perpetual care cemetery funds (nonspendable)	10,000	-	10,000
Restricted for cemetery operating capital	77,364	-	77,364
Restricted by third party as letter of credit	-	70,139	70,139
Restricted for tourism	327,599	-	327,599
Unrestricted	23,370,745	20,888,315	44,259,060
Total net position	$ 85,962,225	$ 43,909,958	$ 129,872,183

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

CITY OF FAIRBURN, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Total
Primary government:							
Governmental activities:							
General government	$ 6,095,836	$ 1,390,430	$ -	$ 178,597	$ (4,526,809)	$ -	$ (4,526,809)
Judicial	647,512	685,322	-	-	37,810	-	37,810
Public safety	11,431,188	9,355	-	300,649	(11,121,184)	-	(11,121,184)
Public works	7,703,570	472,461	-	9,003,900	1,772,791	-	1,772,791
Culture and recreation	1,896,713	127,352	30,012	-	(1,739,349)	-	(1,739,349)
Planning and development	2,051,436	-	-	-	(2,051,436)	-	(2,051,436)
Interest and fiscal charges	518,057	-	-	-	(518,057)	-	(518,057)
Total governmental activities	30,344,312	2,684,920	30,012	9,483,146	(18,146,234)	-	(18,146,234)
Business-type activities:							
Electric	11,575,793	11,294,578	-	250,648	-	(30,567)	(30,567)
Water and sewer	8,336,715	9,118,258	-	390,024	-	1,171,567	1,171,567
Educational complex	1,116,044	284,936	-	-	-	(831,108)	(831,108)
Stormwater	417,990	928,341	-	11,078	-	521,429	521,429
Sanitation	1,593,353	1,553,407	-	-	-	(39,946)	(39,946)
Total business-type activities	23,039,895	23,179,520	-	651,750	-	791,375	791,375
Total primary government	$ 53,384,207	$ 25,864,440	$ 30,012	$ 10,134,896	$ (18,146,234)	$ 791,375	$ (17,354,859)
		General revenues:					
		Property taxes			$ 12,987,376	$ -	$ 12,987,376
		Franchise taxes			1,305,043	-	1,305,043
		Insurance premium taxes			1,462,342	-	1,462,342
		Sales and use taxes			5,534,758	-	5,534,758
		Motor vehicle taxes			810,659	-	810,659
		Beer, wine, and liquor taxes			287,604	-	287,604
		Hotel/Motel taxes			310,287	-	310,287
		Other taxes			292,986	-	292,986
		Unrestricted investment earnings			1,088,795	621,587	1,710,382
		Gain on sale of capital assets			17,413	-	17,413
		Miscellaneous			1,247,730	-	1,247,730
		Transfers			(457,000)	457,000	-
		Total general revenues and transfers			24,887,993	1,078,587	25,966,580
		Change in net position			6,741,759	1,869,962	8,611,721
		Net position, beginning of fiscal year			79,220,466	42,039,996	121,260,462
		Net position, end of fiscal year			$ 85,962,225	$ 43,909,958	$ 129,872,183

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

CITY OF FAIRBURN, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

ASSETS	General Fund	American Rescue Plan Fund	General Obligation Bond Capital Projects Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 24,392,954	$ 136,556	$ 1,253,214	$ 3,821,708	$ 1,803,537	$ 31,407,969
Restricted cash and cash equivalents	-	-	2,953,087	-	-	2,953,087
Investments	21,553	-	-	-	85,981	107,534
Taxes receivable, net of allowances	707,070	-	37,503	-	29,549	774,122
Lease receivable	199,497	-	-	-	-	199,497
Other receivables	312,056	-	-	-	-	312,056
Intergovernmental receivables	-	-	-	295,348	206,547	501,895
Prepaid items	179,644	-	-	-	3,007,000	3,186,644
Inventory	20,913	-	-	-	-	20,913
Total assets	$ 25,833,687	$ 136,556	$ 4,243,804	$ 4,117,056	$ 5,132,614	$ 39,463,717
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 604,935	$ 21,305	$ 37,044	$ 367,016	$ 180,997	$ 1,211,297
Retainage payable	8,754	-	165,603	72,542	22,107	269,006
Funds held in escrow	966,159	-	-	-	-	966,159
Accrued liabilities	209,944	-	-	-	-	209,944
Unearned revenue	-	115,251	-	-	-	115,251
Customer deposits	1,100	-	-	-	-	1,100
Other liabilities	6,556	-	-	-	-	6,556
Total liabilities	1,797,448	136,556	202,647	439,558	203,104	2,779,313
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	244,936	-	33,484	-	-	278,420
Unavailable revenue - intergovernmental grants	-	-	-	-	99,000	99,000
Deferred lease revenue	196,167	-	-	-	-	196,167
Unavailable revenue - other	110,000	-	-	-	-	110,000
Total deferred inflows of resources	551,103	-	33,484	-	99,000	683,587
FUND BALANCES						
Fund balances:						
Nonspendable for:						
Prepaid items	179,644	-	-	-	3,007,000	3,186,644
Inventory	20,913	-	-	-	-	20,913
Corpus of perpetual care cemetery funds	-	-	-	-	10,000	10,000
Lease receivable	3,330	-	-	-	-	3,330
Restricted for:						
Capital construction	-	-	3,995,140	-	-	3,995,140
Debt service	-	-	12,533	-	-	12,533
Law enforcement activities	-	-	-	-	42,017	42,017
Cemetery operating capital	-	-	-	-	77,364	77,364
Transportation projects	-	-	-	3,677,498	-	3,677,498
Tourism	-	-	-	-	327,599	327,599
Committed for:						
Tree bank	489,136	-	-	-	-	489,136
Assigned for:						
Capital construction	833,000	-	-	-	583,050	1,416,050
Federal and state programs	-	-	-	-	518,166	518,166
Planning and development	-	-	-	-	265,314	265,314
Unassigned	21,959,113	-	-	-	-	21,959,113
Total fund balances	23,485,136	-	4,007,673	3,677,498	4,830,510	36,000,817
Total liabilities, deferred inflows of resources, and fund balances	$ 25,833,687	$ 136,556	$ 4,243,804	$ 4,117,056	$ 5,132,614	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources, and, therefore, are not reported in the governmental funds.	61,636,427
Some receivables are not available to pay for current-period expenditures, and, therefore, are deferred inflows of resources in the governmental funds.	487,420
The net pension liability and deferred outflows of resources related to pensions are not current financial resources, and, therefore, are not reported in the governmental funds.	(1,260,022)
Long-term liabilities, including bonds payable and related items, are not due and payable in the current period, and, therefore, are not reported in the governmental funds.	(10,902,417)
Net position of governmental activities	$ 85,962,225

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

CITY OF FAIRBURN, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	General Fund	American Rescue Plan Fund	General Obligation Bond Capital Projects Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 20,693,871	$ -	$ 1,970,087	$ -	$ 310,287	$ 22,974,245
Licenses and permits	1,422,246	-	-	-	-	1,422,246
Intergovernmental	-	4,095,229	-	3,671,831	1,506,762	9,273,822
Fines and forfeitures	685,322	-	-	-	9,355	694,677
Charges for services	330,645	-	-	-	-	330,645
Interest income	1,047,255	-	40,444	40,569	1,096	1,129,364
Miscellaneous revenue	1,125,082	-	-	-	250,000	1,375,082
Total revenues	25,304,421	4,095,229	2,010,531	3,712,400	2,077,500	37,200,081
Expenditures						
Current:						
General government	6,233,837	-	-	-	312,146	6,545,983
Judicial	626,513	-	-	-	-	626,513
Public safety	10,372,215	-	-	-	373,523	10,745,738
Public works	2,699,774	-	-	-	3,942,614	6,642,388
Culture and recreation	1,469,499	-	-	-	-	1,469,499
Planning and development	1,882,818	-	-	-	-	1,882,818
Capital outlay	-	4,095,229	1,251,893	2,204,613	-	7,551,735
Debt service:						
Principal retirements	510,122	-	650,000	-	241,143	1,401,265
Interest and fiscal charges	156,530	-	145,113	-	118,785	420,428
Total expenditures	23,951,308	4,095,229	2,047,006	2,204,613	4,988,211	37,286,367
Excess (deficiency) of revenues over (under) expenditures	1,353,113	-	(36,475)	1,507,787	(2,910,711)	(86,286)
Other financing sources (uses):						
Proceeds from disposal of capital assets	32,243	-	-	-	-	32,243
Issuance of leases	-	-	-	-	923,722	923,722
Transfers in	-	-	-	-	2,435,940	2,435,940
Transfers out	(2,892,940)	-	-	-	-	(2,892,940)
Total other financing sources (uses)	(2,860,697)	-	-	-	3,359,662	498,965
Net change in fund balances	(1,507,584)	-	(36,475)	1,507,787	448,951	412,679
Fund balances, beginning of fiscal year	24,992,720	-	4,044,148	2,169,711	4,381,559	35,588,138
Fund balances, end of fiscal year	$ 23,485,136	$ -	$ 4,007,673	$ 3,677,498	$ 4,830,510	$ 36,000,817

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

CITY OF FAIRBURN, 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 SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 412,679
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 and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization expense in the current period.		6,870,464
The effect of capital assets donations is to increase net position.		178,597
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		146,980
The disposals of capital assets are not reflected on the governmental funds but the net effect of the disposal is reflected on the statement of activities.		(14,830)
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 bond insurance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effect of these differences in the treatment of long-term debt and related items is as follows:		
Principal payment on bonds payable	$ 650,000	
Principal payment on lease liabilities	510,122	
Principal payment on financed purchases	241,143	
Issuance of lease liabilities	(923,722)	
Amortization of deferred charges, prepaid bond insurance costs	(91,599)	385,944
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.		
Change in accrued interest payable		(6,030)
Change in deferred inflows and outflows - pension related items and net pension liability		(1,063,295)
Change in compensated absences		(168,750)
Change in net position - governmental activities		$ 6,741,759

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

CITY OF FAIRBURN, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 10,665,000	$ 12,761,294	$ 11,000,479	$ (1,760,815)
Sales taxes	5,425,000	5,425,000	5,534,758	109,758
Franchise taxes	1,550,080	1,550,080	1,305,043	(245,037)
Insurance premium taxes	1,300,000	1,463,000	1,462,342	(658)
Beer, liquor, and wine taxes	270,000	270,000	287,604	17,604
Motor vehicle taxes	700,000	740,000	810,659	70,659
Other taxes	230,000	230,000	292,986	62,986
Licenses and permits	1,602,670	1,695,770	1,422,246	(273,524)
Fines and forfeitures	850,000	872,500	685,322	(187,178)
Interest income	500,000	900,000	1,047,255	147,255
Charges for services	323,400	473,400	330,645	(142,755)
Miscellaneous	173,280	1,028,280	1,125,082	96,802
Total revenues	23,589,430	27,409,324	25,304,421	(2,104,903)
Expenditures				
Current:				
General government:				
Mayor and council	386,070	387,170	335,339	51,831
Administration	1,457,498	2,010,567	1,501,051	509,516
City Administrator	2,947,336	2,480,920	1,988,896	492,024
Finance	1,463,421	1,463,842	1,040,649	423,193
Technology	699,280	651,224	597,685	53,539
Property management	819,403	884,524	770,217	114,307
Total general government	7,773,008	7,878,247	6,233,837	1,644,410
Judicial:				
Municipal court	772,577	774,777	626,513	148,264
Total judicial	772,577	774,777	626,513	148,264
Public safety:				
Police	5,765,172	5,968,885	5,678,716	290,169
Fire	5,079,705	5,795,853	4,693,499	1,102,354
Total public safety	10,844,877	11,764,738	10,372,215	1,392,523
Public works:				
Public works administration	576,934	581,334	530,382	50,952
Highways and streets	2,049,665	2,250,905	1,949,804	301,101
Maintenance and shop	237,306	238,406	219,588	18,818
Total public works	2,863,905	3,070,645	2,699,774	370,871
Culture and recreation:				
Recreation	1,352,813	2,186,513	1,469,499	717,014
Total culture and recreation	1,352,813	2,186,513	1,469,499	717,014
Planning and development:				
Protective inspection and enforcement	744,862	844,274	681,919	162,355
Planning and zoning	1,405,076	1,424,205	1,200,899	223,306
Total planning and development	2,149,938	2,268,479	1,882,818	385,661
Debt service:				
Principal retirements	-	510,122	510,122	-
Interest and fiscal charges	-	156,530	156,530	-
Total debt service	-	666,652	666,652	-
Total expenditures	25,757,118	28,610,051	23,951,308	4,658,743
Excess (deficiency) of revenues over (under) expenditures	(2,167,688)	(1,200,727)	1,353,113	2,553,840
Other financing sources (uses)				
Proceeds from sale of capital assets	-	10,000	32,243	22,243
Transfers in	480,000	480,000	-	(480,000)
Transfers out	(3,459,972)	(4,622,466)	(2,892,940)	1,729,526
Total other financing sources (uses)	(2,979,972)	(4,132,466)	(2,860,697)	1,271,769
Net change in fund balances	(5,147,660)	(5,333,193)	(1,507,584)	3,825,609
Fund balance, beginning of fiscal year	24,992,720	24,992,720	24,992,720	-
Fund balance, end of fiscal year	$ 19,845,060	$ 19,659,527	$ 23,485,136	$ 3,825,609

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

CITY OF FAIRBURN, GEORGIA
AMERICAN RESCUE PLAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 4,250,600	$ 4,250,600	$ 4,095,229	$ (155,371)
Total revenues	4,250,600	4,250,600	4,095,229	(155,371)
EXPENDITURES				
Capital outlay	4,250,600	4,250,600	4,095,229	155,371
Total expenditures	4,250,600	4,250,600	4,095,229	155,371
Net change in fund balances	-	-	-	-
FUND BALANCES, beginning of fiscal year	-	-	-	-
FUND BALANCES, end of fiscal year	$ -	$ -	$ -	$ -

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

CITY OF FAIRBURN, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds					
ASSETS	Electric Fund	Water and Sewer Fund	Educational Complex Fund	Stormwater Fund	Nonmajor Sanitation Fund	Total
CURRENT ASSETS						
Cash and cash equivalents	$ 745,163	$ 4,420,337	$ 1,843,176	$ 5,054,364	$ 592,932	$ 12,655,972
Restricted cash and cash equivalents	-	3,458,915	343,626	-	-	3,802,541
Investments	6,175,071	-	-	-	-	6,175,071
Investments with fiscal agent (restricted assets)	70,139	-	-	-	-	70,139
Accounts receivable, net of allowances	1,698,128	1,969,038	-	149,094	390,711	4,206,971
Lease receivable	-	-	227,666	-	-	227,666
Other receivable	350,517	-	-	-	-	350,517
Prepaid items	250	-	-	-	-	250
Total current assets	9,039,268	9,848,290	2,414,468	5,203,458	983,643	27,489,127
NONCURRENT ASSETS						
Capital assets:						
Non-depreciable	30,174	2,270,995	1,639,029	-	-	3,940,198
Depreciable, net of accumulated depreciation and amortization	4,216,621	12,694,804	8,979,871	4,582,317	-	30,473,613
Lease receivable	-	-	5,334,628	-	-	5,334,628
Total noncurrent assets	4,246,795	14,965,799	15,953,528	4,582,317	-	39,748,439
Total assets	13,286,063	24,814,089	18,367,996	9,785,775	983,643	67,237,566
DEFERRED OUTFLOWS OF RESOURCES						
Pension related items	220,551	85,596	-	-	-	306,147
Deferred loss on refunding of debt	-	-	505,010	-	-	505,010
Total deferred outflows of resources	220,551	85,596	505,010	-	-	811,157
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	754,779	612,116	2,787	28,105	148,876	1,546,663
Accrued liabilities	23,093	10,061	-	7,500	-	40,654
Accrued interest payable	-	-	48,346	-	-	48,346
Customer deposits	488,108	253,966	-	-	11,418	753,492
Compensated absences payable	57,121	15,408	-	-	-	72,529
Lease liabilities payable	46,939	105,158	-	-	-	152,097
Revenue bonds payable	-	1,325,000	-	-	-	1,325,000
Net pension liability	371,253	144,083	-	-	-	515,336
Total current liabilities	1,741,293	2,465,792	51,133	35,605	160,294	4,454,117
NONCURRENT LIABILITIES						
Lease liabilities payable	98,360	252,641	-	-	-	351,001
Revenue bonds payable	-	2,756,760	11,185,000	-	-	13,941,760
Total noncurrent liabilities	98,360	3,009,401	11,185,000	-	-	14,292,761
Total liabilities	1,839,653	5,475,193	11,236,133	35,605	160,294	18,746,878
DEFERRED INFLOWS OF RESOURCES						
Deferred lease revenue	-	-	5,391,887	-	-	5,391,887
Total deferred inflows of resources	-	-	5,391,887	-	-	5,391,887
NET POSITION						
Net investment in capital assets	4,101,496	12,660,155	(46,347)	4,582,317	-	21,297,621
Restricted for debt service	-	1,325,000	328,883	-	-	1,653,883
Restricted by third party as letter of credit	70,139	-	-	-	-	70,139
Unrestricted	7,495,326	5,439,337	1,962,450	5,167,853	823,349	20,888,315
Total net position	$ 11,666,961	$ 19,424,492	$ 2,244,986	$ 9,750,170	$ 823,349	$ 43,909,958

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

CITY OF FAIRBURN, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-type Activities - Enterprise Funds					
	Electric Fund	Water and Sewer Fund	Educational Complex Fund	Stormwater Fund	Nonmajor Sanitation Fund	Total
OPERATING REVENUES						
Charges for sales and services	$ 11,174,128	$ 9,118,258	$ 284,936	$ 928,341	$ 1,553,264	$ 23,058,927
Miscellaneous income	120,450	-	-	-	143	120,593
Total operating revenues	11,294,578	9,118,258	284,936	928,341	1,553,407	23,179,520
OPERATING EXPENSES						
Cost of sales and services	8,614,600	4,018,593	-	-	-	12,633,193
General operating expenses	2,578,083	2,223,906	165,787	194,781	1,593,353	6,755,910
Depreciation and amortization	379,400	799,220	481,461	223,209	-	1,883,290
Total operating expenses	11,572,083	7,041,719	647,248	417,990	1,593,353	21,272,393
Operating income (loss)	(277,505)	2,076,539	(362,312)	510,351	(39,946)	1,907,127
NON-OPERATING REVENUES (EXPENSES)						
Investment income	468,899	71,763	80,925	-	-	621,587
Cost of Issuance	-	-	(82,456)	-	-	(82,456)
Interest expense	(3,710)	(1,294,996)	(386,340)	-	-	(1,685,046)
Total non-operating revenues (expenses)	465,189	(1,223,233)	(387,871)	-	-	(1,145,915)
Income (loss) before contributions and transfers	187,684	853,306	(750,183)	510,351	(39,946)	761,212
Capital contributions	250,648	390,024	-	11,078	-	651,750
Transfers in	-	-	457,000	-	-	457,000
	250,648	390,024	457,000	11,078	-	1,108,750
Change in net position	438,332	1,243,330	(293,183)	521,429	(39,946)	1,869,962
Net position, beginning of fiscal year	11,228,629	18,181,162	2,538,169	9,228,741	863,295	42,039,996
Net position, end of fiscal year	$ 11,666,961	$ 19,424,492	$ 2,244,986	$ 9,750,170	$ 823,349	$ 43,909,958

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

CITY OF FAIRBURN, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Electric Fund	Water and Sewer Fund	Educational Complex Fund	Stormwater Fund	Nonmajor Sanitation Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	$ 11,192,789	$ 8,604,712	$ 284,936	$ 958,701	$ 1,341,905	$ 22,383,043
Payments to suppliers	(9,489,814)	(6,631,543)	(220,120)	(194,781)	(1,520,357)	(18,056,615)
Payments to employees	(1,611,065)	(187,995)	-	-	-	(1,799,060)
Net cash provided by (used in) operating activities	91,910	1,785,174	64,816	763,920	(178,452)	2,527,368
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers in from other funds	-	-	457,000	-	-	457,000
Net cash provided by non-capital financing activities	-	-	457,000	-	-	457,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	(260,172)	(456,201)	-	(97,756)	-	(814,129)
Capital contributions - tap fees	-	146,370	-	-	-	146,370
Issuance of bonds	-	-	3,915,000	-	-	3,915,000
Payment to refund debt escrow agent	-	-	(3,867,457)	-	-	(3,867,457)
Principal payment on lease liabilities	(41,031)	(70,005)	-	-	-	(111,036)
Principal payment on bonds	-	(1,265,000)	-	-	-	(1,265,000)
Interest payments and cost of issuance	(3,710)	(1,294,996)	(411,509)	-	-	(1,710,215)
Net cash used in capital and related financing activities	(304,913)	(2,939,832)	(363,966)	(97,756)	-	(3,706,467)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	468,899	71,764	80,925	-	-	621,588
Redemption of investments	358,624	-	-	-	-	358,624
Net cash provided by (used in) investing activities	827,523	71,764	80,925	-	-	980,212
Net increase (decrease) in cash and cash equivalents	614,520	(1,082,894)	238,775	666,164	(178,452)	258,113
Cash and cash equivalents, beginning of fiscal year	130,643	8,962,146	1,948,027	4,388,200	771,384	16,200,400
Cash and cash equivalents, end of fiscal year	$ 745,163	$ 7,879,252	$ 2,186,802	$ 5,054,364	$ 592,932	$ 16,458,513
Classified as:						
Cash and cash equivalents	$ 745,163	$ 4,420,337	$ 1,843,176	$ 5,054,364	$ 592,932	$ 12,655,972
Restricted cash and cash equivalents	-	3,458,915	343,626	-	-	3,802,541
	$ 745,163	$ 7,879,252	$ 2,186,802	$ 5,054,364	$ 592,932	$ 16,458,513
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
Operating income (loss)	$ (277,505)	$ 2,076,539	$ (362,312)	$ 510,351	$ (39,946)	$ 1,907,127
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	379,400	799,220	481,461	223,209	-	1,883,290
Change in assets and liabilities and deferred inflows/outflows of resources:						
(Increase) decrease in:						
Accounts receivable	(99,947)	(521,916)	-	30,360	(212,711)	(804,214)
Deferred outflows for pension items	14,250	6,224	-	-	-	20,474
Prepaid items	(250)	-	-	-	-	(250)
Increase (decrease) in:						
Accounts payable	(53,435)	(634,488)	1,785	-	72,996	(613,142)
Accrued liabilities and retainage payables	10,543	5,108	-	-	-	15,651
Deferred inflows for pension items	(4,155)	(1,625)	-	-	-	(5,780)
Deferred inflows for rent	-	-	(56,118)	-	-	(56,118)
Net pension asset	117,646	44,908	-	-	-	162,554
Customer deposits	(1,842)	8,370	-	-	1,209	7,737
Compensated absences payable	7,205	2,834	-	-	-	10,039
Net cash provided by (used in) operating activities	$ 91,910	$ 1,785,174	$ 64,816	$ 763,920	$ (178,452)	$ 2,527,368
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets through leases	$ (46,238)	$ (181,936)	$ -	$ -	$ -	$ (228,174)
Issuance of leases	46,238	181,936	-	-	-	228,174
Contributions of capital assets	250,648	243,654	-	11,078	-	505,380
Total Non-Cash Capital and Related Financing Activities	$ 250,648	$ 243,654	$ -	$ 11,078	$ -	$ 505,380

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Fairburn, Georgia was incorporated February 17, 1854 and adopted its City Charter on August 3, 1925 (Georgia Statutes 1925). The City operates under the Mayor and Council form of government and provides the following services as authorized by its charter: public safety (police and fire), street, sanitation, electric, water and stormwater utilities, planning and zoning, and general administrative services.

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

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the “primary government”) and its component unit. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City. Blended component unit, although also legally separate entity, is in substance, part of the City’s operations, and data from this unit is combined with the data of the City.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement No. 61 “The Financial Reporting Entity: Omnibus an Amendment of GASB Statement Nos. 14 and 34,” the accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The Development Authority (or Downtown Development Authority) of the City was created for the purpose of revitalizing and redeveloping the central business district of the City, developing and promoting for the public good and general welfare, trade, commerce, industry, and employment opportunities, and to promote the general welfare within the City. The Development Authority is composed of seven (7) members created and appointed by the City Council and Mayor. The Development Authority is reported in the City’s financial statements as a blended component unit special revenue fund as it provides services exclusively to the City as a financing instrument. The blended component unit has a September 30th fiscal year end. Financial information with regard to the Development Authority can be obtained directly from the City, City Hall, 56 Malone Street, Fairburn, Georgia 30213. Separate financial statements for the Development Authority are not prepared.

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 of the activities of the primary government including its blended component unit. (For the most part, the effect of interfund activity has been removed from the government-wide financial statements). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and 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 related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, sales taxes, franchise taxes, licenses and permits, charges for services, and interest 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, if the availability criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," the corresponding assets (receivables) in nonexchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 **American Rescue Plan Fund** is a special revenue fund and accounts for the amounts awarded to the City under the Coronavirus State and Local Fiscal Recovery Funds program, provided for under the American Rescue Plan Act of 2021.

The **General Obligation Bond Capital Projects Fund** accounts for the City's general obligation bond proceeds to be used for the acquisition and construction of major capital facilities.

The **TSPLOST Fund** accounts for the proceeds of the transportation special purpose local option sales tax for the various improvement projects as approved by voter referendum.

Additionally, the City reports the following fund types within the nonmajor governmental funds:

The **special revenue funds** account for revenue sources that are legally restricted or committed to expenditures for specific purposes.

The **capital projects fund** accounts for financial resources to be used for the acquisition and construction of major capital projects.

The **permanent fund** accounts for amounts received by the City which can only be used for a specific purpose. The principal of perpetual care cemetery funds are not available for expenditures based on legal or contractual requirements and must remain in trust and not be encroached upon. Only the income from such funds may be used for maintenance and upkeep of the Fairburn municipal cemetery.

The City reports the following major enterprise (or proprietary) funds:

The **Electric Fund** accounts for the activities of the City's electric distribution operations.

The **Water and Sewer Fund** accounts for the activities of the City's water and sewer operations offered to its residents and businesses.

The **Educational Complex Fund** accounts for the activities of the City's educational complex operations offered to residents and businesses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Stormwater Fund** accounts for the activities of the City's storm water operations.

The City reports the following nonmajor proprietary fund:

The **Sanitation Fund** accounts for the activities of the City's sanitation operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's proprietary funds' function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

In accounting and reporting for its proprietary operations, the City applies all GASB pronouncements. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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 enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for all funds except for the Cemetery Permanent Fund. The Cemetery Permanent Fund has its expenditures controlled by legal use restrictions imposed by a trust agreement. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are prepared by the City Administrator prior to September 1 for the fiscal year to commence October 1. The City Administrator is authorized to transfer between line items within the budget without the City Council's approval and expenditures may not exceed the legally adopted budget without City Council approval. The level of control does not allow expenditures to legally exceed budgeted appropriations at the department level. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year end. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not employed by the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments are reported at fair value as determined by quoted market prices.

F. Deposits and Investments

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Fitch's criteria for AAAf-rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principle ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair market value as of fiscal year end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

The City's nonparticipating interest-earning investment contracts (certificates of deposit) are recorded at cost. The City's remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

G. Property Taxes Receivable

The tax digest for the calendar year is compiled by the Fulton County Tax Commissioner's Office and is presented to the City by the first of August. The City bills and collects its own property taxes. The digest is reviewed by the City and tax bills are mailed by October 31st of each year and due on or before December 15th. The City may place liens for any and all debts after the due date. Ad valorem property tax revenue is recorded when it becomes available. Available means when due, or past due and receivable within the current period, expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Delinquent property taxes for which the City has a property lien are shown as taxes receivable. Receivables are shown net of an allowance for uncollectible amounts when necessary.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). 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 (if any), as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. The General Fund may report nonspendable fund balance related to interfund advances.

I. Inventory and Prepaid Items

Inventory is valued at cost, using the first-in, first-out method. The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Prepaid items are accounted for using the consumption method. Payments made to vendors for services that will benefit periods beyond September 30, 2024, are recorded as prepaid items in both government-wide and fund financial statements.

J. Restricted Assets

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

K. Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, business development employment, construction programs, capital asset additions, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both governmental and proprietary funds. Grant contributions in the proprietary funds, which are for the purpose of construction activities, or land easement or capital asset acquisitions, are recorded as capital contributions within the statement of revenues and expenses. For all funds, a grant receivable is recorded when the City has met all eligibility requirements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Capital Assets

Capital assets, which include property, plant, equipment, right-to-use lease assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital 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 (2) years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Infrastructure (e.g., roads, bridges, sidewalks, and similar items) prior to July 1, 2003 have not been reported.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Distribution system	50
Infrastructure	30
Buildings and improvements	15-40
Vehicles	10-20
Machinery and equipment	3-10
Computer equipment	3-5
Right-to-use assets	4-5

M. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. Eligible employees accrue time based on their employment classification. Vacation time is allowed to be carried over from the current calendar year up to a maximum of between 104 and 416 hours, based on employment classification, without special approval from the City Administrator. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

N. Unearned Revenue

Unearned revenues arise in both the governmental fund level and government-wide level when resources are received by the City before it has a legal claim to them. In subsequent periods, when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. 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 (if any) are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable (if any) are reported net of the applicable bond premium or discount. Bond issuance costs (if any) are expensed when incurred.

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

P. Fund Equity and Net Position

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, deferred outflows of resources, deferred inflows of resources, and liabilities under the current financial resources management 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 purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable 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 enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, 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 a formal vote and passage of an ordinance of the City Council. Only the City Council may modify or rescind the commitment by passage of a subsequent ordinance.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity and Net Position (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. The City Council established a policy through a unanimous vote and passage of a resolution which expressly delegated to the City Administrator the authority to assign funds for particular purposes.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. The Mayor and City Council approved a policy through a resolution to build and maintain an unassigned fund balance in the General Fund equal to between twenty and thirty percent (20-30%) of operating budget, or an amount equal to 3 to 4 months' operating expenditures. If at the end of any fiscal year, the fund balance falls below the targeted range, City staff will present a plan to the City Council for aligning the fund balance with the intent and purposes of this approved policy. Only deficits in fund balances may be reported as unassigned fund balance in other governmental 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: (1) Committed, (2) Assigned, and (3) Unassigned.

Net Position – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, 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 previous section. 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 is available. Restrictions on the government-wide statement of net position represent amounts segregated to meet debt covenants and state laws.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Management 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 amount of assets, deferred outflows of resources, deferred inflows of resources, and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

R. Interfund Transactions

Interfund services provided and used in the fund financial statements are accounted for as revenue, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed.

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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) until then. One of the items that qualifies for reporting in this category is the deferred loss on refunding reported in the government-wide statement of net position and the proprietary funds statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunding or refunded debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, intergovernmental grants and other sources and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The City also reports deferred revenue on a lease receivable, which is reported both at the fund level and the government wide level.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Deferred Outflows/Inflows of Resources (Continued)

The City also has deferred outflows and inflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses 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 gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before fiscal year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources. These items are reported in the government-wide financial statements and also in the fund level statements for the City's proprietary funds.

T. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Fairburn Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

U. Leases

Lessor

The City is a lessor for a noncancellable leases of space within buildings. The City recognizes a lease receivable asset and a deferred inflow of resources in the fund level and government wide financial statements. The City recognizes lease receivable assets with an initial, individual value of $25,000 or more.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Leases (Continued)

Lessor (Continued)

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The lease agreements entered into by the City do not contain a stated interest rate. Therefore, the City has used its estimated incremental borrowing rate as the discount rate for the lease. The City has estimated this incremental borrowing rate to be 1.32% and 1.05% (based on the lease period) for the leases in which the City is currently involved as the lessor.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments that the City is reasonably certain to collect.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable asset.

Lessee

The City is a lessee for noncancellable leases of vehicles. The City recognizes a lease liability and an intangible right-to-use asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $20,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The right-to-use asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Leases (Continued)

Lessee (Continued)

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the right-to-use asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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

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

The governmental fund 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 "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $10,902,417 difference are as follows:

Bonds payable	$ (5,475,000)
Leases liabilities payable	(2,117,921)
Financed purchases payable	(2,765,857)
Compensated absences	(841,037)
Accrued interest payable	(45,625)
Deferred loss on refunding	343,023
Net adjustment to reduce *fund balance - total governmental funds to arrive at net position governmental activities*	$ (10,902,417)

Another element of that reconciliation explains that "The net pension liability and deferred outflows of resources are not current financial resources and therefore, are not reported in the fund." The details of this $1,260,022 difference are as follows:

Net pension liability	$ (3,104,066)
Deferred outflows of resources	1,844,044
Net adjustment to reduce *fund balance - total governmental funds to arrive at net position governmental activities*	$ (1,260,022)

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

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes 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 estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period." The details of this $6,870,464 difference are as follows:

Capital outlay	$ 9,798,306
Depreciation and amortization expense	(2,927,842)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$ 6,870,464

NOTE 3. LEGAL COMPLIANCE - BUDGETS

A. Budgets and Budgetary Accounting

Prior to September 1 of each fiscal year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information of the prior fiscal year, current fiscal year estimates, and requested appropriations for the next fiscal year.

Before September 30, the proposed budget is presented to the City Council for review. City Council holds public hearings and may add to, subtract from or change appropriations. The budget is then approved by an affirmative vote of a majority of the City's council.

B. Excess Expenditures Over Appropriations

Expenditures may not legally exceed budgeted appropriations at the department level (e.g. administration). For the fiscal year ended September 30, 2024, the following functions and funds had excesses of actual expenditures over appropriations:

GO Bond Fund - Debt service principal	$ 10,000
Hotel/Motel Fund - Tourism	2,146
Capital Improvement Fund - Debt service principal	241,143
Capital Improvement Fund - Debt service interest	118,785

The above excess expenditures were funded by greater than anticipated revenues, expenditure savings in other departments, and available fund balance.

NOTE 4. DEPOSITS AND INVESTMENTS

As of September 30, 2024, the City had the following investments:

Investment	Maturities/Weighted Average Maturity	Fair Value
Certificates of deposit	May 10, 2025 - June 27, 2028	$ 177,673
Municipal Competitive Trust - intermediate	2.02	818,158
Municipal Competitive Trust - intermediate extended maturity	2.87	5,203,484
Municipal Competitive Trust - short-term portfolio	0.60	153,429
Georgia Fund 1	17 days	12,006
Total		$ 6,364,750

Below is a reconciliation of cash and cash equivalents and investments to the Statement of Net Position.

As reported in the Statement of Net Position	
Primary government	
Cash and cash equivalents	$ 44,063,941
Restricted cash and cash equivalents	6,755,628
Investments	6,282,605
Investments with fiscal agent (restricted assets)	70,139
	$ 57,172,313
Cash deposited with financial institutions	$ 50,807,563
Certificates of deposit	177,673
Cash deposited with Georgia Fund 1	12,006
Municipal Competitive Trust - intermediate	818,158
Municipal Competitive Trust - intermediate extended maturity	5,203,484
Municipal Competitive Trust - short-term portfolio	153,429
	$ 57,172,313

Interest Rate Risk. The City has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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. As of September 30, 2024, the City's investments in the Municipal Competitive Trust were rated between AA+ - AAA.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statues, and City policy, require all deposits and investments (other than Federal or State government instruments) to be collateralized at 110% by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of September 30, 2024, the City had no bank balances that were exposed to custodial credit risk.

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

The City has the following recurring fair value measurements as of September 30, 2024:

Investment	Level 1	Level 2	Level 3	Fair Value
Municipal Competitive Trust - intermediate extended maturity	$ -	$ 5,203,484	$ -	$ 5,203,484
Municipal Competitive Trust - intermediate	-	818,158	-	818,158
Municipal Competitive Trust - short term portfolio	-	153,429	-	153,429
Total investments measured at fair value	$ -	$ 6,175,071	$ -	6,175,071
Investments recorded at cost:				
Certificates of Deposit				177,673
Total investments				$ 6,352,744

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose investment in the Georgia Fund 1 within the fair value hierarchy but rather reports it as a cash equivalent.

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The tax bills are levied on October 1 and are mailed by October 31 to the taxpayers. The billings are considered due upon receipt by the taxpayer; however, the actual due date is December 15. After this date, the bill becomes delinquent and penalties and interest may be assessed by the City. Property taxes are recorded as receivables and unavailable revenues when levied. Revenues are recognized in the governmental funds when available (received within 60 days of fiscal year end).

Receivables at September 30, 2024, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	General Obligation Bond Capital Projects Fund	TSPLOST Fund	Nonmajor Governmental Funds
Receivables:				
Taxes	$ 1,112,940	$ 112,948	$ -	$ 29,549
Accounts	-	-	-	-
Other	312,056	-	-	-
Intergovernmental	-	-	295,348	206,547
Less allowance for uncollectible receivables	(405,870)	(75,445)	-	-
Net total receivable	$ 1,019,126	$ 37,503	$ 295,348	236,096

	Electric Fund	Water and Sewer Fund	Educational Complex Fund	Stormwater Fund	Nonmajor Enterprise Funds
Receivables:					
Taxes	$ -	$ -	$ -	$ -	$ -
Accounts	2,115,094	2,554,404	-	203,584	481,243
Other	350,517	-	-	-	-
Intergovernmental	-	-	-	-	-
Less allowance for uncollectible receivables	(416,966)	(585,366)	-	(54,490)	(90,532)
Net total receivable	$ 2,048,645	$ 1,969,038	$ -	$ 149,094	$ 390,711

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

NOTE 6. LEASE RECEIVABLE

The City has leased the educational facility and downtown buildings to third parties. The City receives variable monthly payments ranging from $1,578 to $29,958, which include the principal and interest components of the payments. As the leases do not contain a specific interest rate, the City has used its incremental borrowing rate of 1.32% for the educational facility and a downtown building and 1.05% for the second downtown lease as the discount rate for the leases. For the current year, the City recognized $320,231 in lease revenue and $77,710 in interest revenue related to the leases. Also, the City has a deferred inflow of resources associated with the leases that will be recognized over the lease terms which end on September 30, 2029, September 30, 2031, and September 30, 2043. The combined deferred inflows of resources have a balance of $5,588,054 as of September 30, 2024. As of September 30, 2024, the City's receivable for lease payments was $5,761,791.

	Beginning Balance	Reductions	Ending Balance	Due Within One Year
Governmental activities:				
Lease receivable	$ 235,404	$ (35,907)	$ 199,497	$ 36,333
Business-type activities:				
Lease receivable	5,789,960	(227,666)	5,562,294	227,666
Total	$ 6,025,364	$ (263,573)	$ 5,761,791	$ 263,999

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

NOTE 7. CAPITAL ASSETS

Primary Government

Capital asset activity for the fiscal year ended September 30, 2024, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 5,747,956	$ 239,271	$ -	$ -	$ 5,987,227
Construction in process	14,606,650	7,012,196	-	(6,842,638)	14,776,208
Total	20,354,606	7,251,467	-	(6,842,638)	20,763,435
Capital assets, being depreciated:					
Buildings and improvements	11,773,975	460,868	-	1,163,538	13,398,381
Infrastructure	40,511,938	1,340,503	-	5,679,100	47,531,541
Machinery and equipment	2,582,670	-	-	-	2,582,670
Vehicles	5,588,097	-	(315,397)	-	5,272,700
Right-to-use assets - vehicles	1,929,060	924,065	-	-	2,853,125
Total	62,385,740	2,725,436	(315,397)	6,842,638	71,638,417
Less accumulated depreciation for:					
Buildings and improvements	(5,775,803)	(533,788)	-	-	(6,309,591)
Infrastructure	(16,618,075)	(1,163,775)	-	-	(17,781,850)
Machinery and equipment	(1,833,770)	(292,550)	-	-	(2,126,320)
Vehicles	(3,653,199)	(380,947)	300,567	-	(3,733,579)
Right-to-use assets - vehicles	(257,303)	(556,782)	-	-	(814,085)
Total	(28,138,150)	(2,927,842)	300,567	-	(30,765,425)
Total capital assets, being depreciated, net	34,247,590	(202,406)	(14,830)	6,842,638	40,872,992
Governmental activities capital assets, net	$ 54,602,196	$ 7,049,061	$ (14,830)	$ -	$ 61,636,427

NOTE 7. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 3,924,899	$ -	$ -	$ -	$ 3,924,899
Construction in process	43,715	15,299	-	(43,715)	15,299
Total	3,968,614	15,299	-	(43,715)	3,940,198
Capital assets, being depreciated:					
Distribution system	19,782,808	1,062,948	-	43,715	20,889,471
Infrastructure	13,520,213	108,833	-	-	13,629,046
Building and improvements	25,626,576	-	-	-	25,626,576
Machinery and equipment	1,475,706	132,429	-	-	1,608,135
Vehicles	4,004,627	-	-	-	4,004,627
Right-to-use assets - vehicles	482,008	228,174	-	-	710,182
Total	64,891,938	1,532,384	-	43,715	66,468,037
Less accumulated depreciation for:					
Distribution system	(11,251,814)	(466,796)	-	-	(11,718,610)
Infrastructure	(8,822,972)	(223,209)	-	-	(9,046,181)
Building and improvements	(10,937,200)	(626,025)	-	-	(11,563,225)
Machinery and equipment	(1,195,111)	(54,497)	-	-	(1,249,608)
Vehicles	(1,960,013)	(251,235)	-	-	(2,211,248)
Right-to-use assets - vehicles	(87,683)	(117,869)	-	-	(205,552)
Total	(34,254,793)	(1,739,631)	-	-	(35,994,424)
Total capital assets, being depreciated, net	30,637,145	(207,247)	-	43,715	30,473,613
Business-type activities capital assets, net	$ 34,605,759	$ (191,948)	$ -	$ -	$ 34,413,811

NOTE 7. CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government	$	176,619
Public safety		981,306
Public works		1,315,672
Culture and recreation		369,001
Planning and development		85,244
Total depreciation/amortization expense - governmental activities	$	2,927,842
Business-type activities:		
Water and sewer	$	787,189
Electric		379,400
Education complex		349,833
Stormwater		223,209
Total depreciation/amortization expense - business-type activities	$	1,739,631

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

NOTE 8. LONG-TERM DEBT

Primary Government

Long-term liability and obligation activity for the fiscal year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Fiscal Year
Governmental activities:					
General obligation refunding bonds	$ 6,125,000	$ -	$ (650,000)	$ 5,475,000	$ 655,000
Financed purchases from direct borrowings	3,007,000	-	(241,143)	2,765,857	250,606
Lease liabilities	1,704,321	923,722	(510,122)	2,117,921	616,631
Net pension liability	2,701,514	2,805,118	(2,402,566)	3,104,066	-
Compensated absences	672,287	771,884	(603,134)	841,037	657,169
Governmental activities Long-term liabilities and obligations	$ 14,210,122	$ 4,500,724	$ (4,406,965)	$ 14,303,881	$ 2,179,406

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Fiscal Year
Business-type activities:					
Series 2014 Revenue Bonds	$ 3,120,000	$ -	$ (210,000)	$ 2,910,000	$ 215,000
Series 2013 Revenue Refunding Bonds	2,165,000	-	(1,055,000)	1,110,000	1,110,000
Plus unamortized bond premium	72,988	-	(11,228)	61,760	-
Series 2017 Educational Complex Revenue Refunding Bonds	11,055,000	-	(3,785,000)	7,270,000	-
Series 2023 Educational Complex Revenue Refunding Bonds	-	3,915,000	-	3,915,000	-
	16,412,988	3,915,000	(5,061,228)	15,266,760	1,325,000
Lease liabilities	385,960	228,174	(111,036)	503,098	152,097
Net pension liability	352,782	465,704	(303,150)	515,336	-
Compensated absences	62,490	95,988	(85,949)	72,529	72,529
Business-type activities Long-term liabilities and obligations	$ 17,214,220	$ 4,704,866	$ (5,561,363)	$ 16,357,723	$ 1,549,626

For governmental funds, compensated absences, the net pension liability, financed purchases from direct borrowings, and lease liabilities are liquidated by the General Fund. For business-type activities, compensated absences and the net pension liability are liquidated by the Water and Sewer Fund and the Electric Fund while lease liabilities are liquidated by the Electric Fund and Water and Sewer Fund.

NOTE 8. LONG-TERM DEBT (CONTINUED)

The City has outstanding financed purchases from direct borrowings related to government activities totaling $2,765,857, lease liabilities totaling $2,117,921, and outstanding refunding bonds related to government activities of $5,475,000. With respect to business-type activities, the City has outstanding lease liabilities of $503,098 and direct placement revenue bonds of $15,266,760. The City has pledged equipment as collateral for the financed purchases from direct borrowings related to government activities and business-type activities. There is no pledged collateral on any of the bonds for governmental activities or business-type activities. The full faith and credit of the City and net revenues from business-type activities are pledged as security on the bonds. All financed purchases from direct borrowings contain an event of default that allows the lender to demand full payment in the case of a missed payment.

General Obligation Bonds – Governmental Activities. On March 9, 2011, the City of Fairburn issued $10,415,000 in General Obligation Bonds, Series 2011 with interest rates ranging from 3% to 5.75%. The purpose of which is to pay the cost of: (a) acquiring, constructing and furnishing a fire station, certain City recreation facilities and downtown renewal projects, (b) constructing and installing certain road rebuilding projects, and (c) other projects of the City as may be determined in accordance with O.C.G.A. 36-824.2 (collectively, the “Projects”). Interest on the bonds is payable semiannually on June 1 and December 1 of each fiscal year, commencing on June 1, 2011. These bonds originally were set to mature on December 1, 2031, but were partially refunded with the Series 2017 General Obligation Bonds discussed below.

On October 6, 2017, the City issued $7,365,000 of Series 2017 General Obligation Refunding Bonds to refund all but $1,855,000 of the Series 2011 General Obligation Bonds outstanding. The bonds were issued at an interest rate of 2.5% with annual maturities through fiscal year 2032. The net proceeds from the Series 2017 Bonds were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of $648,970 and a present value savings, or economic gain, of $556,430. The refunded bonds are considered defeased. During the fiscal year ended September 30, 2021, all of the Series 2011 Defeased Bonds were called and retired.

The 2011 Series of Bonds have been fully paid as of September 30, 2022. The Series 2017 General Obligation Refunding Bonds currently outstanding mature as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 655,000	$ 128,688	$ 783,688
2026	665,000	112,188	777,188
2027	670,000	95,500	765,500
2028	680,000	78,625	758,625
2029	690,000	61,500	751,500
2030--2032	2,115,000	79,813	2,194,813
Total	$ 5,475,000	$ 556,314	$ 6,031,314

NOTE 8. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings – Governmental Activities. The City has entered into financed purchase arrangements for the acquisition of two fire engines. The agreements qualify as financed purchases from direct borrowings for accounting purposes and, therefore, have been recorded at the present values of the future minimum payments as of the date of their inceptions. As of September 30, 2024, the City has not yet received the fire trucks related to the finance purchases payable. The fire trucks are still being constructed by the vendor and City has recorded the $3,007,000 as a prepaid asset.

The City's total financed purchases debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 250,606	$ 109,322	$ 359,928
2026	260,441	99,486	359,927
2027	270,664	89,264	359,928
2028	281,289	78,639	359,928
2029	292,332	67,596	359,928
2030–2033	1,410,525	125,681	1,536,206
Total	$ 2,765,857	$ 569,988	$ 3,335,845

The City has entered into agreements with a third party to lease vehicles for various departmental use, terminating at various dates through August of 2029. As the leases do not reflect stated interest rates, the City utilized its incremental borrowing rate as calculated at the inception of each lease agreement, ranging from 2.00% to 12.88%. Monthly payments range from $481 to $1,279 for each vehicle, over the various terms of the individual leases. The outstanding balance of the City's lease liabilities for vehicles as of September 30, 2024 was $2,117,921. The City's lease vehicles are reported as right-to-use assets in the capital assets valued at $2,853,125, net of accumulated amortization of $814,085. Amortization of $556,782 is included in governmental depreciation expense.

The City's total lease liability debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 616,631	$ 127,592	$ 744,223
2026	656,457	84,653	741,110
2027	637,951	39,092	677,043
2028	183,937	6,179	190,116
2029	22,945	550	23,495
Total	$ 2,117,921	$ 258,066	$ 2,375,987

NOTE 8. LONG-TERM DEBT (CONTINUED)

Direct Placement Revenue Refunding Bonds – Business-Type Activities. On September 25, 2014, the City issued $4,610,000 (at a premium of $197,436), 2% to 4% revenue bonds (Combined Public Utility Revenue Bonds, Series 2014) with varying semiannual principal and interest payments due (April 1 and October 1) through October 1, 2034 for the purpose of acquiring, constructing, equipping and installing certain improvements or extensions to the water and sewer elements of the City's combined electric and water and sewerage system and acquiring certain wastewater treatment rights, purchasing a debt service reserve surety, and paying the costs of issuing the Series 2014 Bonds, including the payment of a premium for a financial guaranty insurance policy.

On September 26, 2013, the City issued $9,310,000, 1.209% to 4.854% revenue bonds (Taxable Refunding Revenue Bonds, Series 2013) with varying semiannual principal and interest payments due (April 1 and October 1) through October 1, 2024. The net proceeds from these bonds along with $1,095,570 of City funds were used to refund the outstanding balance of the Series 2006 Revenue Refunding Bonds. The refunding portion of this transaction resulted in a debt service savings of $257,312 and the negative net present value cash-flow savings was determined to be $838,258 during fiscal year 2013.

On September 20, 2011, the Downtown Development Authority, as a blended component unit of the City of Fairburn, issued $15,280,000 of Series 2011 Educational Complex Revenue Bonds bearing interest rates ranging from 2% to 4.75% payable July 1 and January 1 beginning 2012 with the bonds maturing on July 1, 2033. The 2011 Bonds were issued for the purpose of refunding the Series 2008 Educational Bonds and financing the additional acquisition, construction, and installation of the education campus with parking and related facility. The refunding portion of this transaction resulted in a negative debt service savings of $1,986,680 and the negative net present value cash-flow savings was determined to be $839,726 during fiscal year 2011. The Series 2011 Educational Complex Revenue Bonds were partially refunded with the Series 2017 Education Bonds discussed below.

On October 6, 2017, the City issued $13,125,000 of Series 2017 Educational Complex Refunding Bonds to refund all but $2,100,000 of the Series 2011 Education Complex Bonds outstanding. The bonds were issued at an interest rate of 2.66% with annual maturities through fiscal year 2033. The net proceeds from the Series 2017 Educational Complex Refunding Bonds were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of $780,305 and a present value savings, or economic gain, of $643,630. The refunded bonds are considered defeased. During the fiscal year ended September 30, 2021, all of the Series 2011 defeased bonds were called and retired. The Series 2017 Educational Complex Revenue Bonds were partially refunded with the Series 2023 Education Bonds discussed below.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Direct Placement Revenue Refunding Bonds – Business-Type Activities (Continued)

On December 21, 2023, the City issued $3,915,000 of Series 2023 Educational Complex Refunding Bonds to refund $3,785,000 of the Series 2017 Educational Complex Bonds outstanding. The bonds were issued at an interest rate of 5.70% with annual maturities through fiscal year 2037. The net proceeds from the Series 2023 Educational Complex Bonds were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments. The result of the transaction was a present value loss, or economic loss, of $300,161. The refunded bonds are considered defeased and thus the assets in the trust along with $2,910,000 in outstanding refunding bonds at September 30, 2024 are not reported in the City's financial statements.

The Downtown Development Authority is responsible for promoting industrial and commercial development within the City of Fairburn. However, the City of Fairburn does provide financial support each year and has contractually obligated itself to use its taxing powers to guarantee the repayment of principal and interest on the Educational Complex revenue bonds issued by the Downtown Development Authority.

Revenue bonds (Series 2013, 2014, 2017, and 2023) currently outstanding mature as follows:

	Principal	Interest	Total
Fiscal Year Ending September 30,			
2025	$ 1,325,000	$ 524,337	$ 1,849,337
2026	225,000	515,337	740,337
2027	235,000	505,937	740,937
2028	1,300,000	496,337	1,796,337
2029	2,500,000	628,141	3,128,141
2030-2034	6,605,000	1,473,577	8,078,577
2035-2037	3,015,000	349,980	3,364,980
Total	15,205,000	$ 4,493,646	$ 19,698,646
Plus unamortized bond premium	61,760		
	$ 15,266,760		

Lease Liabilities – Business-Type Activities. The City has entered into agreements with a third party to lease vehicles for the Electric Fund and the Water and Sewer Fund, terminating at various dates through December of 2027. As the leases do not reflect stated interest rates, the City utilized its incremental borrowing rate as calculated at the inception of each lease agreement, ranging from 1.80% to 9.20%. Monthly payments range from $561 to $1,974 for each vehicle, over the various terms of the individual leases. The outstanding balance of the City's lease liabilities for vehicles as of September 30, 2024 was $503,098. The City's lease vehicles are reported as right-to-use assets in the business-type capital assets valued at $710,182, net of accumulated amortization of $205,552. Amortization of $117,869 is included in business-type activities depreciation expense.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Direct Placement Revenue Refunding Bonds – Business-Type Activities (Continued)

The City's total lease liability debt service requirements to maturity are as follows:

	Principal	Interest	Total
Fiscal Year Ending September 30,			
2025	$ 152,097	$ 15,709	$ 167,806
2026	156,995	10,806	167,801
2027	119,706	5,998	125,704
2028	62,158	2,231	64,389
2029	12,142	224	12,366
Total	$ 503,098	$ 34,968	$ 538,066

NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of transfers as of September 30, 2024 is as follows:

Interfund transfers:

Transfer from	Transfer to	Amount
General Fund	Nonmajor Governmental Funds	$ 2,435,940
General Fund	Educational Complex Fund	457,000
	Total	$ 2,892,940

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. PENSION PLAN

Plan Description. The City, as authorized by the City Council, has established a defined benefit pension plan (the "City of Fairburn Retirement Plan") covering all full-time employees. The City Council in its role as the Plan Sponsor, has the sole authority to amend the provisions, including specific benefit provisions and contribution requirements of the Plan as provided by the Plan document. Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association (GMA). Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. Active plan members (employees of the City) are not required to make contributions to the Plan. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. 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 by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472 or on the internet at www.gacities.com.

Plan Membership. At January 1, 2024, the date of the most recent actuarial valuation, there were 372 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	82
Terminated vested participants not yet receiving benefits	151
Active employees - vested	68
Active employees - nonvested	71
Total	372

***Contributions*.** The 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 Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the 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. At this time, Plan members are not required to make contributions to the Plan. For the fiscal year ended September 30, 2024, the City's contribution rate was 3.44% of annual payroll. City contributions to the Plan were $430,134 for the fiscal year ended September 30, 2024.

NOTE 10. PENSION PLAN (CONTINUED)

Net Pension Liability of the City. The City's net pension liability (asset) was measured as of September 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2023 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2023.

Actuarial Assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation	2.25%
- Salary increases	2.25% plus service based merit increases
- Investment rate of return	7.375%, net of pension plan investment expense, including inflation.

Mortality rates for the January 1, 2023 valuation were based on the Sex-Distinct Pri-2012 Head-Count Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. The assumptions and methods used to value the Plan were approved in December 2019 by the Board based on an experience study for the period January 1, 2015 through June 30, 2019 conducted in November and December of 2019. Cost-of-living adjustments were assumed to be 2.25% although the Plan allowance for annual cost-of-living adjustment is variable, as established by the City Council, in an amount not to exceed 4%.

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 September 30, 2023 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.91%
International equity	20%	7.21
Domestic fixed income	20%	1.61
Real estate	10%	3.61
Global fixed income	5%	1.67
Cash	—%	
Total	100%	

* Rates shown are net of the 2.25% assumed rate of inflation

NOTE 10. PENSION PLAN (CONTINUED)

Discount Rate. The discount rate used to measure the total pension liability (asset) 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

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2024, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 9/30/23	$ 19,611,126	$ 16,556,830	$ 3,054,296
Changes for the year:			
Service cost	430,391	-	430,391
Interest	1,440,901	-	1,440,901
Differences between expected and actual experience	1,285,989	-	1,285,989
Other Changes	77,795	-	77,795
Contributions—employer	-	483,403	(483,403)
Net investment income	-	2,222,314	(2,222,314)
Benefit payments, including refunds of employee contributions	(1,007,759)	(1,007,759)	-
Administrative expense	-	(35,747)	35,747
Net changes	2,227,317	1,662,211	565,106
Balances at 9/30/24	$ 21,838,443	$ 18,219,041	$ 3,619,402

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability or asset.

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 asset or 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%)	Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	$ 6,848,743	$ 3,619,402	$ 1,003,523

NOTE 10. PENSION PLAN (CONTINUED)

***Changes in the Net Pension Liability of the City*.** 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 September 30, 2023 and the current sharing pattern of costs between employer and employee.

***Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions*.** For the fiscal year ended September 30, 2024, the City recognized pension expense of $1,580,235. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 873,712	$ -
Net difference between projected and actual earnings on pension plan investments	846,345	-
City contributions subsequent to the measurement date	430,134	-
Total	$ 2,150,191	$ -

City contributions subsequent to the measurement date of $430,134 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	
2025	$ 564,714
2026	617,474
2027	742,249
2028	(204,380)
Total	$ 1,720,057

NOTE 11. DEFERRED COMPENSATION PLAN

The City of Fairburn, Georgia offers its employees an Internal Revenue Code Section 457 Plan (the "Plan") which is a deferred compensation plan that qualifies as a defined contribution pension plan. The Plan is administered by a third-party administrator, ICMA. The City has no fiduciary relationship with the trust. Accordingly, the Plan assets are not reported in the City's financial statements. Plan provisions and contribution requirements are established and may be amended by the City's Mayor and Council. At September 30, 2024, there were 51 Plan members in the respective plans.

Employees are not required to contribute to the Plan. Employees may contribute a portion of their gross salary, not to exceed the IRS guidelines, into the Plan. Effective October 1, 2012, the City no longer matches employee contributions. The Plan allows employees to increase, decrease, stop, and restart deferrals as often as they wish without penalties or fees. Total employee contributions for the fiscal year ended September 30, 2024 were $99,221.

NOTE 12. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid on the City's behalf by Fulton County. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 229 Peachtree St NE, Suite 100, Atlanta, Georgia 30303.

NOTE 13. RELATED ORGANIZATIONS

The City's governing body is responsible for appointing a majority of the board members of the City of Fairburn Housing Authority. However, the City has no further accountability for this organization.

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 joined together with other municipalities in the State as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund 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 pool's 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 pool's 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.

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 cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

The City carries commercial insurance for other risks of losses. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the past three fiscal years.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Contractual Commitments

For the fiscal year ended September 30, 2024, the City had active construction contracts related to various construction projects. At fiscal year end, the City’s commitments with contractors totaled approximately $6,082,877.

Grant Contingencies

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

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 insure to the benefit of the public.

NOTE 15. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Electric Authority of Georgia (Continued)

The City of Fairburn is a participant in the Municipal Electric Authority of Georgia (MEAG Power) and has a contractual agreement to purchase a portion of its power requirements from Southeastern Power Administration (SEPA). All power requirements that are in excess of that provided by SEPA are purchased from MEAG Power at prices intended to cover the operating costs of the system and to retire any debt service incurred by MEAG on the City's behalf. 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 their 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 $8,059,502 during fiscal year ended September 30, 2024.

At September 30, 2024, the outstanding debt of MEAG was approximately $8.20 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately $83.0 million at September 30, 2024.

During fiscal year 2009, MEAG and MEAG's bond holders authorized the usage of Municipal Competitive Trust ("MCT") funds. The original intended use of the MCT funds were to reduce MEAG's costs and thus charge individual participants, such as the City of Fairburn, less in power on a monthly basis. The MCT funds were only to be used in response to remedy potential deregulation in the State of Georgia. Since deregulation has not occurred in the State of Georgia, MEAG and MEAG's bond holders authorized the usage of the MCT funds as if deregulation had actually occurred. As a result, the City will receive a credit reduction in its monthly purchased power invoice; effectively reducing the City's cost. The projected benefits of this reduction over the next year as of September 30, 2024 is $0.00.

NOTE 16. HOTEL/MOTEL LODGING TAX

The City established a 3% tax under O.C.G.A. 48-13-51(a)(1) on gross hotel occupancy revenues for the purpose of promoting tourism, conventions, and trade shows. Local governments imposing a tax under this code section are required to expend in each fiscal year at least the same percentage of hotel/motel tax revenues they expended in the previous fiscal year for the promotion of tourism, conventions, and trade shows. The City established a precedent in fiscal year 2022 restricting 15% of the City's hotel/motel tax funds. For the fiscal year ended September 30, 2024, the City collected $310,287 in hotel/motel revenues. For the fiscal year ended September 30, 2024, the City expended $312,146, which included $1,859 of fund balance, for the promotion of tourism.

NOTE 17. JOINTLY GOVERNED ORGANIZATION

On March 13, 2001, the City of Fairburn, the City of Union City, and the City of Palmetto created by joint resolutions pursuant to the authority of the General Assembly of the State of Georgia, the South Fulton Municipal Regional Water and Sewer Authority. By act of the Georgia Legislature, the Water and Sewer Authority was renamed to be the Middle Chattahoochee Regional Water and Sewer Authority (the "Authority"). The Authority was created to provide alternative water and sewer resources for the Cities of Fairburn, Union City, and Palmetto. The Authority is governed by a board of seven (7) directors, three (3) of whom are the chief elected official of each member city, three (3) of whom are appointed, one (1) each by each of the member cities, and one (1) director being appointed by members of the local delegation of the Georgia General Assembly who represent all, or any part of, a member city. The Authority issues revenue bonds to finance the construction of reservoir. Once completed, the member Cities will purchase water from the Authority.

The City does not provide financial support to the Authority, but has contractually obligated itself to use its full taxing power to guarantee the repayment of approximately 34.72% of the principal and interest on the Authority's Series 2007 Variable Rate Revenue Bonds if the Authority's resources cannot cover the debt service. During the fiscal year ended September 30, 2024, the City agreed to pay the Authority $1,120,884 (reported as interest expense) for the City's proportionate share of the principal and interest on the Authority's bonds from revenues of the City's Water and Sewer Fund.

On July 1, 2014, the Authority entered into an agreement to refinance the Series 2007 Variable Rate Revenue Bonds Authority with the Series 2014 Bonds. The net results of the refinancing resulted in an economic loss of $3,953,000 and a deferred outflow of resources on the refunding of $4,087,845.

As of December 31, 2023 (from the most recent available financial statements) the Middle Chattahoochee Regional Water and Sewer Authority's debt service requirements on the Series 2014 Revenue Bonds were as follows using the current interest rate of 3.670%:

	Principal	Interest	Total
Fiscal Year Ending December 31,			
2024	$ 1,780,000	$ 984,475	$ 2,764,475
2025	1,900,000	892,475	2,792,475
2026	2,025,000	814,600	2,839,600
2027	2,115,000	731,348	2,846,348
2028	2,250,000	622,225	2,872,225
2029-2033	13,310,000	1,483,587	14,793,587
Total	$ 23,380,000	$ 5,528,710	$ 28,908,710

NOTE 17. JOINTLY GOVERNED ORGANIZATION (CONTINUED)

Separate financial statements for the Middle Chattahoochee Regional Water and Sewer Authority can be obtained at the following address: Middle Chattahoochee Regional Water and Sewer Authority, 5047 Union Street, Union City, Georgia 30291.

NOTE 18. TAX ABATEMENTS

For the year ended September 30, 2024, City property tax revenues were reduced by $392,635 under agreements entered into by Fulton County. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTE 19. CONDUIT DEBT

To further economic development in the City, the Development Authority has issued Series 2019 and 2021 Bonds that meet the definition of a conduit debt obligation. Those bonds have provided private-sector entities (Landmark Christian School) with access to capital for the acquisition and construction of industrial and commercial facilities. The bonds are secured by the property they finance and are payable solely from payments received from the private-sector entities on the underlying mortgage or promissory note. The Development Authority has not extended any additional commitments for the debt service payments of the bonds beyond the collateral and the payments from the private-sector entities on the underlying mortgage or promissory note and maintenance of the tax-exempt status of the conduit debt obligation. At September 30, 2024, the bonds have an aggregate outstanding principal amount payable of $1,109,800, none of which was recognized as a liability by the City Development Authority.

NOTE 20. SUBSEQUENT EVENTS

In December 2024, the City issued $23,045,000 of Series 2024 Certificates of Participation (“COPs”). The COPs were issued at an interest rate in the range of 4.00%-5.00% with annual maturities through fiscal year 2055. The proceeds of the certificates will be used for financing the construction of a public safety building project.

In January 2025, the City issued $16,565,000 of Series 2024 Public Utility Revenue Bonds with an original issuance premium of $755,798. The bonds were issued at an interest rate of 5.00% with annual maturities through fiscal year 2044. The proceeds of the bonds will be used for the acquisition, construction, equipping and installation of certain improvements or extensions to the City’s water and sewer system.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FAIRBURN GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION - RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	$ 430,391	$ 462,407	$ 522,418	$ 413,025	$ 423,119
Interest on total pension liability	1,440,901	1,373,087	1,312,348	1,193,945	1,102,502
Other changes	77,795	-	-	-	-
Differences between expected and actual experience	1,285,989	49,159	(150,120)	588,833	190,735
Changes of assumptions	-	-	-	-	436,807
Benefit payments, including refunds of employee contributions	(1,007,759)	(858,493)	(743,625)	(655,825)	(652,205)
Net change in total pension liability	2,227,317	1,026,160	941,021	1,539,978	1,500,958
Total pension liability - beginning	19,611,126	18,584,966	17,643,945	16,103,967	14,603,009
Total pension liability - ending (a)	$ 21,838,443	$ 19,611,126	$ 18,584,966	$ 17,643,945	$ 16,103,967
Plan fiduciary net position					
Contributions - employer	$ 483,403	$ 614,625	$ 443,530	$ 492,118	$ 518,325
Net investment income	2,222,314	(3,261,309)	3,968,972	1,459,490	443,205
Benefit payments, including refunds of employee contributions	(1,007,759)	(858,493)	(743,625)	(655,825)	(652,205)
Administrative expenses	(35,747)	(34,025)	(36,530)	(31,570)	(30,123)
Net change in plan fiduciary net position	1,662,211	(3,539,202)	3,632,347	1,264,213	279,202
Plan fiduciary net position - beginning	16,556,830	20,096,032	16,463,685	15,199,472	14,920,270
Plan fiduciary net position - ending (b)	$ 18,219,041	$ 16,556,830	$ 20,096,032	$ 16,463,685	$ 15,199,472
City's net pension liability (asset) - ending (a) - (b)	$ 3,619,402	$ 3,054,296	$ (1,511,066)	$ 1,180,260	$ 904,495
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.4%	84.4%	108.1%	93.3%	94.4%
Covered payroll	11,905,109	$ 7,629,343	$ 6,599,782	$ 5,568,852	$ 5,459,369
City's net pension liability (asset) as a percentage of covered payroll	30.4%	40.0%	-22.9%	21.2%	16.6%

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	$ 436,627	$ 459,081	$ 430,351	$ 358,809	$ 426,065
Interest on total pension liability	1,065,229	1,005,868	961,894	894,973	880,377
Other changes	-	(286,177)	-	174,676	(352,216)
Differences between expected and actual experience	(379,192)	158,946	(316,723)	(95,851)	(331,710)
Changes of assumptions	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(572,166)	(528,299)	(487,933)	(450,275)	(418,094)
Net change in total pension liability	550,498	809,419	587,589	882,332	204,422
Total pension liability - beginning	14,052,511	13,243,092	12,655,503	11,773,171	11,568,749
Total pension liability - ending (a)	$ 14,603,009	$ 14,052,511	$ 13,243,092	$ 12,655,503	$ 11,773,171
Plan fiduciary net position					
Contributions - employer	$ 504,950	$ 501,693	$ 455,271	$ 504,853	$ 519,993
Net investment income	1,353,412	1,795,324	1,201,570	117,480	1,082,171
Benefit payments, including refunds of employee contributions	(572,166)	(528,299)	(487,933)	(450,275)	(418,094)
Administrative expenses	(31,216)	(32,353)	(17,223)	(20,547)	(15,930)
Net change in plan fiduciary net position	1,254,980	1,736,365	1,151,685	151,511	1,168,140
Plan fiduciary net position - beginning	13,665,290	11,928,925	10,777,240	10,625,729	9,457,589
Plan fiduciary net position - ending (b)	$ 14,920,270	$ 13,665,290	$ 11,928,925	$ 10,777,240	$ 10,625,729
City's net pension liability (asset) - ending (a) - (b)	$ (317,261)	$ 387,221	$ 1,314,167	$ 1,878,263	$ 1,147,442
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.2%	97.2%	90.1%	85.2%	90.3%
Covered payroll	$ 5,421,039	$ 5,794,145	$ 5,434,761	$ 5,264,479	$ 4,444,802
City's net pension liability (asset) as a percentage of covered payroll	-5.9%	6.7%	24.2%	35.7%	25.8%

CITY OF FAIRBURN GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION - RETIREMENT PLAN

SCHEDULE OF CITY CONTRIBUTIONS

	2024	2023	2022	2021	2020
Actuarially determined contribution	$ 469,237	$ 525,986	$ 574,304	$ 483,851	$ 492,118
Contributions in relation to the actuarially determined contribution	430,134	573,845	614,625	483,851	492,118
Contribution deficiency (excess)	$ 39,103	$ (47,859)	$ (40,321)	$ -	$ -
Covered payroll	$ 12,502,225	$ 11,905,109	$ 7,629,343	$ 6,599,782	$ 5,568,852
Contributions as a percentage of Covered payroll	3.44%	4.82%	8.06%	7.33%	8.84%

	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 518,325	$ 504,950	$ 501,693	$ 455,271	$ 504,853
Contributions in relation to the actuarially determined contribution	518,325	504,950	501,693	455,271	504,853
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 5,459,369	$ 5,421,039	$ 5,794,145	$ 5,434,761	$ 5,264,479
Contributions as a percentage of Covered payroll	9.49%	9.31%	8.66%	8.38%	9.59%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date	January 1, 2024
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost-of-Living Adjustment	2.25%
Amortization Method	Closed level dollar for remaining unfunded liability.
Remaining Amortization Period	N/A

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF FAIRBURN, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt services and capital projects.

Confiscated Assets Fund – To account for the City's share of excess funds received from confiscated capital and equipment. These monies must be used for police related expenditures and are restricted by federal law.

Grants Fund – To account for federal and state funded grants awarded to the City for completing specific projects and purchases, and the corresponding expenditures which are restricted to specific purposes.

Hotel/Motel Tax Fund – To account for the lodging tax levied in the City of which a precedent set by the City is restricted for tourism.

Development Authority Fund – To provide services exclusively to the City as a financing instrument for developing and promoting for the public good and general welfare, trade, commerce, industry, and employment opportunities, and to promote the general welfare within the City.

CAPITAL PROJECT FUND

Capital Improvement Fund – To account for the capital expenditures made by the City on long-term projects.

PERMANENT FUND

Cemetery Fund – To account for monies received by the City which can only be used for a specific purpose. The principal of perpetual care cemetery funds are not available for expenditures based on legal or contractual requirements and must remain in trust and not be encroached upon (reported as nonspendable). Only the income from such funds may be used for maintenance and upkeep of the Fairburn municipal cemetery.

CITY OF FAIRBURN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue Funds				Capital Project Fund	Permanent Fund	Total
ASSETS	Confiscated Assets Fund	Grants Fund	Hotel/Motel Tax Fund	Development Authority Fund	Capital Improvement Fund	Cemetery Fund	Nonmajor Governmental Funds
Cash and cash equivalents	$ 42,017	$ 531,046	$ 298,081	$ 264,333	$ 665,696	$ 2,364	$ 1,803,537
Investments	-	-	-	981	-	85,000	85,981
Taxes receivable	-	-	29,549	-	-	-	29,549
Intergovernmental receivables	-	206,547	-	-	-	-	206,547
Prepaid items	-	-	-	-	3,007,000	-	3,007,000
Total assets	$ 42,017	$ 737,593	$ 327,630	$ 265,314	$ 3,672,696	$ 87,364	$ 5,132,614
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ 120,427	$ 31	$ -	$ 60,539	$ -	$ 180,997
Retainage payable	-	-	-	-	22,107	-	22,107
Total liabilities	-	120,427	31	-	82,646	-	203,104
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - intergovernmental	-	99,000	-	-	-	-	99,000
Total deferred inflows of resources	-	99,000	-	-	-	-	99,000
FUND BALANCES							
Nonspendable for:							
Corpus of perpetual care cemetery funds	-	-	-	-	-	10,000	10,000
Prepaid	-	-	-	-	3,007,000	-	3,007,000
Restricted for:							
Law enforcement activities	42,017	-	-	-	-	-	42,017
Cemetery operating capital	-	-	-	-	-	77,364	77,364
Tourism	-	-	327,599	-	-	-	327,599
Assigned for:							
Capital construction	-	-	-	-	583,050	-	583,050
Federal and state programs	-	518,166	-	-	-	-	518,166
Planning and development	-	-	-	265,314	-	-	265,314
Total fund balances	42,017	518,166	327,599	265,314	3,590,050	87,364	4,830,510
Total liabilities and fund balances	$ 42,017	$ 737,593	$ 327,630	$ 265,314	$ 3,672,696	$ 87,364	$ 5,132,614

CITY OF FAIRBURN, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds				Capital Project Fund	Permanent Fund	Total
	Confiscated Assets Fund	Grants Fund	Hotel/Motel Tax Fund	Development Authority Fund	Capital Improvement Fund	Cemetery Fund	Nonmajor Governmental Funds
REVENUES							
Taxes	$ -	$ -	$ 310,287	$ -	$ -	$ -	$ 310,287
Intergovernmental	-	1,506,762	-	-	-	-	1,506,762
Fines and forfeitures	9,355	-	-	-	-	-	9,355
Interest	289	-	-	6	-	801	1,096
Miscellaneous	-	-	-	250,000	-	-	250,000
Total revenues	9,644	1,506,762	310,287	250,006	-	801	2,077,500
EXPENDITURES							
Current							
Tourism	-	-	312,146	-	-	-	312,146
Public safety	10,300	363,006	-	217	-	-	373,523
Public works	-	1,802,994	-	-	2,139,620	-	3,942,614
Debt service - principal	-	-	-	-	241,143	-	241,143
Debt service - interest	-	-	-	-	118,785	-	118,785
Total expenditures	10,300	2,166,000	312,146	217	2,499,548	-	4,988,211
Excess (deficiency) of revenues over (under) expenditures	(656)	(659,238)	(1,859)	249,789	(2,499,548)	801	(2,910,711)
Other financing sources:							
Issuance of leases	-	-	-	-	923,722	-	923,722
Transfers in	-	779,952	-	-	1,655,988	-	2,435,940
Total other financing sources	-	779,952	-	-	2,579,710	-	3,359,662
Net change in fund balances	(656)	120,714	(1,859)	249,789	80,162	801	448,951
FUND BALANCES, beginning of fiscal year	42,673	397,452	329,458	15,525	3,509,888	86,563	4,381,559
FUND BALANCES, end of fiscal year	$ 42,017	$ 518,166	$ 327,599	$ 265,314	$ 3,590,050	$ 87,364	$ 4,830,510

CITY OF FAIRBURN, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ 10,000	$ 10,000	$ 9,355	$ (645)
Interest	300	300	289	(11)
Total revenues	10,300	10,300	9,644	(656)
EXPENDITURES				
Public safety	10,300	10,300	10,300	-
Net change in fund balances	-	-	(656)	(656)
FUND BALANCES, beginning of fiscal year	42,673	42,673	42,673	-
FUND BALANCES, end of fiscal year	$ 42,673	$ 42,673	$ 42,017	$ (656)

CITY OF FAIRBURN, GEORGIA
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 2,013,686	$ 3,001,480	$ 1,506,762	$ (1,494,718)
Total revenues	2,013,686	3,001,480	1,506,762	(1,494,718)
EXPENDITURES				
Public safety	-	390,061	363,006	27,055
Public works	2,063,686	2,661,419	1,802,994	858,425
Total expenditures	2,063,686	3,051,480	2,166,000	885,480
Deficiency of revenues under expenditures	(50,000)	(50,000)	(659,238)	(609,238)
Other financing sources:				
Transfers in	50,000	50,000	779,952	729,952
Total other financing sources	50,000	50,000	779,952	729,952
Net change in fund balances	-	-	120,714	120,714
FUND BALANCES, beginning of fiscal year	397,452	397,452	397,452	-
FUND BALANCES, end of fiscal year	$ 397,452	$ 397,452	$ 518,166	$ 120,714

CITY OF FAIRBURN, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 235,000	$ 310,000	$ 310,287	$ 287
Total revenues	235,000	310,000	310,287	287
EXPENDITURES				
Tourism	185,000	310,000	312,146	(2,146)
Total expenditures	185,000	310,000	312,146	(2,146)
Excess (deficiency) of revenues over (under) expenditures	50,000	-	(1,859)	(1,859)
Other financing uses:				
Transfers out	(50,000)	-	-	-
Total other financing uses:	(50,000)	-	-	-
Net change in fund balances	-	-	(1,859)	(1,859)
FUND BALANCES, beginning of fiscal year	329,458	329,458	329,458	-
FUND BALANCES, end of fiscal year	$ 329,458	$ 329,458	$ 327,599	$ (1,859)

CITY OF FAIRBURN, GEORGIA
DEVELOPMENT AUTHORITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Miscellaneous	$ 20,700	$ 20,700	$ 250,000	$ 229,300
Interest	-	-	6	6
Total revenues	20,700	20,700	250,006	229,306
EXPENDITURES				
Public Safety	20,700	20,700	217	20,483
Total expenditures	20,700	20,700	217	20,483
Net change in fund balances	-	-	249,789	249,789
FUND BALANCES, beginning of fiscal year	15,525	15,525	15,525	-
FUND BALANCES, end of fiscal year	$ 15,525	$ 15,525	$ 265,314	$ 249,789

CITY OF FAIRBURN, GEORGIA
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES				
Public Works	$ 2,068,360	$ 3,230,854	$ 2,139,619	$ 1,091,235
Debt service - principal	-	-	241,143	(241,143)
Debt service - interest	-	-	118,785	(118,785)
Total expenditures	2,068,360	3,230,854	2,499,547	731,307
Deficiency of revenues under expenditures	(2,068,360)	(3,230,854)	(2,499,547)	731,307
Other financing sources:				
Issuance of financed purchase	-	-	923,722	923,722
Transfers in	2,068,360	3,230,854	1,655,987	(1,574,867)
Total other financing sources	2,068,360	3,230,854	2,579,709	(651,145)
Net change in fund balances	-	-	80,162	80,162
FUND BALANCES, beginning of fiscal year	3,509,888	3,509,888	3,509,888	-
FUND BALANCES, end of fiscal year	$ 3,509,888	$ 3,509,888	$ 3,590,050	$ 80,162

CITY OF FAIRBURN, GEORGIA
GENERAL OBLIGATION BOND CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Tax revenue	$ 2,571,966	$ 3,571,966	$ 1,970,088	$ (1,601,878)
Interest	500	500	40,444	39,944
Total revenues	2,572,466	3,572,466	2,010,532	(1,561,934)
EXPENDITURES				
Capital outlays	1,768,340	2,768,340	1,251,893	1,516,447
Debt service - principal payments	640,000	640,000	650,000	(10,000)
Debt service - interest and fiscal charges	164,126	164,126	145,113	19,013
Total expenditures	2,572,466	3,572,466	2,047,006	1,525,460
Net change in fund balances	-	-	(36,474)	(36,474)
Fund balance, beginning of fiscal year	4,044,148	4,044,148	4,044,148	-
Fund balance, end of fiscal year	$ 4,044,148	$ 4,044,148	$ 4,007,674	$ (36,474)

CITY OF FAIRBURN, GEORGIA
TSPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 3,600,000	$ 3,600,000	$ 3,671,832	$ 71,832
Interest	-	-	40,569	40,569
Total revenues	3,600,000	3,600,000	3,712,401	112,401
EXPENDITURES				
Capital outlay	4,500,000	4,500,000	2,204,613	2,295,387
Total expenditures	4,500,000	4,500,000	2,204,613	2,295,387
Net change in fund balances	(900,000)	(900,000)	1,507,788	2,407,788
FUND BALANCES, beginning of fiscal year	2,169,711	2,169,711	2,169,711	-
FUND BALANCES, end of fiscal year	$ 1,269,711	$ 1,269,711	$ 3,677,499	$ 2,407,788

CITY OF FAIRBURN, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS SERIES 2022
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Project Description	Priority	Project #	Original and Current Estimated Cost	Expenditures			Estimated Percentage of Completion
				Prior Fiscal Years	Current Fiscal Year	Total	
SERIES 2022							
Maintenance and Safety Enhancements-City-Wide Road Resurfacing	Tier 1	1	$ 4,083,332	$ 1,865,123	$ 1,046,911	$ 2,912,034	71.32%
Pedestrian/Bicycle Improvements Phase I	Tier 1	2	1,900,000	1,051,236	319,114	1,370,350	72.12%
Roadway Projects	Tier 1	3	6,100,000	355,394	700,678	1,056,072	17.31%
Quick Response Projects	Tier 1	4	300,000	2,220	-	2,220	0.74%
Project Management	Tier 1	5	602,500	95,811	137,910	233,721	38.79%
Operation and Safety Improvements-Quiet Zone R/R Crossings	Tier 2	6	750,000	-	-	-	0.00%
Pedestrian/Bicycle Improvements Phase II	Tier 2	7	1,136,617	-	-	-	0.00%
Roadway Projects - Oakley Industrial Boulevard Extension Design	Tier 2	8	350,000	-	-	-	0.00%
Project Management	Tier 2	9	55,000	1,200	-	1,200	2.18%
Congestion Relief	Tier 3	10	500,000	44,390	-	44,390	8.88%
Operation and Safety Improvements	Tier 3	11	600,000	-	-	-	0.00%
Pedestrian/Bicycle Improvements Phase III	Tier 3	12	300,000	-	-	-	0.00%
Road Projects (Dodd Street Roundabout)	Tier 3	13	802,717	-	-	-	0.00%
Quick Response Projects	Tier 3	14	38,900	-	-	-	0.00%
Project Management	Tier 3	15	50,000	-	-	-	0.00%
Total SERIES 2022 Project Expenditures			$ 17,569,066	$ 3,415,374	$ 2,204,613	$ 5,619,987	31.99%
Totals			$ 17,569,066	$ 3,415,374	$ 2,204,613	$ 5,619,987	

STATISTICAL SECTION (Unaudited)

This part of the City of Fairburn's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Page

Financial Trends **75**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity **80**

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity **85**

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.

Demographic and Economic Information **90**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information **92**

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.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant fiscal year.

CITY OF FAIRBURN, GEORGIA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
Net investment in capital assets	**$ 55,885,331**	$ 46,964,676	$ 44,553,676	$ 39,187,800	$ 31,192,270	$ 27,918,745	$ 25,016,287	$ 22,594,407	$ 22,115,350	$ 17,754,866
Restricted	**6,706,149**	6,983,439	4,860,232	3,905,013	4,102,009	3,673,598	2,367,845	2,495,233	1,718,140	4,597,718
Unrestricted (deficit)	**23,370,745**	25,272,351	21,982,961	19,748,798	15,215,161	11,148,331	6,475,679	4,102,801	3,403,719	2,085,985
Total governmental activities net position	**$ 85,962,225**	$ 79,220,466	$ 71,396,869	$ 62,841,611	$ 50,509,440	$ 42,740,674	$ 33,859,811	$ 29,192,441	$ 27,237,209	$ 24,438,569
Business-type activities										
Net investment in capital assets	**$ 21,297,621**	$ 20,600,756	$ 19,912,632	$ 19,449,454	$ 18,711,776	$ 17,983,218	$ 17,683,581	$ 17,963,925	$ 18,084,503	$ 17,474,092
Restricted	**1,724,022**	1,411,629	1,639,060	2,145,601	1,189,571	1,154,510	1,119,371	69,371	514,098	1,763,687
Unrestricted	**20,888,315**	20,027,611	20,494,140	20,545,077	20,173,669	17,768,299	14,896,831	13,102,664	10,642,505	6,866,052
Total business-type activities net position	**$ 43,909,958**	$ 42,039,996	$ 42,045,832	$ 42,140,132	$ 40,075,016	$ 36,906,027	$ 33,699,783	$ 31,135,960	$ 29,241,106	$ 26,103,831
Primary government										
Net investment in capital assets	**$ 77,182,952**	$ 67,565,432	$ 64,466,308	$ 58,637,254	$ 49,904,046	$ 45,901,963	$ 42,699,868	$ 40,558,332	$ 40,199,853	$ 35,228,958
Restricted	**8,430,171**	8,395,068	6,499,292	6,050,614	5,291,580	4,828,108	3,487,216	2,564,604	2,232,238	6,361,405
Unrestricted	**44,259,060**	45,299,962	42,477,101	40,293,875	35,388,830	28,916,630	21,372,510	17,205,465	14,046,224	8,952,037
Total primary government net position	**$ 129,872,183**	$ 121,260,462	$ 113,442,701	$ 104,981,743	$ 90,584,456	$ 79,646,701	$ 67,559,594	$ 60,328,401	$ 56,478,315	$ 50,542,400

Source: Annual Comprehensive Financial Report for the respective fiscal year from the City's finance department.

CITY OF FAIRBURN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental activities:										
General government	**$ 6,095,836**	$ 6,078,224	$ 3,788,018	$ 2,873,534	$ 2,455,156	$ 3,483,825	$ 3,354,065	$ 3,419,943	$ 2,930,921	$ 2,394,281
Judicial	**647,512**	650,750	602,511	647,656	483,820	528,341	432,718	374,430	343,417	406,912
Public safety	**11,431,188**	10,339,379	8,869,155	7,775,503	8,233,961	7,084,748	6,637,237	6,304,295	6,600,498	6,322,171
Public works	**7,703,570**	6,443,124	4,470,541	2,943,118	3,874,327	1,874,254	2,007,720	3,042,932	2,981,768	2,540,254
Planning and development	**1,896,713**	1,482,456	1,101,660	1,116,042	688,040	727,888	609,865	556,660	565,895	455,175
Culture and recreation	**2,051,436**	1,337,982	682,881	439,241	744,769	811,373	874,273	848,402	488,046	512,178
Interest on long-term debt	**518,057**	420,295	308,280	310,153	339,498	363,333	478,766	442,138	470,423	458,373
Total governmental activities expenses	**30,344,312**	26,752,210	19,823,046	16,105,247	16,819,571	14,873,762	14,394,644	14,988,800	14,380,968	13,089,344
Business-type activities:										
Electric	**11,575,793**	12,358,686	12,366,384 (4)	9,643,206	8,479,982	8,032,839	7,683,352	7,731,021	7,320,222	7,141,969
Water and sewer	**8,336,715**	8,253,701	7,811,365	6,870,050	6,600,957	6,311,072	5,954,189	5,725,971	5,720,744	5,321,360
Educational complex	**1,116,044**	960,652	890,506	938,836	979,161	966,323	1,179,563	1,089,108	1,093,164	1,146,332
Stormwater	**417,990**	427,169	355,805	332,443	309,145	274,249	712,463	724,917	723,063	724,079
Sanitation	**1,593,353** (5)	879,433	811,475	733,743	741,752	663,210	733,866	648,129	617,473	635,480
Total business-type activities expenses	**23,039,895**	22,879,641	22,235,535	18,518,278	17,110,997	16,247,693	16,263,433	15,919,146	15,474,666	14,969,220
Total primary government expenses	**$ 53,384,207**	$ 49,631,851	$ 42,058,581	$ 34,623,525	$ 33,930,568	$ 31,121,455	$ 30,658,077	$ 30,907,946	$ 29,855,634	$ 28,058,564
Program Revenues										
Governmental activities:										
Charges for services	**$ 2,684,920**	$ 2,858,208	$ 2,998,243	$ 2,653,975	$ 3,545,194	$ 4,207,409	$ 2,936,355	$ 2,967,781	$ 3,066,529	$ 2,714,155
Operating grants and contributions	**30,012**	59,984	8,500	90,737	699,575 (2)	-	-	-	-	19,076
Capital grants and contributions	**9,483,146**	6,657,283	5,869,145	9,044,549 (3)	5,081,194	4,254,341	3,208,554 (1)	1,793,672	1,621,498	3,221,515
Total governmental activities program revenues	**12,198,078**	9,575,475	8,875,888	11,789,261	9,325,963	8,461,750	6,144,909	4,761,453	4,688,027	5,954,746
Business-type activities:										
Charges for services	**23,179,520** (6)	21,087,840	21,298,071	18,657,053	19,257,249	19,039,757	18,412,160	17,451,224	17,794,173	16,865,395
Capital grants and contributions	**651,750**	996,888	671,483	1,219,090	895,390	1,090,640	1,162,300	1,085,970	1,553,000	548,090
Total business-type activities program revenues	**23,831,270**	22,084,728	21,969,554	19,876,143	20,152,639	20,130,397	19,574,460	18,537,194	19,347,173	17,413,485
Total primary government program revenues	**$ 36,029,348**	$ 31,660,203	$ 30,845,442	$ 31,665,404	$ 29,478,602	$ 28,592,147	$ 25,719,369	$ 23,298,647	$ 24,035,200	$ 23,368,231

CITY OF FAIRBURN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net (Expense)/Revenue										
Governmental activities	**$ (18,146,234)**	$ (17,176,735)	$ (10,947,158)	$ (4,315,986)	$ (7,493,608)	$ (6,412,012)	$ (8,249,735)	$ (10,227,347)	$ (9,692,941)	$ (7,134,598)
Business-type activities	**791,375**	(794,913)	(265,981)	1,357,865	3,041,642	3,882,704	3,311,027	2,618,048	3,872,507	2,444,265
Total primary government net (expense) revenue	**$ (17,354,859)**	$ (17,971,648)	$ (11,213,139)	$ (2,958,121)	$ (4,451,966)	$ (2,529,308)	$ (4,938,708)	$ (7,609,299)	$ (5,820,434)	$ (4,690,333)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	**$ 12,987,376**	$ 12,215,558	$ 9,906,626	$ 8,680,841	$ 7,571,527	$ 6,554,283	$ 5,179,553	$ 4,564,177	$ 4,746,634	$ 4,647,950
Sales and use taxes	**5,534,758**	5,439,696	5,365,772	4,550,878	3,976,456	4,343,841	4,063,620	3,862,730	3,819,892	3,762,572
Other taxes	**4,468,921**	4,712,052	4,177,270	3,938,263	3,508,510	3,209,463	2,825,596	2,787,403	2,686,024	2,764,043
Miscellaneous revenue	**1,247,730**	1,993,812	103,995	108,417	13,732	101,787	59,186	167,441	402,696	83,601
Unrestricted investment earnings	**1,088,795**	1,081,987	80,133	69,634	273,681	324,509	27,150	23,298	51,911	51,157
Gain on disposal of capital assets	**17,413**	48,621	5,927	124	15,101	-	-	15,530	22,424	52,915
Transfers	**(457,000)**	(491,394)	(137,307)	(700,000)	(96,633)	758,992	762,000	762,000	762,000	750,000
Total governmental activities	**24,887,993**	25,000,332	19,502,416	16,648,157	15,262,374	15,292,875	12,917,105	12,182,579	12,491,581	12,112,238
Business-type activities:										
Unrestricted investment earnings	**621,587**	297,683	34,374	7,251	30,714	51,258	14,796	25,536	26,768	28,140
Gain on sale of assets	**-**	-	-	-	-	31,274	-	13,270	-	-
Transfers	**457,000**	491,394	137,307	700,000	96,633	(758,992)	(762,000)	(762,000)	(762,000)	(750,000)
Total business-type activities	**1,078,587**	789,077	171,681	707,251	127,347	(676,460)	(747,204)	(723,194)	(735,232)	(721,860)
Total primary government	**$ 25,966,580**	$ 25,789,409	$ 19,674,097	$ 17,355,408	$ 15,389,721	$ 14,616,415	$ 12,169,901	$ 11,459,385	$ 11,756,349	$ 11,390,378
Change in Net Position										
Governmental activities	**$ 6,741,759**	$ 7,823,597	$ 8,555,258	$ 12,332,171	$ 7,768,766	$ 8,880,863	$ 4,667,370	$ 1,955,232	$ 2,798,640	$ 4,977,640
Business-type activities	**1,869,962**	(5,836)	(94,300)	2,065,116	3,168,989	3,206,244	2,563,823	1,894,854	3,137,275	1,722,405
Total primary government	**$ 8,611,721**	$ 7,817,761	$ 8,460,958	$ 14,397,287	$ 10,937,755	$ 12,087,107	$ 7,231,193	$ 3,850,086	$ 5,935,915	$ 6,700,045

Source: Annual Comprehensive Financial Report for the respective fiscal year from the City's finance department.

Notes:

(1) Capital grants and contributions increased due to the TSPLOST beginning in April 2017.

(2) Operating grants and contributions increased due to CARES Act funding as a result of the COVID-19 pandemic.

(3) Capital grants and contributions increased due to increased South Fulton CID activity as well as increased construction activity under large federal transportation projects.

(4) Electric expenses increased primarily from increased wholesale electric rates.

(5) Contract increase from Sanitation vendor.

(6) City passed rate increases effective January 1, 2024.

CITY OF FAIRBURN, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	**$ 203,887**	$ 151,939	$ 276,489	$ 205,192	$ 123,589	$ 116,944	$ 122,541	$ 99,203	$ 186,813	$ 246,026
Committed	**489,136**	776,490	8,000	8,000	417,115	417,115	385,533	382,976	280,994	-
Restricted	**-**	-	-	-	-	141,126	141,126	141,566	146,315	149,740
Assigned	**833,000**	-	-	-	135,834	-	-	-	-	-
Unassigned	**21,959,113**	24,064,291	20,978,203	18,568,666	14,827,802	11,058,246	6,970,469	5,179,060	4,035,786	3,029,593
Total General Fund	**$ 23,485,136**	$ 24,992,720	$ 21,262,692	$ 18,781,858	$ 15,504,340	$ 11,733,431	$ 7,619,669	$ 5,802,805	$ 4,649,908	$ 3,425,359
All other governmental funds										
Nonspendable	$ **3,017,000**	$ 3,017,000	$ 1,587,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Restricted	**8,132,151**	6,670,708	5,692,584	4,814,800	4,946,380	4,491,661	3,218,369	3,348,161	1,994,448	5,531,677
Assigned	**1,366,530**	907,710	380,946	648,475	174,800	246,161	970	970	409,860	1,112
Unassigned (deficit)	**-**	-	-	-	-	-	-	-	(18,564)	-
Total all other governmental funds	**$ 12,515,681**	$ 10,595,418	$ 7,660,530	$ 5,473,275	$ 5,131,180	$ 4,747,822	$ 3,229,339	$ 3,359,131	$ 2,395,744	$ 5,542,789

Source: Annual **C**omprehensive Financial Report for the respective fiscal year from the City's finance department.

CITY OF FAIRBURN, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes	**$ 22,974,245**	$ 22,582,138 (2)	$ 19,379,890	$ 17,215,701	$ 15,038,820	$ 14,045,390 (2)	$ 12,051,338	$ 11,364,385	$ 11,245,655	$ 11,188,620
Licenses and permits	**1,422,246**	1,489,613	1,511,366	1,668,523	1,607,386	2,125,009	1,261,777	1,638,444	1,737,024	1,405,815
Intergovernmental	**9,273,822**	6,647,268	5,598,047	9,047,628 (3)	5,714,255	4,195,701	3,206,502 (1)	1,793,672	1,406,484	3,221,516
Fines and forfeitures	**694,677**	876,907	910,597	303,095	908,996	997,103	701,117	515,187	501,886	686,571
Charges for services	**330,645**	377,623	449,274	617,588	913,497	859,513	837,886	677,868	721,191	573,258
Interest income	**1,129,364**	1,130,816 (4)	84,787	78,462	312,195	352,619	29,202	23,298	51,911	51,157
Miscellaneous	**1,375,082**	2,107,877 (5)	231,001	173,186	129,047	330,101	194,761	303,723	584,279	151,187
Total revenues	**37,200,081**	35,212,242	28,164,962	29,104,183	24,624,196	22,905,436	18,282,583	16,316,577	16,248,430	17,278,124
Expenditures										
General government	**6,545,983**	5,887,469	3,977,320	2,999,655	2,992,573	3,539,095	3,406,195	3,416,997	2,878,496	2,410,195
Judicial	**626,513**	638,087	610,290	648,158	485,978	534,186	437,400	376,353	342,331	411,394
Public safety	**10,745,738**	9,314,911	8,988,679	8,288,811	7,988,409	7,125,945	6,538,231	6,207,250	6,181,773	6,143,312
Public works	**6,642,388**	5,819,692	5,993,285	5,944,896	3,352,766	2,867,417	1,989,357	2,814,324	2,782,641	2,363,652
Planning and development	**1,882,818**	965,756	763,646	763,503	398,005	713,382	552,164	523,412	527,173	486,107
Culture and recreation	**1,469,499**	1,409,102	682,527	398,482	659,665	501,501	619,309	531,522	586,329	351,519
Capital outlay	**7,551,735**	5,779,854	3,494,190	4,911,771	3,613,471	1,983,051	2,944,718	19,472	4,490,740	4,605,059
Debt service										
Principal	**1,401,265**	870,684	657,120	619,498	660,945	615,099	821,473	653,535	715,814	619,425
Interest	**420,428**	358,128	186,648	209,920	236,585	253,441	214,044	451,808	472,155	473,437
Bond issuance costs	**-**	-	-	-	-	-	134,684	-	-	-
Total expenditures	**37,286,367**	31,043,683	25,353,705	24,784,694	20,388,397	18,133,117	17,657,575	14,994,673	18,977,452	17,864,100
Excess (deficiency) of revenues over (under) expenditures	**(86,286)**	4,168,559	2,811,257	4,319,489	4,235,799	4,772,319	625,008	1,321,904	(2,729,022)	(585,976)
Other financing sources (uses)										
Bonds issued	**-**	-	-	-	-	-	7,365,000	-	-	-
Payments to refund debt escrow agent	**-**	-	-	-	-	-	(7,230,316)	-	-	-
Issuance of lease liabilities	**923,722**	1,509,130	-	-	-	-	-	-	-	-
Financed purchases	**-**	1,430,000	1,987,232	-	-	100,934	165,380	-	-	328,421
Proceeds from sale of capital assets	**32,243**	48,621	6,907	124	15,101	-	-	32,380	44,526	52,915
Transfers in	**2,435,940**	2,734,397	2,310,156	909,840	850,000	1,579,203	1,687,817	1,690,339	1,929,410	3,987,018
Transfers out	**(2,892,940)**	(3,225,791)	(2,447,463)	(1,609,840)	(946,633)	(820,211)	(925,817)	(928,339)	(1,167,410)	(3,237,018)
Total other financing sources (uses)	**498,965**	2,496,357	1,856,832	(699,876)	(81,532)	859,926	1,062,064	794,380	806,526	1,131,336
Net change in fund balances	**$ 412,679**	$ 6,664,916	$ 4,668,089	$ 3,619,613	$ 4,154,267	$ 5,632,245	$ 1,687,072	$ 2,116,284	$ (1,922,496)	$ 545,360
Debt service as a percentage of noncapital expenditures	**6.63%**	5.03%	4.70%	5.89%	5.65%	6.10%	7.39%	7.76%	8.68%	8.53%

Source: Annual Comprehensive Financial Report for the respective fiscal year from the City's finance department.

Notes: (1) Intergovernmental revenues increased as a result of the TSPLOST program starting in April 2017.

(2) Property taxes increase as the economy improved and assessed values increased.

(3) Intergovernmental revenues increase due to increased South Fulton CID activity as well as increased construction activity under large federal transportation projects.

(4) Increase in interest rates in FY 2023.

(5) Increase due to receipt of tree bank revenue.

CITY OF FAIRBURN, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Motor Vehicle Tax	Franchise Tax	Insurance Premium Tax	Beer, Wine, and Liquor Tax	Hotel/Motel Tax	Other Taxes	Total
2015	$ 4,647,950	$ 3,762,572	$ 449,619	$ 1,088,695	$ 702,662	$ 232,352	$ 207,009	$ 83,706	$ 11,174,565
2016	4,766,434	3,819,892	307,241	1,047,515	750,679	244,803	241,576	94,210	11,272,350
2017	4,564,177	3,862,730	326,482	1,021,148	813,131	249,041	220,251	157,350	11,214,310
2018	5,179,553	4,063,620	331,566	951,504	867,515	264,586	285,075	125,350	12,068,769
2019	6,554,283	4,343,841	402,236	1,215,781	935,573	250,078	257,125	148,670	14,107,587
2020	7,571,527	3,976,456	579,231	1,269,600	997,441	265,113	190,904	206,221	15,056,493
2021	8,680,841	4,550,878	862,927	1,262,038	1,052,080	295,599	220,709	244,910	17,169,982
2022	9,906,626	5,365,772	852,503	1,234,016	1,089,132	290,605	299,763	411,251	19,449,668
2023	12,215,558 (1)	5,439,696	834,477	1,701,789	1,361,504	292,888	300,770	220,624	22,367,306
2024	**12,987,376**	**5,534,758**	**810,659**	**1,305,043**	**1,462,342**	**287,604**	**310,287**	**292,986**	**22,991,055**

Source: Annual Comprehensive Financial Report for the respective fiscal year from the City's finance department.

Note:

(1) Increase in assessed values

CITY OF FAIRBURN, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
ALL TAXABLE PROPERTY
LAST TEN YEARS
(accrual basis of accounting)

Tax Digest Year	Real Property		Personal Property		Public Utility		Total Property		Total Direct Tax Rate	Ratio of Total Assessed to Total Estimated Actual Value	Percent Increase in Estimated Actual Value Over Prior Year	
	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value				
2014	342,544,370	856,360,925	326,561,200	816,403,000	14,072,114	35,180,285	683,177,684	1,707,944,210	9.82	40%	1.01%	
2015	367,717,060	919,292,650	339,414,250	848,535,625	14,501,454	36,253,635	721,632,764	1,804,081,910	9.73	40%	12.25%	
2016	399,791,020	999,477,550	324,570,010	811,425,025	14,734,532	36,836,330	739,095,562	1,847,738,905	9.56	40%	5.63%	
2017	458,002,930	1,145,007,325	425,312,310	1,063,280,775	14,679,795	36,699,488	897,995,035	2,244,987,588	9.56	40%	2.42%	
2018	512,748,060	1,281,870,150	746,741,225	1,866,853,063	13,580,161	33,950,403	1,273,069,446	3,182,673,615	9.56	40%	41.77%	
2019	584,119,660	1,460,299,150	1,054,826,631	2,637,066,578	16,756,639	41,891,598	1,655,702,930	4,139,257,325	9.56	40%	30.06%	
2020	632,592,280	1,581,480,700	951,615,080	2,379,037,700	17,764,075	44,410,188	1,601,971,435	4,004,928,588	9.56	40%	-3.25%	(2)
2021	781,175,080	1,952,937,700	1,283,204,540	3,208,011,350	17,722,991	44,307,478	2,082,102,611	5,205,256,528	9.56	40%	29.97%	(2)
2022	858,886,650	2,147,216,625	1,493,887,860	3,734,719,650	24,799,074	61,997,685	2,377,573,584	5,943,933,960	9.56	40%	14.19%	
2023	**1,009,132,550**	**2,522,831,375**	**2,106,868,966**	**5,267,172,415**	**34,984,969**	**87,462,423**	**3,150,986,485**	**7,877,466,213**	**9.56**	**40%**	**32.53%**	(3)

Source: City of Fairburn Finance Department

Notes:

(1) Includes Property taxes for general operations at 8.1 mills and additional property tax to cover the debt payments related to the 2011 General Obligation Bonds at 1.60 mills.

(2) Decline due to Google, large tax payer on personal property with inventory decline due to COVID-19 pandemic. Recovered in subsequent year.

(3) Real property assessed values have increased 17.5% due to continuing reassessments by Fulton County. Personal property assessed values have increased 41% primarily due to expansion by Google, Inc.

CITY OF FAIRBURN, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN TAX DIGEST YEARS
(Rate per $1,000 of assessed value)

	Direct Rates			Overlapping Rates			Total
	City of Fairburn						Direct and
Tax Digest Year	Operating Millage	Debt Service	Total	State of Georgia	Fulton County	County School System	Overlapping Millage Rate
2014	8.100	1.720	9.820	0.100	12.050	18.500	40.470
2015	8.100	1.630	9.730	0.050	10.750	18.500	39.030
2016	8.100	1.460	9.560	0.000	10.700	18.480	38.740
2017	8.100	1.460	9.560	0.000	10.630	18.546	38.736
2018	8.100	1.460	9.560	0.000	10.430	17.796	37.786
2019	8.100	1.460	9.560	0.000	10.119	17.796	37.475
2020	8.100	1.460	9.560	0.000	9.996	17.796	37.352
2021	8.100	1.460	9.560	0.000	9.540	17.590	36.690
2022	8.100	1.460	9.560	0.000	9.070	17.240	35.870
2023	**8.100**	**1.460**	**9.560**	**0.000**	**9.050**	**17.140**	**35.750**

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

PRINCIPAL PROPERTY TAX PAYERS
CURRENT AND NINE FISCAL YEARS AGO

	2023			2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Google	$ 1,363,137,920	1	43.26%	$ -		-
Development Authority of Fulton County	90,248,710	2	2.86%	8,672,800	7	2.00%
Solar Turbines Incorporated	71,531,760	3	2.27%			
Duracell Distributing, Inc.	66,185,360	4	2.10%			
Nestle Purina Petcare Company	51,786,440	5	1.64%	32,842,990	2	7.57%
Toto, USA	39,567,120	6	1.26%			
Owens Corning	30,590,960	7	0.97%	16,052,503	3	3.70%
Strack, Inc.	22,216,360	8	0.71%			
U.S. Foods, Inc.	20,458,160	9	0.65%			
Clorox Manufacturing Company	19,216,360	10	0.61%			
Helicopter Support, Inc.				54,643,750	1	12.59%
M.D. Hodges Enterprises				9,513,760	4	2.19%
DCT Southcreek Eagles Landing				8,776,800	5	2.02%
USF Propco II, LPC				8,709,530	6	2.01%
MOBIS Parts America, LLC				6,554,516	8	1.51%
Exel Logistics				5,638,120	9	1.30%
Patrician CF, LLC				5,400,000	10	1.24%
All Others	1,376,047,335		43.67%	526,372,915		63.87%
Totals	$ 3,150,986,485		100.00%	$ 683,177,684		100.00%

Source: City of Fairburn Finance Department

Note: The 2023 tax digest was billed during fiscal year ended September 30, 2024. The 2014 column related taxes are based on the 2013 tax digest that were billed during fiscal year ended September 30, 2014.

CITY OF FAIRBURN, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Tax Digest Year	Total Tax Levy	Collections of Current Years Taxes During Year	Percentage of Levy Collected During Year	Collection of Prior Years Taxes During Year	Total Collections	Accumulated Uncollected Taxes by Digest Year	Ratio of Accumulated Uncollected Taxes to Current Year's Levy	Millage Rates	Local Option Sales Tax Collected
2014	$ 4,569,262	$ 4,520,945	98.94%	$ 37,695	$ 4,558,640	$ 10,622	0.23%	9.82	$ 3,762,572
2015	4,579,384	4,554,466	99.46%	11,599	4,566,065	13,319	0.29%	9.73	3,819,892
2016	4,668,151	4,650,813	99.63%	6,907	4,657,720	10,431	0.22%	9.56	3,862,730
2017	5,133,569	5,056,723	98.50%	66,994	5,123,717	9,852	0.19%	9.56	4,063,620
2018	6,561,997	6,439,602	98.13%	108,397	6,547,999	13,998	0.21%	9.56	4,343,841
2019	7,652,281	7,262,911	94.91%	211,089	7,474,000	178,282	2.33%	9.56	3,976,456
2020	8,809,358	8,682,747	98.56%	79,717	8,762,464	46,894	0.53%	9.56	4,550,878
2021	9,914,155	9,713,704	97.98%	158,514	9,872,218	41,937	0.42%	9.56	5,365,772
2022	12,403,929	12,136,797	97.85%	163,556	12,300,353	103,576	0.84%	9.56	5,439,696
2023	**12,857,421**	**12,584,469**	**97.88%**	**-**	**12,584,469**	**272,952**	**2.12%**	**9.56**	**5,534,758**

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities					Business-Type Activities						
						Revenue Bonds						
Fiscal Year	General Obligation Bonds	Lease Liabilities	Financed Purchases	Net Bonded Debt to Actual Value of Taxable Property	Per Capita	Water and Sewer	Educational Complex	Lease Liabilities	Financed Purchases	Net Total Primary Government	Percent of Personal Income	Per Capita
2015	$ 9,240,289	$ -	$ 777,814	0.54%	$ 731	$ 14,101,806	$ 14,318,621	$ -	$ -	$ 38,438,530	13.93%	$ 2,807
2016	8,827,858	-	472,000	0.49%	666	13,106,714	13,937,775	-	-	36,344,347	13.00%	2,602
2017	8,405,496	-	238,465	0.45%	556	12,091,993	13,526,653	-	109,705	34,372,312	10.80%	2,211
2018	9,124,188	-	112,372	0.41%	582	11,058,695	14,678,770	-	83,774	35,057,799	11.01%	2,209
2019	8,563,141	-	158,207	0.27%	520	9,993,714	14,042,513	-	57,705	32,815,280	10.08%	1,957
2020	7,982,094	-	77,262	0.19%	456	8,895,268	13,366,256	-	28,958	30,349,838	8.56%	1,718
2021	7,386,047	-	52,764	0.18%	425	7,762,053	12,645,000	-	-	27,845,864	7.77%	1,591
2022	6,765,000	-	2,002,876	0.13%	512	6,584,336	11,870,000	-	98,316	27,320,528	6.58%	1,594
2023	6,125,000	1,704,321	3,007,000	0.10%	639	5,357,988	11,055,000	385,960	-	27,635,269	6.73%	1,630
2024	**5,475,000**	**2,117,921**	**2,765,857**	**0.07%**	**622**	**4,081,760**	**11,185,000**	**503,098**	**-**	**26,128,636**	**4.53%**	**1,568**

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2024

Governmental Unit	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of Fairburn (1)	Amount Applicable to City of Fairburn
Fulton County Board of Commissioners, Georgia			
Library General Obligation Bonds	$ 216,173,662	0.287%	$ 621,242
Fulton County Board of Education			
	216,173,662		621,242
City of Fairburn, Georgia			
2017 General Obligation Bonds	5,475,000	100.00%	5,475,000
Financed Purchases	2,765,857	100.00%	2,765,857
Lease Liabilities	2,117,921	100.00%	2,117,921
Total Direct Debt	10,358,778		10,358,778
Total direct and overlapping debt	$ 226,532,440		$ 10,980,020

Source: Assessed value data used to estimate applicable percentages provided by the various Tax Assessors and the Georgia Department of Revenue Property Tax Division.

Note: 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 is borne by the residents and businesses of the City of Fairburn, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

CITY OF FAIRBURN, GEORGIA

LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value	Percent	Debt Limit	Amount Applicable	Restricted to Debt Service	Legal Debt Margin
2015	$ 683,177,684	10%	$ 68,317,768	$ 9,647,786	$ 738,226	$ 57,931,756
2016	721,632,764	10%	72,163,276	9,240,289	718,136	62,204,851
2017	739,095,562	10%	73,909,556	8,405,496	215,777	65,288,283
2018	897,995,035	10%	89,799,504	9,124,188	12,361	80,662,955
2019	1,273,069,446	10%	127,306,945	8,563,141	12,373	118,731,431
2020	1,655,702,930	10%	165,570,293	7,982,094	12,382	157,575,817
2021	1,601,971,435	10%	160,197,144	7,386,047	12,389	152,798,708
2022	2,082,102,611	10%	208,210,261	6,765,000	12,369	201,432,892
2023	2,377,573,584	10%	237,757,358	6,125,000	12,476	231,619,882
2024	**3,150,986,485**	**10%**	**315,098,649**	**5,475,000**	**12,533**	**309,611,116**

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

PLEDGED REVENUE BOND COVERAGE - WATER AND SEWER FUND AND ELECTRIC FUND
COMBINED UTILITY REVENUE BONDS (Series 2000; Series 2006; Series 2013; and Series 2014)
LAST TEN FISCAL YEARS

Fiscal Year	Operating Revenue (3)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest (1)	Total	Coverage
2015	$ 14,635,792	$ 9,822,190	$ 4,813,602	$ -	$ 489,612	$ 489,612	9.83
2016	15,453,582	10,333,956	5,119,626	980,000	473,808	1,453,808	3.52
2017	15,351,316	10,694,171	4,657,145	1,000,000	454,575	1,454,575	3.20
2018	16,375,792	10,981,640	5,394,152	1,050,000	416,109	1,466,109	3.68
2019	16,945,442	11,605,021	5,340,421	1,050,000	397,856	1,447,856	3.69
2020	17,088,887	12,469,988	4,618,899	1,085,000	361,120	1,446,120	3.19
2021	16,418,610	13,910,121	2,508,489	1,120,000	320,806	1,440,806	1.74
2022	17,594,017	17,579,591	14,426	1,165,000	274,665	1,439,665	0.01
2023	18,832,988	18,048,132	784,856	1,215,000	223,529	1,438,529	0.55
2024	**20,412,836**	**17,435,182**	**2,977,654**	**1,265,000**	**168,129**	**1,433,129**	**2.08**

Source: City of Fairburn Finance Department

Notes: Operating revenue and direct operating expenses includes both Water and Sewer and Electric Operations

(1) Interest expense does not include interest payments to the Middle Chattahoochee Regional Water and Sewer Authority - Joint Governed Organization.

(2) Direct operating expenses includes cost of sales and services and general operating expenses and excludes depreciation and amortization expenses.

(3) Beginning in 2025, the City passed a bond ordinance to include capital contributions as bonded revenue.

CITY OF FAIRBURN, GEORGIA
PLEDGED REVENUE BOND COVERAGE - EDUCATIONAL COMPLEX FUND
EDUCATIONAL COMPLEX REVENUE BONDS - SERIES 2008, 2011, 2017, and 2023
LAST TEN FISCAL YEARS

Fiscal Year	Operating Revenue	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2015	$ 537,314	$ 134,427	$ 402,887	$ 375,000	$ 632,875	$ 1,007,875	0.40
2016	537,010	90,732	446,278	400,000	623,125	1,023,125	0.44
2017	498,543	96,326	402,217	430,000	603,475	1,033,475	0.39
2018	446,154	37,010	409,144	520,000	487,625	1,007,625	0.41
2019	488,148	40,575	447,573	645,000	403,640	1,048,640	0.43
2020	487,888	77,075	410,813	685,000	377,718	1,062,718	0.39
2021	505,118	62,699	442,419	730,000	354,605	1,084,605	0.41
2022	426,454	54,493	371,961	775,000	331,177	1,106,177	0.34
2023	338,479	154,235	184,244	815,000	315,742	1,130,742	0.16
2024	**284,936**	**165,787**	**119,149**	**- (2)**	**310,318**	**310,318**	**0.38**

Source: City of Fairburn Finance Department

Notes: The Series 2008 Series Revenue Bonds were refunded during fiscal year 2011. The Series 2011 Bonds were refunded in 2017.

(1) Direct operating expenses excludes depreciation and amortization expenses.

(2) As a result of debt refinancing, no principal was due in fiscal 2024.

CITY OF FAIRBURN, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income (1)	Per Capita Income (1)	Median Age (1)	Median Education Level in Years of Formal Schooling (1)	School Enrollment (3)	Unemployment Rate (2)
2015	13,696	$ 276,001,792	$ 20,152	32.0	12	4,822	7.40
2016	13,967	279,549,505	20,015	32.0	12	5,270	5.50
2017	15,543	318,382,812	20,484	32.0	12	5,390	4.20
2018	15,872	318,535,168	20,069	32.0	12	5,354	3.20
2019	16,768	325,550,720	19,415	32.3	12	5,293	3.90
2020	17,664	354,498,816	20,069	28.8	12	5,293	3.90
2021	17,500	358,470,000	20,484	28.8	12	5,664	5.20
2022	17,136	415,102,464	24,224	32.3	12	5,190	4.90
2023	16,956	410,742,144	24,224	29.9	12	5,208	4.90
2024	**16,661**	**576,570,566**	**34,606**	**30.9**	**12**	**8,987**	**5.20**

Notes:

(1) Source: U.S. Census.

(2) Source: Georgia Department of Labor.

(3) Includes: Creekside High School; Bear Creek Middle School; Campbell Elementary School; Evelyn C. West Elementary School and Landmark Christian School.

CITY OF FAIRBURN, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND NINE FISCAL YEARS PRIOR

	2024		2015	
Employer	Number of Employees	Rank	Number of Employees	Rank
U.S. Food Services	668	1	664	1
Exel Logistics	555	2	328	4
Porex Corporation	355	3	340	2
Nestle Purina Petcare Co.	338	4	339	3
XPO Logistics Supply Chain, Inc.	290	5		
Landmark Christian	262	6		
Owens Corning	260	7	286	5
DSC Logistics	167	8	183	7
Miller Electrical Contracting	145	9		
Adesa Atlanta, LLC	144	10	147	9
New Breed Logistics, Inc.			233	6
LTI Flexible Products			160	8
Strack			105	10
	3,184		2,520	

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

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

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrative	29	30	30	29	28	28	31	66	67	75
Police	43	39	39	39	45	50	43	40	48	55
Fire	45	42	40	40	40	40	35	42	40	48
Streets, Parks, and Recreation	17	18	18	18	19	18	12	14	24	30
Electric	10	9	9	9	9	9	5	5	6	7
Water and Sewer	8	8	9	9	9	9	8	8	8	11
	152	146	145	144	150	154	134	175	193	226

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Physical Arrests	633	549	729	775	803	169	335	544	669	633
Traffic Violations	3,982	3,252	5,638	5,681	11,321	8,594	6,685	6,199	16,449	16,948
Fire										
Number of Calls Answered	2,414	2,879	2,955	3,031	3,281	2,880	3,211	3,718	3,652	4,002
Inspections	990	886	518	401	456	210	169	574	489	589
Highways and Streets										
Streets Resurfaced (miles)	1.94	-	1.81	13.00	10.34	10.34	8.54	16.00	9.93	8.71
Potholes Repaired	100	120	115	25	122	122	177	87	60	63
Sanitation										
Refuse Collected (tons/day)	3,661	4,015	3,916	3,770	3,580	3,977	4,906	4,768	3,510	3,632
Recyclables Collected (tons/day)	650	730	667	661	520	578	451	532	1,495	1,556
Water										
Water Mains (miles)	70.9	71.1	71.1	71.1	71.1	71.1	74.3	86.0	86.0	86.0
Fire Hydrants	826	824	824	824	947	947	971	902	902	902
Water Main Breaks	6	8	6	6	4	4	7	8	6	9
Average Daily Consumption (thousands of gallons)	807	886	212	1,061	691	768	755	1,431	1,412	1,290
Wastewater and Sewer										
Stormwater system (miles)	36.76	36.76	36.76	36.76	36.76	36.76	37.04	37.04	37.44	37.44
Sanitary system (miles)	62.00	61.62	61.62	61.62	61.62	61.62	64.89	72.02	77.96	80.61
Public Safety										
Fire Stations	2	2	2	2	2	2	2	2	2	3
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units	50	47	49	49	49	49	54	59	62	63
Highways and Streets										
Miles Paved	96.8	96.8	96.8	96.8	96.8	96.8	96.0	96.4	96.4	97.3
Miles Unpaved	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.6	3.0	3.0
Street Lights	712	712	712	712	760	760	760	760	760	874
Caution Lights	1	2	2	2	1	1	1	1	1	1
Electric										
Lines (miles)	81	81	81	81	81	81	79	81	85	87
Plant Capacity (KVA)	12,400	12,400	12,470	12,470	12,470	12,470	20,207	20,207	20,207	20,207

Source: City of Fairburn Finance Department

CITY OF FAIRBURN, GEORGIA

CAPITAL ASSETS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water										
Water mains (miles)	70.9*	71.1	71.1	71.1	71.1	71.1	74.27	86	86	86
Fire hydrants	826**	824	824	824	947	947	971	902	902	902
Water main breaks	6	8	6	6	4	4	7	8	6	9
Wastewater and Sewer										
Stormwater system (miles)	36.76	36.76	36.76	36.76	36.76	36.76	37.04	37.04	37.44	37.44
Sanitary system (miles)	62	61.62	61.62	61.62	61.62	61.62	64.89	64.89	77.95	80.61
Public Safety										
Fire stations	2	2	2	2	2	2	2	2	2	3
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	50	47	49	49	49	49	54	59	62	63
Highways and Streets										
Miles paved	96.8	96.8	96.8	96.8	96.8	96.8	96.04	96.43	96.43	97.3
Miles unpaved	3	3	3	3	3	3	3	3	3	3
Street lights	712	712	712	712	760	760	761	761	761	874
Caution lights	1	2	2	2	1	1	1	1	1	1
Electric										
Lines (miles)	81	81	81	81	81	81	81	81	81	87
Number of substations	2	2	2	2	2	2	2	2	2	2
Number of service connections	3,153	3,187	3,470	3,470	3,574	3,574	4,061	3,463	4,234	4,563
Culture and recreation										
Parks acreage	144	144	146	146	146	146	146	146	146	146
Parks	2	2	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1

Source: City of Fairburn Finance Department

* Previous reports included City of Atlanta and private lines

** 826 hydrants in G.I.S. inventory