City of Fayetteville, Georgia



ACFR

Annual Comprehensive Financial Report

For the Year Ended July 31, 2024

CITY OF FAYETTEVILLE, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JULY 31, 2024

Prepared By:
Mike Bush
Director of Finance

Submitted By:
Ray Gibson
City Manager

INTRODUCTORY SECTION

CITY OF FAYETTEVILLE, GEORGIA

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

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MAYOR
Edward J. Johnson, Jr.

CITY MANAGER
Ray Gibson

INTERIM CITY CLERK
Chelsea Siemen

FAYETTEVILLE
NO LIMITS ON IMAGINATION

COUNCIL
Richard J. Hoffman,
Mayor Pro Tem
Joe Clark
Niyah Glover
Darryl Langford
Scott Stacy

January 23, 2025

Honorable Edward Johnson Jr., Mayor

Members of the City Council

And Citizens of Fayetteville, Georgia

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

The City's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance that all financial information has been recorded accurately.

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. These statements are to be presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The accounting firm of Maudlin & Jenkins, LLC, is the City's auditing firm. The independent auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by the management of the City.

GAAP 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"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Reporting Entity. This report includes all funds of the primary government. The government provides a full range of services. These services include police protection, fire protection, court system, the construction and maintenance of highways, street and drainage improvements, planning and zoning, engineering, building and code enforcement, economic development, water, sewer, and storm water services, and Main Street activities and events. Residential sanitation services are provided through a contractual agreement with a private carrier.

Government Structure. A Mayor and five (5) City Council members serve the City of Fayetteville. The Mayor and City Council are elected at large and serve four (4) year staggered terms. The Mayor and City Council serves as the legislative body responsible for enacting City ordinances, resolutions, appropriating funds, and providing policy direction to City staff. The City Council appoints a City Manager, City Attorney, Municipal Court Judge and various Boards, Commissions and Authorities. The City Council annually adopts a balanced budget and establishes a tax rate for the support of the City programs. The City Manager and Department Directors have the responsibility of administering these programs in accordance with policies and the annual budget adopted by the City Council.

An organizational chart depicting the current structure associated with the management of the City of Fayetteville is included in this introductory section.

General Information. The City is named for General Marquis de Lafayette of France, who aided the American colonists during the Revolutionary War. Fayetteville was named as the county seat in 1823 and the present-day courthouse in the town square was built in 1825. Listed on the National Register, it remains the oldest courthouse in Georgia and boasts the longest court bench in the world.
There was more or less a city/county government until the 1880's. The first mayor elected in Fayetteville was W. P. Redwine in 1889.

Downtown Fayetteville is rich in history with the preservation of many notable places of interest. Most of the store buildings that exist today around the courthouse square were built in the late 1890s and early 1900s. In 1900, the first gas lamps and telephones were installed. The Fayette County Daily Newspaper that began in 1886 is still in operation. Electricity lit up Fayetteville in the 1920s. In 1926, the first public water system was installed with a 60,000-gallon tank above the city well. In 1953, the water system was upgraded with the construction of a new water plant just northwest of the City. In 1996, the City built a four MGD water treatment plant.

A sewer system was installed in the early 1960s. In 2007 the City added additional capacity for wastewater by upgrading the City's wastewater treatment plant from 2.75 MGD to 5 MGD. The City updated the treatment processes at the wastewater treatment plant in 2022 to maintain the 5 MGD capacity as the state and federal requirements have changed.

The history of Fayetteville remains in the downtown area, the historic district, through a program that initially was created in 1994 to bring businesses and activities into the historic district. Development standards have been developed just for the historic district. Fayetteville was designated Georgia's 37th Main Street City by the Georgia Department of Community Affairs in 1996.

West of the square, one of Fayetteville's finest historical attractions, The Holliday Dorsey Fife House was built in 1855, an antebellum structure with large white columns considered by many to be one of the most refined of the Greek revival houses in Fayette County. The house derives its name from the three main owners that dwelled there: Dr. John Stiles Holliday, whom built the house, and was the uncle of the "Doc" Holliday of Western fame; Solomon Dawson Dorsey, a Colonel of the State Militia during the war between the States who helped enlist volunteers for the confederacy; and Robert E. Lee Fife, a former Fayetteville City Council member related to the last family to occupy the house as a residence. The house has ties with well-known personalities such as Margaret Mitchell of *Gone with the Wind* fame and former Georgia Governor Hugh M. Dorsey, and it abounds in Civil War history. The City of Fayetteville Downtown Development Authority owns the Holliday Dorsey Fife House, which is leased by Revival Wine Bar.

Across, the street lies the historic Fayetteville City Cemetery, circa 1823. The Fitzgeralds', great grandparents of Margaret Mitchell, as well as the Hollidays', Dorseys', and Fifes' are laid to rest there. Recent enhancements to the cemetery have been completed to the entryway as well as the repairing and refurbishing of headstones. A self-guided cemetery tour brochure is available.

Adjacent to Fayetteville City Cemetery is the new Fayetteville City Hall & City Center Park. Opened in 2021, City Hall offers 34,000 square-feet of offices, conference rooms, training rooms, a City Council chamber, and customer service desks. City Center Park, which also opened in 2021, covers almost eight adjoining acres. It features a popular spray pad in warmer months along with year-round playgrounds, picnic pavilions, great lawn, walking paths, pond, dog park, and restroom facilities.

The new City Hall & City Center Park attracted private investment, which resulted in the renovation of the adjacent old Fayette County Public Schools bus barn into Triumph Station, featuring restaurants and an ice cream shop, as well as the renovation of the old gym into Southside Center, home to Southside Church and made available for public rental.

South of the Courthouse Square, The Fayetteville Academy and Seminary was built in 1857, which later became the publicly-attended Glynn Street School. It was renovated in 1994 and used as Fayetteville's city hall until 2021. The building is presently owned by the Fayetteville Development Authority and leased by developers, who have repurposed it as a retail, restaurant, and boutique services destination branded as 240 Glynn Street.

In May 2006, a Georgia Historical Marker was unveiled at the former City Hall site, honoring former Georgia Governor Hugh M. Dorsey. He was born in Fayetteville and served as governor for two terms from 1917 to 1921.

In 2007, First Lady Laura Bush awarded the City of Fayetteville the Preserve America Designation in recognition of the continuing commitment to preserving and using its cultural and natural resources for the benefit and enjoyment of the public.

Fayetteville has a strong historical preservation ethic that is evident throughout the downtown district. At present, there is an effort underway by the Main Street program to revitalize the downtown area. The city limits have been extended far beyond the courthouse and the city business district now runs from a couple of miles south of the courthouse to almost three miles north for a total of about 5 miles of business area. There are now seven schools in Fayetteville, an outdoor shopping center (the Pavilion), The Ville Amphitheater (formerly Villages Amphitheater, Southern Ground Amphitheater, and Brightmoor Healthcare Amphitheater), three hotels, specialty shops of all descriptions, and a developing west side, that includes the Fayette Piedmont Hospital, medical complexes, all which make Fayetteville an attractive community. In 2014, Pinewood Atlanta Studios, the largest film and television production studio in the United States outside the state of California located on the west side of Fayetteville, opened. Also developing on the west side of Fayetteville includes the town of Trilith; a community developed around the studios that has gained attraction to Fayetteville after bringing the movie industry to Atlanta GA. QTS Data Center also broke ground, anticipating completing their first two buildings in the north and south campus by 2025. Numerous festivals and events are held on the square during the calendar year, which brings thousands of people downtown to participate in fellowship and community. Additionally, The Ville Amphitheater plays host to a wide array of concerts, films, and dramatic events.

Economic Condition and Outlook. Located approximately 21 miles south of Atlanta, the City of Fayetteville continues to benefit economically by being an integral part of Metropolitan Atlanta. The City of Fayetteville is well positioned geographically to Atlanta and to the Hartsfield-Jackson Atlanta International Airport, which makes it convenient for the residents to travel for business and/or pleasure. The City of Fayetteville has a wealth of natural, cultural, historical, and commercial resources that provides an amenity for residents, a destination for tourists, and an attractive location for commercial businesses.

The population of Fayetteville is 20,083 The median housing value in Fayetteville is $299,500. Renters make up about 29.2% of the City's population; while 70.8% own homes. Vacancy rates within the City are currently 5.7% for rental units and 5.3% for residential structures. The City remains affordable to residents as the per capita income is $38,901.

The total number of building permit inspection for fiscal year 2024 was 3,655 compared to last fiscal year, was 5,676. The total number of development plan applications was 16 compared to last fiscal year, was 26, and the total number of erosion control inspections was 1,117 compared to last fiscal year, was 1,000.

The unemployment rate for Fayetteville was 3.8%, a slight increase over 2023's 3.1%. Sales and office type jobs are the most prominent jobs in Fayetteville, followed by management, business, and financial operation.

Financial Planning. The annual budget(s) serves as the current foundation for the City of Fayetteville's financial planning and control. The City of Fayetteville budget(s) are adopted by City Council on or before July 31 at a regular Council meeting that is open to the public. The level of legal budgetary control is the departmental level. A budget is legally adopted for all Governmental Fund types and Proprietary Fund types. Formal budgetary integration is employed as a management control device during the year. The budget is based on the same method of accounting as the fund it represents. Transfers of appropriations within a department budget or within a non-departmental expenditures category require the approval of the finance director. Increase or decrease (change) in appropriations within a departmental budget or in a non-departmental expense category requires approval of the governing body in the form of amendments to the budget ordinance.

The Mayor and City Council have set the goals that our financial planning adheres to by providing the necessary and available resources. The overall goals are: (1) achieve all goals while striving for the lowest total cost for public services; (2) maintain a managed growth policy that requires quality development in concert with our economic development strategy; (3) provide for the public safety and welfare by committing appropriate resources to police, fire, streets, recreation, water and sewer, and support services; (4) continue cooperative efforts with other governments and government agencies; and (5) preserve our historic and cultural heritage and encourage revitalization of downtown through support of Main Street initiatives.

The financial position of the City continues to improve from the recent recession and COVID-19. We have seen five years of positive growth in the tax digest. Most revenue sources seem to be stabilizing with even some slight increases in other revenue sources. Our city has been optimizing the use of limited resources to preserve core services. The City continues to work on capital expenditures for mostly public safety needs, however, other departments have needs as well and are funded when needed. The City continues to try and hold cost down through fuel conservation policy and debt restructuring.

The City has continued to maintain adequate fund balances consistent with our reserve fund policy. With continued monitoring of our revenues and expenditures, the City can meet goals and objectives in the public service area; police and fire protection, street and drainage improvements, and infrastructure.

Major Initiatives. In fiscal year 2025, the fire department will be doing building renovations to Station 92 as well as replacing outdated fire equipment, replacement radios and turnout gear. The fire department is also in the process of purchasing of a new fire rescue truck that will come online in fiscal year 2025.

The public works department has plans to purchase two pickup trucks to replace aging ones, ensuring a more efficient and reliable fleet for their operations. They will also be purchasing new mowers, landscaping trailers as well as a right of way removal machine to continue operations of maintaining right of ways.

The water and sewer department put the wastewater treatment plant with upgraded treatment processes into operation in 2022 and are continuing the process of enhancing its infrastructure, including the upgrade to the sludge hopper that will finalize in fiscal year 2025. We continue to maintain and upgrade pumpstations to enhance effiencies of each station. New projects that are set to begin in 2025 includes the sewer extension to the Soccer Center Complex as well as expanding sewer to the west side of Fayetteville.

The Parks & Recreation Department continues to maintain and enhance our city parks, including the city center park as well as plans to upgrade church street park with restrooms in the upcoming fiscal year budget.

The Police department has plans to purchase replacement of outdated radios and computer technology, along with replacing outdated police protective equipment. They will also be adding a new K9 officer to staff and upgrading fleet vehicles on the road.

In 2023, Fayette County voters approved the continuation of the one-penny (one percent) Special Purpose Local Option Sales Tax ("SPLOST") program, that will generate revenues over a six-year time span, estimating to collect $40,380.000 through 2029. Projects to be funded through the 2023 SPLOST program will include road resurfacing, enhancements to recreation areas, stormwaters infrastructure upgrades, and construction of a multi-use trail system. Other projects, including public safety vehicles, facilities improvements, equipment, and citywide technology improvements, are needed to enhance the City's overall service delivery capabilities.

Strategic Financial Planning. The City has initiated processes that have it looking to the future and planning for services, programs and facilities to meet the needs of the residents and businesses of the community. The most current budget process addressed both revenues and expenditures for its operating programs for the current year. The five-year financial forecast is developed to begin the process of looking at future needs and financial trends in order to better plan for the long-term needs of the City; which included personnel, operations and maintenance. The capital improvement program establishes a continuing five-year look at facility and equipment needs. The City also has a capital improvement program for transportation and infrastructure.

Financial Analysis and Planning is essentially a process, which assesses the future to the extent possible and determines what the picture of the community, from many different perspectives, should look like in the future years. The Mayor and City Council have recognized the need for this type of planning effort, which will in turn provide the roadmap for future budgeting and capital planning efforts. Such a plan provides guidance to the legislative and administrative arms of city government, but also provides a guideline for residents and businesses of the community to act upon in the development of private programs and services.

Relevant Financial Policies. Financial policies and procedures have also been implemented to ensure balance, control, and stability to maintain and oversee the finances within and throughout the City. These policies and procedures address fund balances, reserve fund policy, purchasing, contract administration, debt administration, accounting, auditing, financial reporting, budget, capital outlay, investment, revenue administration, fixed assets, strategic planning, and grant administration.

Awards. The Government Finance Officers Association ("GFOA") of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fayetteville for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended July 31, 2023. This was the twentieth-eighth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for the annual budget for fiscal year 2024. This was the eighteenth consecutive year that the government has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient as a policy document, a financial plan, an operations guide, and a communication device.

A Distinguished Budget Presentation Award is valid for a period of one year only. We believe our current budget continues to conform to the Distinguished Budget Presentation Award Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Acknowledgments. The preparation of the Annual comprehensive Financial Report (ACFR) on a timely basis was made possible by the dedicated service of the City staff and department directors and the auditors of our accounting firm, Mauldin and Jenkins, LLC. In closing, without the leadership and support of the Mayor and City Council, the preparation of this report would not have been possible. My sincere appreciation is extended to each individual for the contributions made in the preparations of this report.

Respectfully submitted,

Ray Gibson

Ray Gibson
City Manager

Mike Bush

Mike Bush
Director of Finance and Administrative Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fayetteville
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

July 31, 2023

Christopher P. Morrill

Executive Director/CEO

CITY OF FAYETTEVILLE, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JULY 31, 2024

MAYOR
Edward Johnson

CITY COUNCIL MEMBERS
Rich Hoffman, Mayor Pro Tem
Niyah Glover
Darryl Langford
Joe Clark
Scott Stacy

CITY MANAGER
Ray Gibson

CITYCLERK
Chelsea Siemen

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES
Mike Bush

CITY ATTORNEY
Jarrard & Davis, LLP

CITY AUDITORS
Mauldin & Jenkins, LLC

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members
of City Council
City of Fayetteville, Georgia
Fayetteville, 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 Fayetteville, Georgia** (the "City") as of and for the fiscal year ended July 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City. The accompanying Schedules of Expenditures of Special Purpose Local Option Sales Tax ("SPLOST") proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121 and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules, and the Schedules of Expenditures of SPLOST proceeds are 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, statistical, and continuing disclosure 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 January 23, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Fayetteville, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
January 23, 2025

CITY OF FAYETTEVILLE, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JULY 31, 2024

The Management's Discussion and Analysis ("MD&A") of the City of Fayetteville, Georgia's (the "City") financial performance provides an overall review of the City's financial activities for the fiscal year ended July 31, 2024. It is designed to give the reader an objective and easily readable analysis of the City's financial performance. The primary intent of this MD&A is to look at the City's financial performance as a whole; readers should also review the letter of transmittal, notes to the basic financial statements, and the financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for FY 2024 are as follows:

In total, combined net position increased by $19,201,040, which represents a 14.34% increase over FY 2023. This increase can be attributed to investments in capital assets, and an increase in licenses and permits.

- Combined tax revenues accounted for $23,149,608, or 42.2%, of all revenues from governmental activities. Service specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for $30,294,023, or 55.28%, of total revenues of $54,796,713 from governmental activities.

- The City had $37,698,157 in expenses related to governmental activities; $7,404,134 of these expenses were offset by charges for services, grants, and contributions. General revenues (primarily taxes) of $23,149,608 provided for these services as well. The net result was an increase in the City's net position by $19,201,040.

- Total Water and Sewer Fund revenues for FY 2024 were $9,555,330. Total expenses for FY 2024 were $8,149,842. Capital contributions were recorded in the amount of $1,031,647, including but not limited to donated property and sewer proportionate share. The change in net position after depreciation and non-operating revenues/expenses was $2,011,254 for FY 2024.

- Revenues from the General Fund were $42,758,573 for FY 2024, an increase of approximately 77.14% over the prior fiscal year. The increase is mainly contributable to property taxes increasing due to a large increase in the digest for the City; Sales and Use taxes continued to increase due to people continuing to spend money within Fayette County. Revenues saw large increases in licenses and permits, which increased by 474% over last year, due to continued construction throughout the City, including a new Data Center located on the west side of town near the film studios. All other taxes increased by $1,076,442 representing an 17.2% increase over last year. We also saw a large increase in interest income in FY 2024. General Fund expenditures totaled $32,693,110 for the fiscal year ended July 31, 2024, an increase of 20.2% over last fiscal year, due mostly to a large increase in licenses and permits cost due to the construction of the new Data Center located on the westside of town. Additionally, raises, promotions, and a 3% cost of living increase for all employees working for the City were given during Fiscal Year 2024.

Overview of the Financial Statements

This Annual Comprehensive Financial Report ("ACFR") consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City as a financial whole, or as an entire operating entity.

Statements of Net Position and Statement of Activities

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. For proprietary funds, the statements offer short- and long-term financial information about activities the City operates like businesses, such as water and sewer. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

These two statements report the City's net position and changes in net position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial and some non-financial, including the City's property tax base, facility conditions, and other factors.

In the Statement of Net Position and the Statement of Activities, the City has both governmental and business-type activities:

- Governmental activities: Most of the City's programs and services are reported here including general government, judicial, public safety, public works, culture and recreation, and housing and development. Sales taxes, property taxes, occupation taxes, and fines and forfeitures finance most of these activities.
- Business-type activities: The City charges fees to cover the services it provides. These activities include water and sewer services, stormwater services, sanitation services and recycling services.

Reporting the City's Most Significant Funds

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

Governmental Funds

Most of the City's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental fund information helps the reader determine whether there are more financial resources that can be spent in the near future to finance governmental services. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements. See Note 2 to the Financial Statements.

The Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction, or renovation of major capital assets. The City has five Capital Projects Funds: 1) Building Fund, 2) Impact Fee Fund, 3) Capital Projects 2 Fund, 4) 2017 Special Purpose Local Option Sales Tax ("SPLOST") Fund, 5) 2023 Special Purpose Local Option Sales Tax ("SPLOST") II, and 6) the Tax Allocation Districts ("TAD") Fund.

The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The City has seven Special Revenue Funds: 1) Confiscated Assets Fund, 2) Hotel/Motel Tax Fund, 3) Vehicle Excise Tax Fund, 4) Cemetery Fund, 5) Veterans Memorial, 6) Downtown Development Authority Fund, and the 7) Main Street Tourism Association Fund.

Proprietary Funds

Proprietary funds are activities that a city operates similar to a business in that it attempts to recover costs through charges to the user. The City's proprietary funds consist of two Enterprise Funds and one Internal Service Fund. Enterprise Funds may be used to account for any activity or service that charges a fee to external users to cover the cost of operations, including cost of depreciation and debt service. The City operates its water and sewer fund and solid waste fund as Enterprise Funds. The City's only Internal Service Fund is used to account for the City's insurance plan which is self-funded. Proprietary Fund statements use the accrual basis of accounting similar to the City-wide statements.

Financial Analysis

The net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeds liabilities and deferred inflows of resources by $153,059,999, at the close of the most recent fiscal year.

The City's overall net position increased $19,201,040 from the prior fiscal year. Net position for governmental activities increased $17,006,296 from the prior fiscal year. This increase can be attributed to an increase in licenses and permits in the current year and investments in capital assets. Net position for business-type activities increased $2,194,744 from the prior fiscal year. The reason for this overall change in net position for business-type activities is mainly the result of a rate increase for water and sewer and stormwater fees.

TABLE 1 – NET POSITION

	Governmental Activities		Business-type Activities		Total Activities	
	2024	2023	**2024**	2023	**2024**	2023
Current and other assets	**$ 61,275,010**	$ 36,930,457	**$ 5,955,646**	$ 8,691,869	**$ 67,230,656**	$ 45,622,326
Capital assets	**112,135,775**	111,309,711	**42,791,420**	39,145,255	**154,927,195**	150,454,966
Total assets	**$ 173,410,785**	$ 148,240,168	**$ 48,747,066**	$ 47,837,124	**$ 222,157,851**	$ 196,077,292
Deferred outflows of resources	**$ 3,516,363**	$ 4,406,605	**$ 1,216,399**	$ 1,466,495	**$ 4,732,762**	$ 5,873,100
Long-term liabilites	**$ 40,564,038**	$ 35,171,049	**$ 26,516,299**	$ 27,641,389	**$ 67,080,337**	$ 62,812,438
Other liabilities	**5,104,788**	3,064,474	**1,448,916**	1,821,375	**6,553,704**	4,885,849
Total liabilities	**$ 45,668,826**	$ 38,235,523	**$ 27,965,215**	$ 29,462,764	**$ 73,634,041**	$ 67,698,287
Deferred inflows of resources	**$ 159,224**	$ 318,448	**$ 37,349**	$ 74,698	**$ 196,573**	$ 393,146
Net position:						
Net investment in capital assets	**$ 81,612,926**	$ 86,274,819	**$ 18,430,508**	$ 14,068,749	**$ 100,043,434**	$ 100,343,568
Restricted	**26,805,217**	20,426,298	**-**	4,717,567	**26,805,217**	25,143,865
Unrestricted	**22,680,955**	7,391,685	**3,530,393**	979,841	**26,211,348**	8,371,526
Total net position	**$ 131,099,098**	$ 114,092,802	**$ 21,960,901**	$ 19,766,157	**$ 153,059,999**	$ 133,858,959

TABLE 2 – CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		Total Activities	
	2024	2023	**2024**	2023	**2024**	2023
Revenues						
Program revenues:						
Charges for services	**$ 21,915,048**	$ 6,378,697	**$ 10,894,347**	$ 9,649,103	**$ 32,809,395**	$ 16,027,800
Operating grants and contributions	**6,609,084**	7,453,052	**-**	-	**6,609,084**	7,453,052
Capital grants and contributions	**1,769,891**	8,279,765	**1,031,647**	367,625	**2,801,538**	8,647,390
Total program revenues	**30,294,023**	22,111,514	**11,925,994**	10,016,728	**42,220,017**	32,128,242
General revenues:						
Property taxes	**10,598,792**	8,758,854	**-**	-	**10,598,792**	8,758,854
Other taxes	**12,550,816**	11,976,853	**-**	-	**12,550,816**	11,976,853
Unrestricted investment earnings	**1,292,559**	540,185	**160,798**	23,779	**1,453,357**	563,964
Gain on sale of capital assets	**60,523**	70,757	**-**	-	**60,523**	70,757
Total general revenues	**24,502,690**	21,346,649	**160,798**	23,779	**24,663,488**	21,370,428
Total revenues	**54,796,713**	43,458,163	**12,086,792**	10,040,507	**66,883,505**	53,498,670
Expenses						
General government	**4,445,725**	4,273,440	**-**	-	**4,445,725**	4,273,440
Judicial	**754,796**	650,510	**-**	-	**754,796**	650,510
Public safety	**14,723,217**	13,759,755	**-**	-	**14,723,217**	13,759,755
Public works	**3,859,953**	1,457,805	**-**	-	**3,859,953**	1,457,805
Culture and recreation	**201,739**	278,002	**-**	-	**201,739**	278,002
Housing and development	**12,673,130**	5,067,819	**-**	-	**12,673,130**	5,067,819
Interest on long-term debt	**1,039,597**	760,772	**-**	-	**1,039,597**	760,772
Water and sewer	**-**	-	**8,102,108**	8,096,119	**8,102,108**	8,096,119
Stormwater	**-**	-	**719,321**	676,332	**719,321**	676,332
Solid waste	**-**	-	**1,162,879**	1,081,265	**1,162,879**	1,081,265
Total expenses	**37,698,157**	26,248,103	**9,984,308**	9,853,716	**47,682,465**	36,101,819
Increase in net assets before transfers	**17,098,556**	17,210,060	**2,102,484**	186,791	**19,201,040**	17,396,851
Transfers	**(92,260)**	(92,261)	**92,260**	92,261	**-**	-
Change in net position	**17,006,296**	17,117,799	**2,194,744**	279,052	**19,201,040**	17,396,851
Net position, beginning of year	**114,092,802**	96,975,003	**19,766,157**	19,487,105	**133,858,959**	116,462,108
Net position, end of year	**$ 131,099,098**	$ 114,092,802	**$ 21,960,901**	$ 19,766,157	**$ 153,059,999**	$ 133,858,959

Governmental Activities

Governmental activities total revenues were $54,796,713 at July 31, 2024, an increase of $11,338,610 over the prior year. Key elements of changes from the prior year were mainly attributable to the following program revenues and general revenues: 1) Charges for services increased by $15,536,351 due to more permits and inspections for personal and commercial uses, 2) Capital grants and contributions decreased by $6,509,874 due to a grant coming to an end in 2024, 3) Unrestricted investment earnings increased by $752,374 over the prior year.

Governmental activities total expenses were $37,698,157 at July 31, 2024, an increase of $11,450,054 over the prior year. Key elements of changes from the prior year were mainly attributable to the following functional areas: 1) Housing and development expenses increased by $7,605,311 due to a large Data Center moving to the City which increased permits and inspection costs. 2) A 3% cost of living adjustment across the board for all City employees and, and 3) Public works expenses increased by $2,402,148 because of purchases of land to be used when we make improvements to City Center.

In addition, the most significant functional expense for governmental activity was for public safety of $14,723,217, which represents 39.06% of the total governmental expenses. The next most significant program expense is housing and development, which totals $12,673,130, or 33.62%, of the total.

Business-type Activities

The most significant business-type activity of the City is the Water and Sewer Department. The City's Water and Sewer Department experienced a significant increase in revenues and expenses during the current year from the increased user fees charged for product and service and from the increased customer usage along with the capital upgrades to the sewer treatment plant.

Cost of Program Services

The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental and business-type activities, the combined total cost of services and the combined net cost of services; that is, it identifies the cost of these services supported by tax revenue.

This information was taken from the *Statement of Activities* on pages 15 and 16.

TABLE 3 – Governmental and Business-type Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	**2024**	2023
General government	**$ 4,445,725**	$ 4,273,440	**$ 15,123,076**	$ 5,639,930
Judicial	**754,796**	650,510	**447,185**	361,869
Public safety	**14,723,217**	13,759,755	**(14,330,365)**	(13,201,863)
Public works	**3,859,953**	1,457,805	**4,091,843**	7,298,147
Culture and recreation	**201,739**	278,002	**(201,739)**	(278,002)
Housing and development	**12,673,130**	5,067,819	**(11,494,537)**	(3,195,898)
Interest on long-term debt	**1,039,597**	760,772	**(1,039,597)**	(760,772)
Total governmental activities	**37,698,157**	26,248,103	**(7,404,134)**	(4,136,589)
Business-type activities	**9,984,308**	9,853,716	**1,941,686**	163,012
Total expenses	**$ 47,682,465**	$ 36,101,819	**$ (5,462,448)**	$ (3,973,577)

Governmental Fund Balance

At the end of FY 2024, the combined ending fund balances for the City's Governmental Funds were $54,586,501. Of the total fund balance, $53,915,430 is available as working capital for current spending in accordance with the purposes of the specific funds. The remainder of the fund balance, $671,071, is not available for new spending because it is considered non-spendable (pre-paid items and inventory).

The General Fund's fund balance for the fiscal year ended 2024 was $27,665,281, which indicates an increase in fund balance over the previous year by $15,080,356. The increase in the General Fund's fund balance is due mainly to operating revenues and expenditures resulting in a surplus of revenues over expenditures of $10,065,463 and when we add back the total other financing sources of $5,014,893, we get the ending fund balance of $27,665,281. The majority of this increase in the General Fund is the result of a very large Data Center located inside the City Limits of Fayetteville. The SPLOST 2017 Fund ended with a fund balance of $7,913,361 which is a decrease of $1,321,111. The SPLOST 2017 fund revenue stream ending in June 2023 and the 2023 SPLOST fund started in July of 2023. This fund's fund balance will continue to go down until all funds are spent. The 2023 SPLOST Fund increased its fund balance by $4,385,602 due to a full year of collections and only a small amount of expenditures as this program is just getting started. The Building Fund increased its fund balance by 1,801,865. There are only two projects left in this fund; one is nearing completion, and the other one was funded this year with a revenue bond which resulted in a fund balance of $2,222,802. Impact Fee fund increased its fund balance by $660,935 due to the construction going on throughout the City where those revenues are restricted to certain projects and will be spent during future years.

Information provided in Table 4 is from the *Governmental Funds Balance Sheet* on pages 18 – 21.

TABLE 4 – Governmental Fund Balance

	2024	2023
General Fund	**$ 27,665,281**	$ 12,584,925
SPLOST 2017 Fund	**7,913,361**	9,234,472
SPLOST 2023 Fund	**4,856,331**	470,729
Building Fund	**2,222,802**	420,937
Impact Fee Fund	**6,303,246**	5,642,311
Other Governmental Funds	**5,625,480**	4,716,538
	$ 54,586,501	$ 33,069,912

Proprietary Net Position

At the end of FY 2024, the combined net position of the City's Enterprise Funds was $21,960,901, which resulted in a change of net position of $2,194,744. The City's only Internal Service Fund had a change in net position of $1,603,060.

General Fund Budgeting Highlights

- The City's budget is prepared according to Georgia law. The most significant budget fund is the General Fund.
- For the General Fund, the actual revenues of $42,758,573 were less than the final budgeted amount of $43,040,946 by $282,373.
- The actual expenditures of $32,693,110 were less than the final budgeted amount of $32,980,011 by $286,901. This difference was primarily due to original budgets not being reduced to match actual expenditures in general government, public safety, culture and recreation, and housing and development.
- The original budget had to be increased by $20,282,429 due mainly to the collection of more revenues over budgeted projections. Licenses and permits were originally budgeted as $1,207,495 with actual revenues of $19,288,107 for a total increase of $18,080,612; property taxes were originally budgeted at $8,075,675,000 with actual revenues of $8,677,651 for an increase of $601,976; and investment income were originally budgeted as $50,000 with actual revenues of $1,121,572 for an increase of $1,01,572.

Capital Assets and Debt Administration

At the end of FY 2024, the City had $154,927,195 invested in capital assets, which is an increase over FY 2023 of $4,472,226. The main reason for the increase was an increase in new construction in progress across both government funds as well as business-type funds. Table 5 shows fiscal years 2024 and 2023 balances of the *Capital Assets, Net of Accumulated Depreciation* as presented in Note 7.

TABLE 5 – Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-type Activities		Total Activities	
	2024	2023	**2024**	2023	**2024**	2023
Land	**$ 15,864,691**	$ 15,864,691	**$ 1,630,139**	$ 1,630,139	**$ 17,494,830**	$ 17,494,830
Historical treasures	**-**	-	**-**	-	**-**	-
Construction in progress	**8,995,292**	6,837,261	**5,445,177**	1,570,586	**14,440,469**	8,407,847
Buildings	**15,352,576**	15,898,369	**-**	-	**15,352,576**	15,898,369
Land improvements	**12,864,126**	13,232,908	**-**	-	**12,864,126**	13,232,908
Equipment	**3,446,324**	3,174,329	**268,538**	227,744	**3,714,862**	3,402,073
Infrastructure	**55,612,766**	56,302,153	**35,447,566**	35,716,786	**91,060,332**	92,018,939
Total	**$ 112,135,775**	$ 111,309,711	**$ 42,791,420**	$ 39,145,255	**$ 154,927,195**	$ 150,454,966

Debt

The City reported outstanding debt of $26,516,299 as of July 31, 2024 for the business-type activities. Debt for the business-type activities relates to the Water and Sewerage Revenue Bonds that were issued in FY 2019 to refinance the cost of the 2013 Water and Sewerage Revenue Bonds, the Water and Sewer Fund's allocated portion of the net pension liability, and Water and Sewerage issuance of Georgia Environmental Finance Authority ("GEFA") notes payable in FY 2017 and FY 2019 to make improvements to the City's stormwater infrastructure. The amount of outstanding debt in governmental activities includes revenue bonds, compensated absences, financed purchases, and net pension liability totaling $40,387,144. This amount increased due to the issuance of an additional revenue bond in 2024.actuarial assumptions changing for the City's pension plan, new lease purchases purchased in FY 2024, and additional compensated absences. Table 6 – *Outstanding Long-Term Liabilities* reflects information provided in Note 8.

TABLE 6 – Outstanding Long-Term Liabilities

	Governmental Activities		Business-type Activities	
	2024	2023	**2024**	2023
Notes payable	**$ -**	$ -	**$ 13,439,554**	$ 13,788,156
Compensated absences	**834,357**	812,107	**-**	-
Net pension liability	**9,015,519**	9,089,205	**2,114,751**	2,132,036
Financed purchases	**1,122,955**	1,474,963	**-**	-
Bonds payable:				
Revenue bonds	**27,670,000**	21,695,000	**10,650,000**	11,360,000
Deferred amounts:				
Premium	**1,744,313**	1,864,929	**311,994**	361,197
Total bonds payable	**29,414,313**	23,559,929	**10,961,994**	11,721,197
Total long-term liabilities	**$ 40,387,144**	$ 34,936,204	**$ 26,516,299**	$ 27,641,389

Current Issues

Economic Factors and Next Years Budget and Rates

The City revenues continued to be steady in most areas. The City's Digest has increased by $586,440,780 since 2021 which has led to an increase in taxes of $3,311,045. The City is concerned that some of this increase could be due to inflation and could result in a negative digest which would potentially lead to a reduction in taxes being collected. If the economy slows and people stop spending money as they have been spending, we could see a reduction in sales tax revenues and hotel/motel and excise fees as well. With our operating expenses in salaries, contract services, general supplies, and capital outlay continuing to increase, it would create a negative situation if our revenues declined, which is cause for concern.

The City conducted a Pay and Class Study to make sure we are providing adequate pay and benefits to all employees during FY 2022. Since that time, each year the City has reached out to other local governments to make sure we don't need to adjust the rates to stay competitive. The City has continued to provide a cost-of-living adjustment ("COLA") of 12% for FY 2023, a 5% for FY 2024 and a 3% for FY 2025 to all City employees. Based on a continued large turnover of employees in the public safety departments, we do expect to see an increase in salary-related expenses in the upcoming budgets. Increases are also expected in insurance costs for health insurance as well as general liability insurances. The City will continue to see our debt service expenses increase over the coming years due to the construction of a permanent Fire Station 93, an addition to the police department and an expansion of the City Court facility. Additional costs will be spent improving the road network in and around the City. As the City grows and our workforce continues to get bigger, we will see additional requirements placed on our pension plan as the pension liabilities grow larger.

Staff developed a ten-year plan that includes workload indicators and trend analysis to assist the City in long-range financial planning and forecasting. The city is currently in the middle of the 10-year plan, and items that could affect the plan for FY 2025 are as follows:

- Reductions of assessed values in the digest.
- Inflation concerns where people spend less, reducing the sales tax revenue.
- Possible slow down in the economy where other revenues could see a decline.
- Inflation where the City will have to pay more money for goods needed to operate.

The above concerns can affect revenues that are received by the City and can also affect the expenditures related to services provided by the City. This 10-year plan was developed with input from each department and is updated annually to reflect any changing needs. This plan is a very conservative forecast of the City's financial resources and departmental needs to maintain our existing service levels to the community. The Mayor and Council and staff will need to continue to closely evaluate the service and staffing levels on an ongoing basis to ensure that adequate personnel resources and financial resources are available to achieve the desired service levels.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact:

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Director of Finance and Administrative Services, City of Fayetteville
210 Stonewall West
Fayetteville, Georgia 30214
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BASIC FINANCIAL STATEMENTS

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF NET POSITION
JULY 31, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 42,432,109	$ 4,584,834	$ 47,016,943
Investments	15,617,134	-	15,617,134
Taxes receivable	1,073,851	-	1,073,851
Accounts receivable, net of allowances	283,685	1,248,797	1,532,482
Due from other governments	1,147,889	-	1,147,889
Internal balances	(2,843)	2,843	-
Inventories	31,143	119,172	150,315
Prepaid expenses	639,928	-	639,928
Restricted assets, cash and cash equivalents	52,114	-	52,114
Capital assets, nondepreciable	24,859,983	7,075,316	31,935,299
Capital assets, depreciable, net of accumulated depreciation	87,275,792	35,716,104	122,991,896
Total assets	173,410,785	48,747,066	222,157,851
DEFERRED OUTFLOWS OF RESOURCES			
Pension	3,516,363	824,826	4,341,189
Deferred charge on refunding	-	391,573	391,573
Total deferred outflows of resources	3,516,363	1,216,399	4,732,762
LIABILITIES			
Accounts payable	3,922,223	1,313,257	5,235,480
Accrued liabilities	555,938	135,659	691,597
Unearned revenues	626,627	-	626,627
Non-current liabilites:			
Due within one year:			
Financed purchases	671,765	-	671,765
Notes payable	-	357,595	357,595
Compensated absences	417,179	-	417,179
Bonds payable	475,000	740,000	1,215,000
Claims payable	176,894	-	176,894
Due in more than one year:			
Financed purchases	451,190	-	451,190
Notes payable	-	13,081,959	13,081,959
Compensated absences	417,178	-	417,178
Bonds payable	28,939,313	10,221,994	39,161,307
Net pension liability	9,015,519	2,114,751	11,130,270
Total liabilities	45,668,826	27,965,215	73,634,041
DEFERRED INFLOWS OF RESOURCES			
Pension	159,224	37,349	196,573
Total deferred inflows of resources	159,224	37,349	196,573
NET POSITION			
Net investment in capital assets	81,612,926	18,430,508	100,043,434
Restricted for:			
Law enforcement	142,879	-	142,879
Cemetery improvements	38,077	-	38,077
Veterans memorial	2,509	-	2,509
Downtown development	678,536	-	678,536
Tourism	1,152,222	-	1,152,222
Other capital projects	24,790,994	-	24,790,994
Unrestricted	22,680,955	3,530,393	26,211,348
Total net position	$ 131,099,098	$ 21,960,901	$ 153,059,999

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

CITY OF FAYETTEVILLE, GEORGIA

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	$ 4,445,725	$ 19,568,066	$ -	$ 735
Judicial	754,796	1,201,981	-	-
Public safety	14,723,217	53,640	339,212	-
Public works	3,859,953	-	6,182,640	1,769,156
Culture and recreation	201,739	-	-	-
Housing and development	12,673,130	1,091,361	87,232	-
Interest on long-term debt	1,039,597	-	-	-
Total governmental activities	37,698,157	21,915,048	6,609,084	1,769,891
Business-type activities:				
Water and sewer	8,102,108	8,203,530	-	1,031,647
Stormwater	719,321	1,351,800	-	-
Solid waste	1,162,879	1,339,017	-	-
Total business-type activities	9,984,308	10,894,347	-	1,031,647
Total primary government	$ 47,682,465	$ 32,809,395	$ 6,609,084	$ 2,801,538
General revenues:				
Property taxes				
Sales taxes				
Franchise taxes				
Alcoholic beverage excise taxes				
Business and occupation taxes				
Insurance premium taxes				
Other taxes				
Unrestricted investment earnings				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ 15,123,076	$ -	$ 15,123,076
447,185	-	447,185
(14,330,365)	-	(14,330,365)
4,091,843	-	4,091,843
(201,739)	-	(201,739)
(11,494,537)	-	(11,494,537)
(1,039,597)	-	(1,039,597)
(7,404,134)	-	(7,404,134)
-	1,133,069	1,133,069
-	632,479	632,479
-	176,138	176,138
-	1,941,686	1,941,686
(7,404,134)	1,941,686	(5,462,448)
10,598,792	-	10,598,792
6,493,365	-	6,493,365
1,709,495	-	1,709,495
412,875	-	412,875
1,648,374	-	1,648,374
1,680,460	-	1,680,460
606,247	-	606,247
1,292,559	160,798	1,453,357
60,523	-	60,523
(92,260)	92,260	-
24,410,430	253,058	24,663,488
17,006,296	2,194,744	19,201,040
114,092,802	19,766,157	133,858,959
$ 131,099,098	$ 21,960,901	$ 153,059,999

CITY OF FAYETTEVILLE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JULY 31, 2024

	General Fund	SPLOST 2017 Fund	SPLOST 2023 Fund	Building Fund
ASSETS				
Cash and cash equivalents	$ 15,191,125	$ 8,002,203	$ 3,785,099	$ 2,165,705
Investments	15,617,120	-	-	-
Taxes receivable	834,254	-	-	-
Accounts receivable, net	283,685	-	-	-
Due from other governments	43,319	-	1,072,025	-
Due from other funds	5,643	-	-	4,983
Inventories	4,088	-	-	-
Prepaid expenditures	603,094	-	-	-
Restricted cash	-	-	-	52,114
Total assets	$ 32,582,328	$ 8,002,203	$ 4,857,124	$ 2,222,802
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 3,829,264	$ 88,842	$ 793	$ -
Accrued liabilities	278,169	-	-	-
Due to other funds	154,746	-	-	-
Unearned revenue	573,332	-	-	-
Total liabilities	4,835,511	88,842	793	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	81,536	-	-	-
Total deferred inflows of resources	81,536	-	-	-

(Continued)

Impact Fee Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 6,283,251	$ 5,338,677	$ 40,766,060
-	14	15,617,134
-	239,597	1,073,851
-	-	283,685
-	32,545	1,147,889
19,995	245,865	276,486
-	27,055	31,143
-	36,834	639,928
-	-	52,114
$ 6,303,246	$ 5,920,587	$ 59,888,290

$ -	$ 2,215	$ 3,921,114
-	-	278,169
-	239,597	394,343
-	53,295	626,627
-	295,107	5,220,253
-	-	81,536
-	-	81,536

CITY OF FAYETTEVILLE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JULY 31, 2024

	General Fund	SPLOST 2017 Fund	SPLOST 2023 Fund	Building Fund
FUND BALANCES				
Nonspendable	$ 607,182	$ -	$ -	$ -
Restricted	-	7,913,361	4,856,331	2,222,802
Assigned	7,000,000	-	-	-
Unassigned	20,058,099	-	-	-
Total fund balances	27,665,281	7,913,361	4,856,331	2,222,802
Total liabilities, deferred inflows of resources and fund balances	$ 32,582,328	$ 8,002,203	$ 4,857,124	$ 2,222,802

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

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

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

Internal Service Funds are used by management to charge the costs of various benefits and services to individual funds, and the assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Position.

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

Net position of governmental activities

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

Impact Fee Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 63,889	$ 671,071
6,303,246	5,561,591	26,857,331
-	-	7,000,000
-	-	20,058,099
6,303,246	5,625,480	54,586,501
$ 6,303,246	$ 5,920,587	
		112,135,775
		81,536
		(5,658,380)
		1,603,060
		(31,649,394)
		$ 131,099,098

CITY OF FAYETTEVILLE, GEORGIA

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

	General Fund	SPLOST 2017 Fund	SPLOST 2023 Fund	Building Fund
Revenues				
Taxes	$ 20,527,742	$ -	$ -	$ 700,725
Licenses and permits	19,288,107	-	-	-
Intergovernmental	299,202	-	6,172,752	675,863
Fines and forfeitures	1,174,804	-	-	-
Charges for services	141,136	-	-	-
Impact fees	-	-	-	-
Contributions	40,010	-	-	-
Interest income	1,121,572	290,052	65,379	55,434
Rental income	-	-	-	-
Other revenues	166,000	-	-	-
Total revenues	42,758,573	290,052	6,238,131	1,432,022
Expenditures				
Current:				
General government	4,272,512	-	-	-
Judicial	734,001	-	-	-
Public safety	13,908,410	-	-	-
Public works	1,404,378	-	-	-
Culture and recreation	151,239	-	-	-
Housing and development	11,199,391	-	-	-
Capital outlay:				
General government	-	-	-	124,047
Public safety	-	-	-	385,887
Public works	-	850,294	1,852,529	583,135
Culture and recreation	-	-	-	49,890
Housing and development	-	-	-	44,456
Debt service:				
Principal	-	-	-	1,052,008
Interest	1,023,179	-	-	59,318
Total expenditures	32,693,110	850,294	1,852,529	2,298,741
Excess (deficiency) of revenues over expenditures	10,065,463	(560,242)	4,385,602	(866,719)

(Continued)

Impact Fee Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 1,920,454	$ 23,148,921
-	-	19,288,107
-	441,893	7,589,710
-	53,640	1,228,444
-	259,211	400,347
832,150	-	832,150
-	36,888	76,898
237,569	173,953	1,943,959
-	6,400	6,400
-	54,567	220,567
1,069,719	2,947,006	54,735,503
-	-	4,272,512
-	-	734,001
-	30,185	13,938,595
-	-	1,404,378
-	610	151,849
-	1,303,496	12,502,887
-	201,670	325,717
-	-	385,887
-	623,832	3,909,790
-	-	49,890
-	-	44,456
-	-	1,052,008
-	7,710	1,090,207
-	2,167,503	39,862,177
1,069,719	779,503	14,873,326

CITY OF FAYETTEVILLE, GEORGIA

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

	General Fund	SPLOST 2017 Fund	SPLOST 2023 Fund	Building Fund
Other financing sources (uses)				
Issuance of financed purchases	$ -	$ -	$ -	$ 700,000
Issuance of bonds	4,430,000	-		1,545,000
Sale of assets	60,523	-	-	-
Transfers in	625,000	-	-	423,584
Transfers out	(100,630)	(760,869)	-	-
Total other financiing sources (uses)	5,014,893	(760,869)	-	2,668,584
Net change in fund balances	15,080,356	(1,321,111)	4,385,602	1,801,865
Fund balances, beginning of year	12,584,925	9,234,472	470,729	420,937
Fund balances, end of year	$ 27,665,281	$ 7,913,361	$ 4,856,331	$ 2,222,802

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

Impact Fee Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 700,000
	-	5,975,000
-	-	60,523
-	1,276,411	2,324,995
(408,784)	(1,146,972)	(2,417,255)
(408,784)	129,439	6,643,263
660,935	908,942	21,516,589
5,642,311	4,716,538	33,069,912
$ 6,303,246	$ 5,625,480	$ 54,586,501

CITY OF FAYETTEVILLE, 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 JULY 31, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds	$	21,516,589
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		826,064
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		687
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(5,502,376)
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.		(749,588)
Internal Service Funds are used by management to charge costs of various services and benefits to individual funds. The net revenue (expense) of certain activities of Internal Service Funds is reported with governmental activities.		914,920
Change in net position - governmental activities	$	17,006,296

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

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 8,075,675	$ 8,696,425	$ 8,677,651	$ (18,774)
Sales taxes	5,700,001	5,793,001	5,792,640	(361)
Other taxes	5,957,583	6,156,333	6,057,451	(98,882)
Licenses and permits	1,207,495	19,358,995	19,288,107	(70,888)
Intergovernmental	160,000	305,779	299,202	(6,577)
Fines and forfeitures	1,210,000	1,210,000	1,174,804	(35,196)
Charges for services	154,963	161,813	141,136	(20,677)
Contributions	65,300	41,400	40,010	(1,390)
Interest income	50,000	1,125,000	1,121,572	(3,428)
Other revenues	177,500	192,200	166,000	(26,200)
Total revenues	22,758,517	43,040,946	42,758,573	(282,373)
Expenditures				
Current				
General government:				
Mayor and council	153,383	156,224	146,155	10,069
Clerk of council	192,638	221,262	217,716	3,546
City manager	397,187	445,404	444,875	529
Elections	30,000	-	-	-
Financial administration	688,498	708,968	704,337	4,631
Public information	301,786	280,703	274,046	6,657
Law	192,474	196,174	196,121	53
Data processing	467,502	448,081	422,468	25,613
Human resources	356,448	405,924	405,203	721
Building and plant	1,407,337	1,465,530	1,461,591	3,939
Total general government	4,187,253	4,328,270	4,272,512	55,758
Judicial:				
Municipal court	813,168	832,453	734,001	98,452
Public safety:				
Police administration	997,169	1,027,582	1,025,056	2,526
Investigations	1,840,631	1,618,843	1,587,378	31,465
Patrol	3,467,783	3,268,011	3,249,526	18,485
Police stations and buildings	101,336	101,336	100,291	1,045
Support services	889,746	1,151,846	1,147,069	4,777
Fire administration	460,432	492,520	489,313	3,207
Fire fighting	5,268,380	5,491,023	5,481,438	9,585
Fire prevention	734,802	742,418	739,059	3,359
Fire station 91 and headquarters	45,992	46,799	42,159	4,640
Fire station 92	25,867	24,467	15,686	8,781
Fire station 93	31,490	43,590	31,435	12,155
Total public safety	13,863,628	14,008,435	13,908,410	100,025

(Continued)

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued)				
Public works:				
Public works administration	$ 354,929	$ 356,364	$ 351,622	$ 4,742
Highways and streets	1,634,687	1,062,780	1,052,756	10,024
Total public works	1,989,616	1,419,144	1,404,378	14,766
Culture and recreation:				
Recreation	186,370	151,973	151,239	734
Total culture and recreation	186,370	151,973	151,239	734
Housing and development:				
Inspection	458,250	9,585,250	9,584,512	738
Planning and zoning	1,075,498	1,217,721	1,204,968	12,753
Economic development	76,354	412,943	409,911	3,032
Total housing and development	1,610,102	11,215,914	11,199,391	16,523
Debt service:				
Interest	1,401,822	1,023,822	1,023,179	643
Total debt service	1,401,822	1,023,822	1,023,179	643
Total expenditures	24,051,959	32,980,011	32,693,110	286,901
Excess (deficiency) of revenues under expenditures	(1,293,442)	10,060,935	10,065,463	4,528
Other financing sources (uses)				
Issuance of bonds	-	4,433,000	4,430,000	(3,000)
Sale of assets	50,000	65,000	60,523	(4,477)
Transfers in	825,000	625,000	625,000	-
Transfers out	(234,800)	(15,183,935)	(100,630)	15,083,305
Total other financing sources (uses), net	640,200	(10,060,935)	5,014,893	15,075,828
Net change in fund balances	(653,242)	-	15,080,356	15,080,356
Fund balances, beginning of year	12,584,925	12,584,925	12,584,925	-
Fund balances, end of year	$ 11,931,683	$ 12,584,925	$ 27,665,281	$ 15,080,356

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

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JULY 31, 2024

ASSETS	Major Enterprise Fund Water and Sewer Fund	Nonmajor Enterprise Fund Solid Waste Fund	Total Enterprise Funds	Governmental Activity Self-Funded Insurance Fund
CURRENT ASSETS				
Cash and cash equivalents	$ 4,314,615	$ 270,219	$ 4,584,834	$ 1,666,049
Accounts receivable, net of allowances	1,248,797	-	1,248,797	-
Due from other funds	1,927	916	2,843	120,657
Inventories	119,172	-	119,172	-
Prepaid expenses	-	-	-	-
Total current assets	5,684,511	271,135	5,955,646	1,786,706
NON-CURRENT ASSETS				
Capital assets:				
Capital assets, non-depreciable	7,075,316	-	7,075,316	-
Capital assets, depreciable, net of accumulated depreciation	35,716,104	-	35,716,104	-
Total capital assets	42,791,420	-	42,791,420	-
Total non-current assets	42,791,420	-	42,791,420	-
Total assets	48,475,931	271,135	48,747,066	1,786,706
DEFERRED OUTFLOWS OF RESOURCES				
Pension	824,826	-	824,826	-
Deferred charge on refunding	391,573	-	391,573	-
Total deferred outflows of resources	1,216,399	-	1,216,399	-
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	1,313,257	-	1,313,257	1,109
Claims payable, due within one year	-	-	-	176,894
Accrued liabilities	55,981	-	55,981	-
Due to other funds	-	-	-	5,643
Current portion of revenue bonds payable	740,000	-	740,000	-
Current portion of notes payable	357,595	-	357,595	-
Accrued interest	79,678	-	79,678	-
Total current liabilities	2,546,511	-	2,546,511	183,646
NON-CURRENT LIABILITIES				
Net pension liability due in more than one year	2,114,751	-	2,114,751	-
Revenue bonds payable, net of current portion	10,221,994	-	10,221,994	-
Notes payable, net of current portion	13,081,959	-	13,081,959	-
Total non-current liabilities	25,418,704	-	25,418,704	-
Total liabilities	27,965,215	-	27,965,215	183,646

(Continued)

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JULY 31, 2024

	Major Enterprise Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Governmental Activity
	Water and Sewer Fund	Solid Waste Fund		Self-Funded Insurance Fund
DEFERRED INFLOWS OF RESOURCES				
Pension	$ 37,349	$ -	$ 37,349	$ -
Total deferred inflows of resources	37,349	-	37,349	-
NET POSITION				
Net investment in capital assets	18,430,508	-	18,430,508	-
Unrestricted	3,259,258	271,135	3,530,393	1,603,060
Total net position	$ 21,689,766	$ 271,135	$ 21,960,901	$ 1,603,060

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

CITY OF FAYETTEVILLE, GEORGIA

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

	Major Enterprise Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Governmental Activity
	Water and Sewer Fund	Solid Waste Fund		Self-Funded Insurance Fund
OPERATING REVENUES				
Charges for services:				
Water sales pledged as security for revenue bonds	$ 3,744,294	$ -	$ 3,744,294	$ -
Sewer sales pledged as security for revenue bonds	4,402,511	-	4,402,511	-
Stormwater sales pledged as security for revenue bonds	1,351,800	-	1,351,800	-
Sanitation charges	-	1,339,017	1,339,017	-
Risk management	56,725	-	56,725	3,334,058
Total operating revenues	9,555,330	1,339,017	10,894,347	3,334,058
OPERATING EXPENSES				
Personnel services and employee benefits	2,003,193	-	2,003,193	967,207
Contracted services	3,341,960	1,162,879	4,504,839	-
Supplies	1,336,252	-	1,336,252	-
Claims	-	-	-	1,497,312
Depreciation	1,468,437	-	1,468,437	-
Total operating expenses	8,149,842	1,162,879	9,312,721	2,464,519
Operating income	1,405,488	176,138	1,581,626	869,539
NON-OPERATING INCOME (EXPENSES)				
Interest income	153,446	7,352	160,798	45,381
Interest expense	(671,587)	-	(671,587)	-
Total non-operating income (expenses)	(518,141)	7,352	(510,789)	45,381
Income before transfers and capital contributions	887,347	183,490	1,070,837	914,920
TRANSFERS				
Transfers out	(550,000)	-	(550,000)	-
Transfers in	642,260	-	642,260	-
Total transfers	92,260	-	92,260	-
CAPITAL CONTRIBUTIONS	1,031,647	-	1,031,647	-
Change in net position	2,011,254	183,490	2,194,744	914,920
NET POSITION, beginning of year	19,678,512	87,645	19,766,157	688,140
NET POSITION, end of year	$ 21,689,766	$ 271,135	$ 21,960,901	$ 1,603,060

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

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Major Enterprise Fund	Nonmajor Enterprise Fund		Governmental Activity
	Water and Sewer Fund	Solid Waste Fund	Total Enterprise Funds	Self-Funded Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 9,447,017	$ 1,338,101	$ 10,785,118	$ 3,334,058
Payments to suppliers and service providers	(4,920,332)	(1,264,964)	(6,185,296)	(1,674,811)
Payments to employees	(1,959,514)	-	(1,959,514)	(969,645)
Net cash provided by operating activities	2,567,171	73,137	2,640,308	689,602
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	642,260	-	642,260	-
Transfers out	(550,000)	-	(550,000)	-
Net cash provided by noncapital financing activities	92,260	-	92,260	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of property and equipment	(5,120,122)	-	(5,120,122)	-
Principal paid on bonds	(710,000)	-	(710,000)	-
Principal paid on notes payable	(348,602)	-	(348,602)	-
Interest paid	(686,346)	-	(686,346)	-
Capital contributions	1,031,647	-	1,031,647	-
Net cash used in capital and related financing activities	(5,827,903)	-	(5,827,903)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	153,446	7,352	160,798	45,381
Net cash provided by investing activities	153,446	7,352	160,798	45,381
Change in cash and cash equivalents	(3,015,026)	80,489	(2,934,537)	734,983
Cash and cash equivalents:				
Beginning of year	7,329,641	189,730	7,519,371	931,066
End of year	$ 4,314,615	$ 270,219	$ 4,584,834	$ 1,666,049
Classified as:				
Cash and cash equivalents	$ 4,314,615	$ 270,219	$ 4,584,834	$ 1,666,049
	$ 4,314,615	$ 270,219	$ 4,584,834	$ 1,666,049

(Continued)

CITY OF FAYETTEVILLE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Major Enterprise Fund	Nonmajor Enterprise Fund		Governmental Activity
	Water and Sewer Fund	Solid Waste Fund	Total Enterprise Funds	Self-Funded Insurance Fund
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 1,405,488	$ 176,138	$ 1,581,626	$ 869,539
Adjustments to reconcile operating income to net cash provided by operating activities:				
(Increase) decrease in assets and deferred outflows of resources:				
Depreciation	1,468,437	-	1,468,437	-
Accounts receivable	(108,313)	-	(108,313)	(120,657)
Inventories	(19,715)	-	(19,715)	-
Due from other funds	15,661	(916)	14,745	-
Deferred outflows of resources - pension	208,822	-	208,822	-
Prepaid expenses	225	-	225	-
(Increase) decrease in liabilities and deferred inflows of resources:				
Accrued liabilities	(25,253)	-	(25,253)	-
Accounts payable	(238,291)	(102,085)	(340,376)	(56,842)
Deferred inflows of resources - pension	(37,349)	-	(37,349)	-
Net pension liability due in more than one year	(17,285)	-	(17,285)	-
Increase (decrease) in due to other funds	(85,256)	-	(85,256)	(2,438)
Net cash provided by operating activities	$ 2,567,171	$ 73,137	$ 2,640,308	$ 689,602

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

A. Reporting Entity

The City operates under a Council/Manager form of government. 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 of Fayetteville, Georgia (the "primary government") and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 14, and as amended by Statements No. 34 and 61, the financial statements of the component units are blended in the government-wide financial statements.

The City of Fayetteville Downtown Development Authority (the "Downtown Development Authority") was organized to develop and promote commerce, industry and general welfare within the City. The City appoints the Downtown Development Authority's board members and provides the majority of funding for the Downtown Development Authority's operating budget. The Downtown Development Authority's debt outstanding is expected to be repaid almost entirely from the resources of the City. The Downtown Development Authority is reviewed and audited along with the primary government financial statements in accordance with the GASB statements noted above, however, separate financial statements are not prepared.

The Fayetteville Main Street Tourism Association, Inc. (the "Main Street Tourism Association") was organized to serve the needs and interests of tourism within the City, and in particular, tourism within the Main Street District of the City. The City's governing body is substantively the same as the Main Street Tourism Association's governing body and has operational responsibility for the Main Street Tourism Association in that the City manages the activities of the component unit in essentially the same manner in which it manages its own programs, departments, or agencies. The Main Street Tourism Association is reviewed and audited along with the primary government financial statements in accordance with the GASB statements noted above, however, separate financial statements 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 government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The City reports the following major governmental funds:

The **G*eneral 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 ***Special Purpose Local Option Sales Tax ("SPLOST") 2017 Fund*** is the fund that accounts for expenditures relating to the renovation of existing stormwater projects, recreation projects, public safety uses, construction of roads, and all such projects under the SPLOST 2017 referendum.

The ***Special Purpose Local Option Sales Tax ("SPLOST") 2023 Fund*** is the fund that accounts for expenditures relating to the renovation of existing stormwater projects, recreation projects, public safety uses, construction of roads, and all such projects under the SPLOST 2023 referendum.

The ***Building Fund*** is used to account for the accumulation and expenditures of resources for various public improvements which are funded by a percentage of property taxes.

The ***Impact Fee Fund*** is used to account for capital projects activity funded by development impact fees.

The City reports the following major proprietary fund:

The ***Water and Sewer Fund*** accounts for the operation of the water and sewerage system including all revenues from sources applicable to these operations and all expenses of the operation.

The City also reports the following fund types:

The ***Internal Service Fund*** accounts for the City's self-insurance program.

The ***Special Revenue Funds*** account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***Capital Project Funds*** account for resources provided for acquisition, construction, or renovation of major capital facilities.

The ***Enterprise Fund*** accounts for the provision of solid waste services to the residents of the City.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Deposits

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

State statutes authorize the City to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime bankers' acceptances; repurchase agreements; and the Georgia Fund 1. Georgia Fund 1, created by the Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8, is a stable net asset value investment pool which follows Standard & Poor's criteria for AAAf rated money market funds. The investment in the Georgia Fund 1 represents the City's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, bankers' acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The pool also adjusts the value of its investments to fair value as of year-end and the City's investment in the Georgia Fund 1 is valued at fair value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables

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

F. Inventories

Inventories are valued at cost, which approximates market, using the first in/first out (“FIFO”) method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

G. Prepaid Expenditures/Expenses

Prepaid items are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure/expense is made for goods or services that were purchased for consumption, but not consumed as of July 31.

H. Restricted Assets

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

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The City has retroactively reported major general infrastructure assets. In this case, the City chose to include all items regardless of their acquisition date. The City was able to estimate the historical cost for the initial reporting of these assets through back trending. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets’ lives are not capitalized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

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

Asset	Years
Land improvements	3 – 50
Buildings	3 – 40
Public domain infrastructure	3 – 100
System infrastructure	3 – 40
Equipment	3 – 30

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amount when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method. The gain/loss on defeasance of bonds is presented as an increase/decrease to the face amount of bonds payable and is being amortized over the life of the bonds through interest expense. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources. Bond issuance costs, whether or not withheld from proceeds, are reported as expenditures when incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City had five items that qualified for reporting in this category. The first relates to the deferred charge on refunding reported in the government-wide and proprietary fund statements of net position. A deferred charge 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 refunded debt or the refunding debt. The other four items relate to the City's defined benefit pension plan. The pension experience differences, pension assumption changes, investment earnings, and the contributions made subsequent to the measurement date are deferred and recognized as pension expense in future years.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City had two items which qualified for reporting in this category. The first item, unavailable revenue, arises only under the modified accrual basis of accounting, and is reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other item relates to the City's defined pension plan.

The experience gains and losses result from periodic studies by the City's actuaries which adjust the net pension liability for actual experiences for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains and losses are recorded as deferred inflows of resources and are amortized over the expected remaining service lives of plan members.

M. Fund Equity

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

Fund balances are classified as follows:

- ***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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager or the City's Finance Director to assign fund balances.

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

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

- Committed
- Assigned
- Unassigned

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

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

N. Use of Estimates

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

O. Pension

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 Fayetteville 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.

P. Tax Abatement Agreements

During the year ended July 31, 2017, the City implemented GASB Statement No. 77, *Tax Abatement Disclosures*. This statement requires the City to disclose information for any tax abatement agreements either entered into by the City, or agreements entered into by other governments that reduce the City’s tax revenues.

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 balances – 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 difference are as follows:

Accrued interest payable	$	(277,769)
Compensated absences payable		(834,357)
Financed purchases		(1,122,955)
Revenue bonds		(27,670,000)
Premium on revenue bonds		(1,744,313)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(31,649,394)

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 useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	$	3,798,250
Depreciation expense		(2,972,186)
Net adjustment to increase *net changes in fund balance - total governmental funds* to arrive at *changes in net position of governmental activities*	$	826,064

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

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 (Continued)

Another element of the reconciliation states that "The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities." The details of this difference are as follows:

Debt issued:		
Financed purchases	$	(700,000)
Revenue bonds		(5,975,000)
Principal repayments:		
Amortization of premium on revenue bond		120,616
Financed purchases		1,052,008
Net adjustment to reduce *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(5,502,376)

Another element of that reconciliation states that "Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

Compensated absences	$	(22,250)
Accrued interest		(70,006)
Net pension liability and related deferred outflows and inflows of resources		(657,332)
Net adjustment to reduce *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(749,588)

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data. Budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Special Revenue Funds and Capital Projects Funds. Enterprise Fund budgets are prepared and utilized as a management tool to assess the operations of the Enterprise Funds. All annual appropriations lapse at fiscal year-end. Prior to July 31, the Director of Finance with the City Manager receives budget requests from the various departments and their department chairmen. A budget is then formulated which the City Manager and Mayor present to full Council sixty (60) days prior to the beginning of each fiscal year. After review by full Council, the budget is published for public hearing. A public hearing is held and the budget is legally adopted by the City Council on the second Council meeting in July before the new year begins on August 1. The legal level of budgetary control is the department level.

The appropriated budget is prepared by fund, function, and department. Transfers of appropriations within a department budget or within a non-departmental expenditure category can be authorized by the Director of Finance, except expenditures for additional personnel. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, as well as increases in appropriations for employing additional personnel, require approval of the governing body in the form of amendments to the budget resolution. The Council made several immaterial supplemental budgetary appropriations throughout the year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as assignments or commitments of fund balances, as appropriate, and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. At July 31, 2024, there were no outstanding encumbrances.

NOTE 4. DEPOSITS AND INVESTMENTS

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. The City has no formal credit risk policy other than to only invest in obligations authorized by the State of Georgia. As of July 31, 2024, the City's investment in Georgia Fund 1 was rated AAAf by Standard & Poor's and is valued at fair value.

At July 31, 2024, the City had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	23-day weighted average	$ 15,617,134
		$ 15,617,134

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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

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 are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The 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.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of July 31, 2024, all of the deposits for the City were fully collateralized in accordance with the state statutes.

NOTE 5. RECEIVABLES

Receivables at July 31, 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	SPLOST 2023	Nonmajor Governmental Funds
Receivables:			
Taxes	$ 834,254	$ -	$ 239,597
Accounts	314,449	1,072,025	-
Due from other governments	43,319	-	32,545
Gross receivables	1,192,022	1,072,025	272,142
Less allowance for uncollectibles	30,764	-	-
Net total receivables	$ 1,161,258	$ 1,072,025	$ 272,142

	Water and Sewer	Total
Receivables:		
Taxes	$ -	$ 1,073,851
Accounts	1,413,266	2,799,740
Due from other governments	-	75,864
Gross receivables	1,413,266	3,949,455
Less allowance for uncollectibles	164,469	195,233
Net total receivables	$ 1,248,797	$ 3,754,222

NOTE 6. PROPERTY TAXES

The City receives its property tax revenue from Fayette County, which assesses, levies and collects the taxes, including real and personal property, mobile homes, and motor vehicles. Tax bills were levied to taxpayers on September 15, 2023, and were due and payable on November 15, 2023. All unpaid taxes became delinquent as of November 16, 2023. Property taxes attached as an enforceable lien on property as of November 15, 2024. Receivables are recorded when taxes are levied.

NOTE 7. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 15,864,691	$ -	$ -	$ -	$ 15,864,691
Historical treasures	-	-	-	-	-
Construction in progress	6,837,261	2,158,031	-	-	8,995,292
Total	22,701,952	2,158,031	-	-	24,859,983
Capital assets, being depreciated:					
Buildings	21,790,786	-	-	-	21,790,786
Land improvements	14,459,854	-	-	-	14,459,854
Infrastructure	74,796,941	250,380	-	-	75,047,321
Equipment	11,173,014	1,389,839	(490,266)	-	12,072,587
Total	122,220,595	1,640,219	(490,266)	-	123,370,548
Less accumulated depreciation for:					
Buildings	5,892,417	545,793	-	-	6,438,210
Land improvements	1,226,946	368,782	-	-	1,595,728
Infrastructure	18,494,788	939,767	-	-	19,434,555
Equipment	7,998,685	1,117,844	(490,266)	-	8,626,263
Total	33,612,836	2,972,186	(490,266)	-	36,094,756
Total assets, being depreciated, net	88,607,759	(1,331,967)	-	-	87,275,792
Governmental activities capital assets, net	$ 111,309,711	$ 826,064	$ -	$ -	$ 112,135,775

NOTE 7. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 1,630,139	$ -	$ -	$ -	$ 1,630,139
Construction in progress	1,570,586	3,874,591	-	-	5,445,177
Total	3,200,725	3,874,591	-	-	7,075,316
Capital assets, being depreciated:					
Water and plant distribution system	12,669,621	-	(5,520)	-	12,664,101
Sewer plant and extensions	35,385,044	122,363	-	-	35,507,407
Stormwater system	23,197,132	966,854	-	-	24,163,986
Equipment	1,365,844	156,314	(34,555)	-	1,487,603
Total	72,617,641	1,245,531	(40,075)	-	73,823,097
Less accumulated depreciation for:					
Water and plant distribution system	11,500,722	88,718	-	(81,692)	11,507,748
Sewer plant and extensions	22,499,427	1,192,324	-	-	23,691,751
Stormwater system	1,534,862	153,567	-	-	1,688,429
Equipment	1,138,100	33,828	(34,555)	81,692	1,219,065
Total	36,673,111	1,468,437	(34,555)	-	38,106,993
Total assets, being depreciated, net	35,944,530	(222,906)	(5,520)	-	35,716,104
Business-type activities capital assets, net	$ 39,145,255	$ 3,651,685	$ (5,520)	$ -	$ 42,791,420

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

Governmental activities:	
General government	$ 705,982
Public safety	1,078,579
Public works	1,036,505
Housing and development	151,120
Total depreciation expense - governmental activities	$ 2,972,186
Business-type activities:	
Water and sewer	$ 1,468,437
Total depreciation expense - business-type activities	$ 1,468,437

NOTE 8. LONG-TERM DEBT

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable:					
Revenue bonds	$ 21,695,000	$ 5,975,000	$ -	$ 27,670,000	$ 475,000
Deferred amount:					
Premium	1,864,929	-	(120,616)	1,744,313	-
Total bonds payable	23,559,929	5,975,000	(120,616)	29,414,313	475,000
Financed purchases	1,474,963	700,000	(1,052,008)	1,122,955	671,765
Net pension liability	9,089,205	4,390,821	(4,464,507)	9,015,519	-
Compensated absences	812,107	889,891	(867,641)	834,357	417,179
Governmental activities long-term liabilities	$ 34,936,204	$ 11,955,712	$ (6,504,772)	$ 40,387,144	$ 1,563,944
Business-type activities					
Bonds payable:					
Revenue bonds	$ 11,360,000	$ -	$ (710,000)	$ 10,650,000	$ 740,000
Deferred amount:					
Premium	361,197	-	(49,203)	311,994	-
Total bonds payable	11,721,197	-	(759,203)	10,961,994	740,000
Notes payable	13,788,156	-	(348,602)	13,439,554	357,595
Net pension liability	2,132,036	1,029,946	(1,047,231)	2,114,751	-
Compensated absences	-	-	-	-	-
Business-type activities long-term liabilities	$ 27,641,389	$ 1,029,946	$ (2,155,036)	$ 26,516,299	$ 1,097,595

For governmental activities, compensated absences and pension liabilities are liquidated by the General Fund. For business-type activities, pension liabilities are liquidated by the Water and Sewer Fund.

Governmental Activities

Revenue bonds. During the year ended July 31, 2020, the City of Fayetteville Public Facilities Authority issued the following Series 2019 Bonds: (i) $21,695,000 City Hall and Park Projects Revenue Bonds, Series 2019 (the “Series 2019 New Money Bonds”), (ii) $5,395,000 Water and Sewage Refunding Project Revenue Bonds, Series 2019 (the “Series 2019 Refunding Bonds”), and (iii) $7,890,000 Water and Sewer Refunding Project Taxable Revenue Bonds, Series 2019 (the “Taxable Series 2019 Refunding Bonds”).

NOTE 8. LONG-TERM DEBT (CONTINUED)

Governmental Activities (Continued)

Revenue bonds (Continued). The Series 2019 New Money Bonds in the amount of $21,695,000 were used to finance the costs of the acquisition, construction, upgrading, and equipping of various public facilities including City Hall, acquisition, construction, renovation, upgrading, and equipping of recreational facilities, property acquisition/demolition, and infrastructure improvements located within the City.

During the year ended July 31, 2024, the City of Fayetteville Public Facilities Authority issued the following Series 2023 Bonds: (i) $1,545,000 City of Fayetteville Public Facilities Authority Revenue Bonds (City of Fayetteville Projects), Series 2023A Revenue Bonds, (the "Series 2023A Bond"), and (ii) $4,430,000 City of Fayetteville Public Facilities Authority Taxable Revenue Bonds (City of Fayetteville Project) (the "Series 2023B Bond").

The Series 2023A and B bonds in the amount of $5,975,000 were used to finance the costs of the acquisition, construction, renovation, improvement, extension, addition, or equipping of utility systems and improvements, emergency facilities and equipment, recreational facilities and equipment, public safety facilities, educational, cultural, or historical facilities or equipment, administrative facilities and equipment, courthouses, public libraries, jails, facilities relating to aviation, and other facilities in the City that may be leased to, subleased to, operated, or otherwise used by the Public Facilities Authority.

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Series 2019	3.00 - 5.00%	30 years	2050	$ 21,695,000	$ 21,695,000
Series 2023A	3.53%	10 years	2035	1,545,000	1,545,000
Series 2023B	5.09%	10 years	2035	4,430,000	4,430,000
Public Facility Authority Bonds	Plus unamortized premium			-	1,744,313
	Total Revenue Bonds			$ 21,695,000	$ 29,414,313

NOTE 8. LONG-TERM DEBT (CONTINUED)

Governmental Activities (Continued)

Revenue bonds (Continued).

Year Ending July 31,	Principal	Interest
2025	$ 475,000	$ 1,101,576
2026	977,000	1,070,930
2027	1,020,000	1,027,694
2028	1,063,000	979,890
2029	1,118,000	927,117
2030 – 2034	6,419,000	3,780,493
2035 – 2039	4,698,000	2,507,074
2040 – 2044	4,830,000	1,613,350
2045 – 2049	5,800,000	641,575
2050	1,270,000	19,050
Total	$ 27,670,000	$ 13,668,749

Financed Purchases. During the year ended July 31, 2019, the City entered into one purchase agreement with a financial institution for the purchase of vehicles and equipment in the amount of $500,000. The agreement qualifies as a financed purchase agreement for accounting purposes (title transfers at the end of the agreement term) and has been recorded at the present value of the future minimum payments as of the date of inception. This purchase agreement is being serviced by the SPLOST 2017 Fund payments with an annual interest rate of 3.10%.

During the year ended July 31, 2021, the City entered into a purchase agreement with a financial institution for the purchase of equipment in the amount of $500,000. The agreement qualifies as a financed purchase agreement for accounting purposes (title transfers at the end of the agreement term) and has been recorded at the present value of the future minimum payments as of the date of their inception. The agreement is being serviced by the Building Fund payments with an annual interest rate of 1.45%.

During the year ended July 31, 2022, the City entered into a purchase agreement with a financial institution for the purchase of equipment in the amount of $400,000. The agreement qualifies as financed purchases for accounting purposes (title transfers at the end of the agreement term) and has been recorded at the present value of the future minimum payments as of the date of their inception. The agreement is being serviced by the Building Fund payments with an annual interest rate of 1.46%.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Governmental Activities (Continued)

Financed Purchases (Continued). During the year ended July 31, 2023, the City entered into a purchase agreement with a financial institution for the purchase of equipment in the amount of $1,000,000. The agreement qualifies as financed purchases for accounting purposes (title transfers at the end of the agreement term) and has been recorded at the present value of the future minimum payments as of the date of their inception. The agreement is being serviced by the Building Fund payments with an annual interest rate of 4.05%.

During the year ended July 31, 2024, the City entered into a purchase agreement with a financial institution for the purchase of various vehicles and equipment in the amount of $700,000. The agreement qualifies as financed purchases for accounting purposes (title transfers at the end of the agreement term) and has been recorded at the present value of the future minimum payments as of the date of their inception. The agreement is being serviced by the Building Fund payments with an annual interest rate of 5.45%.

The following is a schedule of future principal and interest financed purchase payments as of July 31, 2024:

Year Ending July 31,	Principal	Interest
2025	$ 671,765	$ 40,656
2026	327,385	15,892
2027	123,805	2,553
	$ 1,122,955	$ 59,101

Business-type Activities

Revenue bonds. The “Series 2019 Refunding Bonds” in the amount of $5,395,000 were used to: (a) refund a portion of the Water and Sewage Revenue Bonds, Series 2010 Bonds, (b) refund a portion of the Water and Sewer Revenue Bonds, Series 2013A, and (c) pay the issuance cost of the Series 2019 Refunding Bonds. The **“**Taxable Series 2019 Refunding Bonds” in the amount of $7,890,000 were used to: (a) refund a portion of the Water and Sewer Refunding Bonds, Series 2010, and (b) pay the issuance costs of the Taxable Series 2019 Refunding Bonds.

The issuance of the Series 2019 Refunding Bonds and the Taxable Series 2019 Refunding Bonds were used to refund the Series 2010 and Series 2013A Bonds. The difference between the cash flows required to service the old debt and the cash flow to service the new debt and complete the refunding totaled $3,435,629. The economic gain resulting from the refunding was $1,204,390.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Business-type Activities (Continued)

Revenue bonds (Continued).

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
PFA Revenue Bonds Series 2019					
Water and Sewer Refunding Taxable	2.125 - 2.850%	13 years	2032	$ 7,890,000	$ 7,690,000
PFA Revenue Bonds Series 2019	3.00 - 4.00%	15 years	2034	5,395,000	2,960,000
Water and Sewer Refunding	Plus unamortized premium				311,994
					3,271,994
	Total Series 2019			$ 13,285,000	$ 10,961,994

Debt service requirements to maturity on the revenue bonds are as follows:

Year Ending July 31,	Principal	Interest
2025	$ 740,000	$ 304,498
2026	1,010,000	278,415
2027	1,035,000	253,869
2028	1,060,000	227,940
2029	1,085,000	200,585
2030 – 2034	5,720,000	508,703
Total	$ 10,650,000	$ 1,774,010

Notes payable. The City has also incurred debt to the Georgia Environmental Facilities Authority ("GEFA") for construction of various water and sewer system projects. This note is a construction line of credit agreement with a rate of 2.03% for $961,221.

The City has also incurred debt to the GEFA for construction of various water and sewer system projects. This note is a construction line of credit agreement with a rate of 2.62% for 13,334,150.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Business-type Activities (Continued)

Notes payable (Continued). Notes payable outstanding July 31, 2024 are as follows:

Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
2.03%	20	2040	$ 961,221	$ 809,381

Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
2.62%	30	2052	$ 13,334,150	$ 12,630,173

The annual requirements to pay the notes outstanding are as follows:

Year Ending July 31,	Principal	Interest
2025	$ 357,595	$ 343,181
2026	366,822	333,955
2027	376,287	324,489
2028	385,999	314,778
2029	395,962	304,814
2030 – 2034	2,138,553	1,365,328
2035 – 2039	2,429,435	1,074,447
2040 – 2044	2,532,314	752,131
2045 – 2049	2,804,093	407,209
2050 – 2053	1,652,494	60,202
Total	$ 13,439,554	$ 5,280,534

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of July 31, 2024 is as follows:

	Payable Fund			
Receivable Fund	General Fund	Self Funded Insurance Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 5,643	$ -	$ 5,643
Impact Fee Fund	19,995	-	-	19,995
Water and Sewer Fund	1,927	-	-	1,927
Building Fund	4,983	-	-	4,983
Internal Service Fund	120,657	-	-	120,657
Nonmajor Enterprise Funds	916	-	-	916
Nonmajor Governmental Funds	6,268	-	239,597	245,865
Total	$ 154,746	$ 5,643	$ 239,597	$ 399,986

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

Interfund transfers:

	Transfers out					
Transfers In	General Fund	Water and Sewer Fund	SPLOST 2017 Fund	Impact Fee Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 550,000	$ -	$ 50,000	$ 25,000	$ 625,000
Water and Sewer Fund	-	-	642,260	-	-	642,260
Building Fund	64,800	-	-	358,784	-	423,584
Nonmajor Governmental Funds	35,830	-	118,609	-	1,121,972	1,276,411
Total	$ 100,630	$ 550,000	$ 760,869	$ 408,784	$ 1,146,972	$ 2,967,255

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, 3) fund SPLOST approved project expenditures disbursed from Nonmajor Governmental Funds and the Water and Sewer Fund, 4) assist with new development within the City in the Impact Fee Fund to the respective funds, 5) fund Water and Sewer projects disbursed from the General Fund and 6) allocate resources from hotel/motel development within the Main Street Tourism Association Fund.

Note 10. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten county Atlanta area, is a member of the Atlanta Regional Commission ("RC") and is required to pay annual dues thereto. During its fiscal year ended July 31, 2024, the City's membership dues were paid by Fayette County, Georgia. The City did not pay any annual dues. Membership in an RC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Atlanta Regional Commission
3715 Northside Parkway
200 Northcreek Suite 300
Atlanta, Georgia 30327

NOTE 11. DEFINED BENEFIT PENSION PLAN

Plan Description

The City's Pension Plan (the "Plan") is administered through the Georgia Municipal Employee Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits and death benefits to plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive 2% multiplied by the average of the last three years of regular earnings multiplied by the total credited years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to:

Georgia Municipal Association
Risk Management and Employee Benefit Services
201 Pryor Street NW
Atlanta, Georgia 30303
or by calling (404) 688-0472

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Membership

As of January 1, 2024, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	93
Inactive plan members entitled to but not receiving benefits	103
Active plan members	163
	359

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. For the year ended July 31, 2024, the City's contribution rate was 15.7% of annual payroll. City contributions to the Plan were $1,584,903 for the fiscal year ended July 31, 2024.

Net Pension Liability of the City

The City's net pension liability 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 of January 1, 2024.

Actuarial Assumptions. The total pension liability in the January 1, 2024 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 increase
Investment rate of return	7.375%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table (set forward two years in age for males and one year for females) to the gender-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2024 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – June 30, 2019.

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2024 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
Real estate	10	3.61
Global fixed income	5	1.67
Domestic fixed income	20	1.61
Total	100 %	

Discount Rate

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

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability of the City

The changes in the components of the net pension liability of the City for the fiscal year ended July 31, 2024 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning balance	$ 32,333,099	$ 21,111,858	$ 11,221,241
Changes for the year:			
Service cost	602,813	-	602,813
Interest	2,377,790	-	2,377,790
Differences between expected and actual experience	1,491,787	-	1,491,787
Contributions - employer	-	1,448,937	(1,448,937)
Contributions - employee	-	319,961	(319,961)
Net investment income	-	2,842,840	(2,842,840)
Benefit payments, including refunds of employee contributions	(1,389,386)	(1,389,386)	-
Administrative expense	-	(48,377)	48,377
Net changes	3,083,004	3,173,975	(90,971)
Ending balance	$ 35,416,103	$ 24,285,833	$ 11,130,270

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	$ 15,900,315	$ 11,130,270	$ 7,173,454

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of 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 year ended July 31, 2024, the City recognized pension expense of $2,392,491. At July 31, 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	$ 1,893,392	$ (196,573)
Changes in assumptions	-	-
Investment earnings	1,127,044	-
City contributions subsequent to the measurement date	1,320,753	-
Total	$ 4,341,189	$ (196,573)

City contributions subsequent to the measurement date of $1,320,753 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending July 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending July 31,	
2025	$ 887,808
2026	884,193
2027	1,306,588
2028	(254,726)
Total	$ 2,823,863

NOTE 12. DEFINED CONTRIBUTION PENSION PLAN

The City participates in the Georgia Municipal Association 401(a) Defined Contribution Plan (the "Plan") which is administered by the Georgia Municipal Association through their service manager, New Port. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the City. Employees are not required to contribute to the Plan. The City contributes an amount equal to 50% of the amount contributed by participants to the City's deferred compensation plan, except that the City shall not match in excess of 2% of the participant's annual compensation. The City's contribution for each employee is 100% vested after five years of continuous service. For the fiscal year ended July 31, 2024, the City's contribution to the Plan was $116,468. The amount contributed by employees was $402,752.

NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has contracted with Apex Insurance Agency, Inc. and coverage has been placed with Argonaut Insurance Company, with the exception of workers' compensation, which has been placed with BITCO Insurance Company. The City is fully insured on workers' compensation, automobile insurance, general liability, employment practices liability, property coverage, cybersecurity. These plans have various deductibles the City is responsible of meeting.

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

The City established an Internal Service Fund for group health insurance which is funded by charges to the City's other funds. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported ("IBNR"s). The result of the process to estimate the claims liability is based on the medical plan in-network preferred provider organization ("PPO") negotiated amount or based on the usual, customary, and reasonable charges for out-of-network charges. Accordingly, claims are re-evaluated periodically to consider the effects of proper claims adjudication. The estimate of the claims liability also includes amounts for incremental claim adjustment expense related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

The City has entered into a self-funded group insurance plan with major medical coverage. The City currently utilizes Allied Benefit Services as the third-party administrator. A stop loss carrier is in place to cover claims in excess of $50,000. Management continues to monitor the performance of this fund to ensure that premiums charged to the funds and agencies of the City are adequate.

NOTE 13. RISK MANAGEMENT (CONTINUED)

Changes in the respective claims liability amount for the fiscal year ended July 31, 2024 are as follows:

Self-Insurance Fund	July 31, 2024
Unpaid claims, beginning of fiscal year	$ 234,845
Claims incurred and changes in estimates	1,909,051
Claims payment	(1,497,312)
Unpaid claims, end of fiscal year	$ 176,894

NOTE 14. FUND EQUITY

Fund Balances

- ***Nonspendable*** – The following fund balances are nonspendable because they are allocated to:

General Fund	
Prepaid items	$ 603,094
Inventories	4,088
Main Street Tourism Association Fund	
Prepaid items	36,834
Inventories	27,055

NOTE 14. FUND EQUITY (CONTINUED)

Fund Balances (Continued)

- ***Restricted –*** The following fund balances are restricted for:

Special Revenue Funds	
Confiscated Assets Fund - used to account for public safety-related expenditures funded by drug confiscations.	$ 142,879
Veterans Memorial Park Fund - used for the design and construction of a Veterans Memorial.	2,509
Cemetery Fund - accounts for the revenues earned from a trust set up for cemetery improvements.	38,077
Downtown Development Authority Fund - used for housing and development within the City.	678,536
Main Street Tourism Association Fund - used for the promotion of tourism in the City.	1,152,222
Capital Projects Funds	
Capital Projects 2 Fund - used to account for capital projects financed with intergovernmental revenues that are in the completion phase.	192,257
Impact Fee Fund - accounts for capital projects activity funded by development impact fees.	6,303,246
Building Fund - accounts for capital projects activity funded by state road maintenance fees.	2,222,802
TAD Fund - accounts for capital projects activity funded by tax allocation districts revenues.	3,355,111
SPLOST 2017 Fund - used to account for capital projects financed with intergovernmental revenues.	7,913,361
SPLOST 2023 Fund - used to account for capital projects financed with intergovernmental revenues.	4,856,331

- ***Assigned –*** The following fund balance is assigned for:

General Fund	
Three-month operating reserve, as provided for in adopted City policy	$ 7,000,000

NOTE 15. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several pending lawsuits. 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.

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.

Contractual Commitments

In addition to the liabilities enumerated in the balance sheet at July 31, 2024, the City has contractual commitments on uncompleted construction contracts of $147,973.

NOTE 16. HOTEL/MOTEL LODGING TAX

The City has levied a 5% lodging tax. The O.C.G.A. §48-13-50 requires that all lodging taxes levied of 5% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. For the fiscal year ended July 31, 2024, the City collected $923,761 of hotel/motel taxes, and transferred 100% of the lodging tax received during the year ended July 31, 2024 to the Downtown Development Authority Fund, where it was used for the promotion of tourism.

NOTE 17. EXCISE TAXES ON RENTAL MOTOR VEHICLES

Under the provisions of the O.C.G.A. §48-13-93, the City has imposed and collected an excise tax on rental motor vehicles. The Code section requires the City to expend taxes collected for the purpose of promoting tourism, conventions, trade shows, etc., and promoting the City and business therein. During the fiscal year ended July 31, 2024, the City transferred all motor vehicle excise taxes to the Downtown Development Authority Fund, where it was used for the promotion of tourism. The following schedule represents the revenues and expenditures pertaining to the tax for the fiscal year ended July 31, 2024:

Revenues	$198,211
Expenditures	$198,211

NOTE 18. TAX ABATEMENT AGREEMENTS

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

The Fayette County Board of Commissioners authorizes industries which promote the development of trade, commerce, industry and employment opportunities in the City to participate in the Economic Development Program. Abatements of real and personal property taxes are provided to companies based on a criteria calculation which includes targeted industry, capital investment and employment. The abatement may reduce the amount of property taxes paid over 10 or 20 years. The agreements may contain claw back provisions which would result in the re-payment of the annual tax abatement for each year the Company fails to meet its jobs/investment commitment. For the fiscal year ended July 31, 2024, the City abated property taxes totaling $179,727.

NOTE 19. NET INVESTMENT IN CAPITAL ASSETS

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

	Governmental Activities	Business-Type Activities
Calculation of net investment in capital assets:		
Capital assets, non-depreciable	$ 24,859,983	$ 7,075,316
Capital assets, depreciable	123,370,548	73,823,097
Accumulated depreciation	(36,094,756)	(38,106,993)
Bonds payable	(27,670,000)	(10,650,000)
Financed purchases	(1,122,955)	-
Notes payable	-	(13,439,554)
Retainage payable	(37,695)	(350,937)
Unspent financed purchase proceeds	52,114	-
Unamortized premiums on bonds payable	(1,744,313)	(311,994)
Deferred charges on refunding	-	391,573
	$ 81,612,926	$ 18,430,508

NOTE 20. SHORT-TERM DEBT

Line of Credit. On January 7, 2022, the Downtown Development Authority obtained a line of credit from a financial institution to assist in the completion of an expansion project at 119 Glynn Street South with an approved limit of $300,000. The line of credit has a variable interest rate of 3.75%, which is the prime rate with interest due monthly and principal due on July 10, 2024. There is no remaining balance as of July 31, 2024.

The following is a summary of short-term debt transactions for the City for the fiscal year ended July 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance
Line of credit	$ 228,321	$ -	$ (228,321)	$ -
Total	$ 228,321	$ -	$ (228,321)	$ -

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year				
	2024	2023	2022	2021	2020
Total pension liability					
Service cost	**$ 602,813**	$ 514,025	$ 636,320	$ 492,039	$ 468,473
Interest on total pension liability	**2,377,790**	2,198,679	2,136,570	1,758,100	1,616,611
Differences between expected and actual experience	**1,491,787**	980,332	(786,291)	1,421,927	70,892
Changes of assumptions	**-**	-	-	2,394,956	1,019,980
Changes in benefit terms	**-**	-	-	-	-
Benefit payments, including refunds of employee contributions	**(1,389,386)**	(1,317,015)	(1,208,832)	(950,198)	(881,165)
Other changes	**-**	-	240,777	-	-
Net change in total pension liability	**3,083,004**	2,376,021	1,018,544	5,116,824	2,294,791
Total pension liability - beginning	**32,333,099**	29,957,078	28,938,534	23,821,710	21,526,919
Total pension liability - ending (a)	**35,416,103**	32,333,099	29,957,078	28,938,534	23,821,710
Plan fiduciary net position					
Contributions - employer	**1,448,937**	1,635,847	1,103,209	999,116	1,704,804
Contributions - employee	**319,961**	279,631	255,799	120,242	90,800
Net investment income	**2,842,840**	(4,102,581)	4,798,688	1,745,327	535,801
Benefit payments, including refunds of employee contributions	**(1,389,386)**	(1,317,015)	(1,208,832)	(950,198)	(881,165)
Administrative expenses	**(48,377)**	(47,681)	(48,615)	(47,402)	(41,543)
Net change in plan fiduciary net position	**3,173,975**	(3,551,799)	4,900,249	1,867,085	1,408,697
Plan fiduciary net position - beginning	**21,111,858**	24,663,657	19,763,408	17,896,323	16,487,626
Plan fiduciary net position - ending (b)	**24,285,833**	21,111,858	24,663,657	19,763,408	17,896,323
City's net pension liability (a) - (b)	**$ 11,130,270**	$ 11,221,241	$ 5,293,421	$ 9,175,126	$ 5,925,387
Plan fiduciary net position as a percentage of the total pension liability	**68.6%**	65.3%	82.3%	68.3%	75.1%
Covered payroll	**$ 9,832,636**	$ 8,421,457	$ 8,912,671	$ 8,721,491	$ 8,075,098
City's net pension liability as a percentage of covered payroll	**113.2%**	133.2%	59.4%	105.2%	73.4%

Fiscal Year					
2019	2018	2017	2016	2015
$ 387,624	$ 329,802	$ 263,826	$ 208,146	$ 157,698
1,540,247	1,457,157	1,361,621	1,251,294	1,215,070
(112,839)	129,571	479,242	893,993	463,700
-	-	-	-	(425,920)
-	330,437	52,900	-	-
(874,244)	(925,729)	(923,996)	(935,731)	(950,553)
-	-	-	-	-
940,788	1,321,238	1,233,593	1,417,702	459,995
20,586,131	19,264,893	18,031,300	16,613,598	16,153,603
21,526,919	20,586,131	19,264,893	18,031,300	16,613,598
852,118	1,063,454	784,036	770,628	735,096
73,423	51,362	37,550	29,259	10,870
1,490,641	1,955,471	1,308,314	140,161	1,221,044
(874,244)	(925,729)	(923,996)	(935,731)	(950,553)
(42,264)	(44,411)	(21,005)	(21,533)	(17,333)
1,499,674	2,100,147	1,184,899	(17,216)	999,124
14,987,952	12,887,805	11,702,906	11,720,122	10,720,998
16,487,626	14,987,952	12,887,805	11,702,906	11,720,122
$ 5,039,293	$ 5,598,179	$ 6,377,088	$ 6,328,394	$ 4,893,476
76.6%	72.8%	66.9%	64.9%	70.5%
$ 7,142,875	$ 6,150,907	$ 5,753,146	$ 4,388,256	$ 4,101,931
70.5%	91.0%	110.8%	144.2%	119.3%

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year				
	2024	2023	2022	2021	2020
Actuarially determined contribution	**$ 1,584,903**	$ 1,426,464	$ 1,493,713	$ 1,101,426	$ 1,104,199
Contributions in relation to the actuarially determined contribution	**1,584,903**	1,426,464	1,493,713	1,101,426	1,104,199
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -	$ -
Covered payroll	**$ 10,086,757**	$ 9,832,636	$ 8,421,457	$ 8,912,671	$ 8,721,491
Contributions as a percentage of covered payroll	**15.7%**	14.5%	17.7%	12.4%	12.7%

Notes to the Schedule:

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 fair value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of fair value.
Assumed rate of return on investments	7.375%
Projected salary increases	2.25% plus service based merit increases
Cost of living adjustments	0.00%
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years.

Fiscal Year				
2019	2018	2017	2016	2015
$ 1,092,536	$ 1,022,541	$ 910,444	$ 761,413	$ 772,471
1,092,536	1,022,541	910,444	761,413	772,471
$ -	$ -	$ -	$ -	$ -
$ 9,039,400	$ 8,445,561	$ 7,540,108	$ 7,042,464	$ 6,205,807
12.1%	12.1%	12.1%	10.8%	12.4%

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Vehicle Excise Tax Fund – This fund is used to account for revenues from an excise tax on rental motor vehicles, which must be used for the promotion of recreation, tourism and commerce and for the construction or repair of related facilities.

Confiscated Assets Fund – This fund is used to account for cash received either as a result of a cash confiscation or from the sale of capital assets acquired from a drug raid.

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel taxes collected.

Veterans Memorial Park Fund – This fund is used to account for funds donated to the City for the design and construction of a Veterans Memorial, representing those persons from Fayette County, Georgia who have died in service of our country.

Cemetery Fund – This fund is used to account for revenues earned from a trust set up for cemetery improvements.

Downtown Development Authority Fund – This fund is used to account for downtown revitalization and preservation of the historic district.

Main Street Tourism Association Fund – This fund is used to account for revenues and expenditures associated with the promotion of tourism in the City.

CAPITAL PROJECTS FUNDS

Capital Projects 2 Fund – This fund is used to account for the accumulation and expenditures of resources for various capital projects which are funded by a percentage of property taxes.

TAD Fund – This fund is used to account for taxes collected and expended from the City's tax allocation district.

CITY OF FAYETTEVILLE, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JULY 31, 2024

	Special Revenue Funds				
ASSETS	**Vehicle Excise Tax Fund**	**Confiscated Assets Fund**	**Hotel/Motel Tax Fund**	**Veterans Memorial Park Fund**	**Cemetery Fund**
Cash and cash equivalents	$ -	$ 142,537	$ -	$ 2,500	$ 38,028
Investments	-	-	-	-	-
Taxes receivable	21,689	-	217,908	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	342	-	9	49
Prepaid expenditures	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	$ 21,689	$ 142,879	$ 217,908	$ 2,509	$ 38,077
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Due to other funds	21,689	-	217,908	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	21,689	-	217,908	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	142,879	-	2,509	38,077
Total fund balances	-	142,879	-	2,509	38,077
Total liabilities and fund balances	$ 21,689	$ 142,879	$ 217,908	$ 2,509	$ 38,077

Special Revenue Funds		Capital Projects Funds		
Downtown Development Authority Fund	Main Street Tourism Association Fund	Capital Projects 2 Fund	TAD Fund	Total Nonmajor Governmental Funds
$ 656,085	$ 953,544	$ 191,944	$ 3,354,039	$ 5,338,677
-	-	14	-	14
-	-	-	-	239,597
-	-	32,545	-	32,545
23,473	220,621	299	1,072	245,865
-	36,834	-	-	36,834
-	27,055	-	-	27,055
$ 679,558	$ 1,238,054	$ 224,802	$ 3,355,111	$ 5,920,587
$ 1,022	$ 1,193	$ -	$ -	$ 2,215
-	-	-	-	239,597
-	20,750	32,545	-	53,295
1,022	21,943	32,545	-	295,107
-	63,889	-	-	63,889
678,536	1,152,222	192,257	3,355,111	5,561,591
678,536	1,216,111	192,257	3,355,111	5,625,480
$ 679,558	$ 1,238,054	$ 224,802	$ 3,355,111	$ 5,920,587

CITY OF FAYETTEVILLE, GEORGIA

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

	Special Revenue Funds				
	Vehicle Excise Tax Fund	Confiscated Assets Fund	Hotel/Motel Tax Fund	Veterans Memorial Park Fund	Cemetery Fund
Revenues					
Other taxes	$ 198,211	$ -	$ 923,761	$ -	$ -
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	53,640	-	-	-
Charges for services	-	-	-	-	-
Contributions	-	-	-	-	9,888
Interest income	-	3,905	-	93	1,080
Rental income	-	-	-	-	-
Other revenues	-	-	-	735	-
Total revenues	198,211	57,545	923,761	828	10,968
Expenditures					
Current:					
Public safety	-	30,185	-	-	-
Culture and recreation	-	-	-	610	-
Housing and development	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public works	-	-	-	-	-
Debt service:					
Interest	-	-	-	-	-
Total expenditures	-	30,185	-	610	-
Excess (deficiency) of revenues over (under) expenditures	198,211	27,360	923,761	218	10,968
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	(198,211)	-	(923,761)	-	(25,000)
Total other financing sources (uses)	(198,211)	-	(923,761)	-	(25,000)
Net change in fund balances	-	27,360	-	218	(14,032)
Fund balances, beginning of year	-	115,519	-	2,291	52,109
Fund balances, end of year	$ -	$ 142,879	$ -	$ 2,509	$ 38,077

Special Revenue Funds		Capital Projects Funds		
Downtown Development Authority Fund	Main Street Tourism Association Fund	Capital Projects 2 Fund	TAD Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 798,482	$ 1,920,454
-	-	441,893	-	441,893
-	-	-	-	53,640
-	259,211	-	-	259,211
100	26,900	-	-	36,888
26,513	26,585	2,966	112,811	173,953
-	6,400	-	-	6,400
29,550	24,282	-	-	54,567
56,163	343,378	444,859	911,293	2,947,006
-	-	-	-	30,185
-	-	-	-	610
383,898	919,598	-	-	1,303,496
-	-	-	201,670	201,670
-	-	623,832	-	623,832
7,710	-	-	-	7,710
391,608	919,598	623,832	201,670	2,167,503
(335,445)	(576,220)	(178,973)	709,623	779,503
234,041	923,761	118,609	-	1,276,411
-	-	-	-	(1,146,972)
234,041	923,761	118,609	-	129,439
(101,404)	347,541	(60,364)	709,623	908,942
779,940	868,570	252,621	2,645,488	4,716,538
$ 678,536	$ 1,216,111	$ 192,257	$ 3,355,111	$ 5,625,480

CITY OF FAYETTEVILLE, GEORGIA

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

	Vehicle Excise Tax Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Other taxes	$ 230,000	$ 198,211	$ (31,789)
Fines and forfeitures	-	-	-
Investment income	-	-	-
Total revenues	230,000	198,211	(31,789)
Expenditures			
Current:			
Public safety	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	230,000	198,211	(31,789)
Other financing uses			
Transfers out	(230,000)	(198,211)	31,789
Total other financing uses	(230,000)	(198,211)	31,789
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

(Continued)

Confiscated Assets Fund		
Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -
54,500	53,640	(860)
4,000	3,905	(95)
58,500	57,545	(955)
58,500	30,185	28,315
58,500	30,185	28,315
-	27,360	27,360
-	-	-
-	-	-
-	27,360	27,360
115,519	115,519	-
$ 115,519	$ 142,879	$ 27,360

CITY OF FAYETTEVILLE, GEORGIA

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

	Hotel/Motel Tax Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Other taxes	$ 926,000	$ 923,761	$ (2,239)
Interest income	-	-	-
Other revenues	-	-	-
Total revenues	926,000	923,761	(2,239)
Expenditures			
Current:			
Culture and recreation	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	926,000	923,761	(2,239)
Other financing uses			
Transfers out	(926,000)	(923,761)	2,239
Total other financing uses	(926,000)	(923,761)	2,239
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

(Continued)

Veterans Memorial Park Fund		
Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -
100	93	(7)
780	735	(45)
880	828	(52)
880	610	270
880	610	270
-	218	218
-	-	-
-	-	-
-	218	218
2,291	2,291	-
$ 2,291	$ 2,509	$ 218

CITY OF FAYETTEVILLE, GEORGIA

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

	Cemetery Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Contributions	$ 24,919	$ 9,888	$ (15,031)
Investment income	1,081	1,080	(1)
Rental income	-	-	-
Other revenues	-	-	-
Total revenues	26,000	10,968	(15,032)
Expenditures			
Current:			
Culture and recreation	-	-	-
Housing and development	-	-	-
Debt service:			
Interest	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	26,000	10,968	(15,032)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(26,000)	(25,000)	1,000
Total other financing sources (uses)	(26,000)	(25,000)	1,000
Net change in fund balances	-	(14,032)	(14,032)
Fund balances, beginning of year	52,109	52,109	-
Fund balances, end of year	$ 52,109	$ 38,077	$ (14,032)

(Continued)

Downtown Development Authority Fund		
Final Budget	Actual	Variance With Final Budget
$ -	$ 100	$ 100
27,000	26,513	(487)
29,650	-	(29,650)
117,000	29,550	(87,450)
173,650	56,163	(117,487)
-	-	-
407,755	383,898	23,857
8,000	7,710	290
415,755	391,608	24,147
(242,105)	(335,445)	(93,340)
333,605	234,041	(99,564)
(91,500)	-	91,500
242,105	234,041	(8,064)
-	(101,404)	(101,404)
779,940	779,940	-
$ 779,940	$ 678,536	$ (101,404)

CITY OF FAYETTEVILLE, GEORGIA

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

	Main Street Tourism Association Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Charges for services	$ 411,518	$ 259,211	$ (152,307)
Contributions	71,300	26,900	(44,400)
Interest income	27,500	26,585	(915)
Rental income	8,750	6,400	(2,350)
Other revenues	24,500	24,282	(218)
Total revenues	543,568	343,378	(200,190)
Expenditures			
Current:			
Housing and development	1,596,968	919,598	677,370
Total expenditures	1,596,968	919,598	677,370
Deficiency of revenues under expenditures	(1,053,400)	(576,220)	477,180
Other financing sources			
Transfers in	1,053,400	923,761	(129,639)
Total other financing sources	1,053,400	923,761	(129,639)
Net change in fund balances	-	347,541	347,541
Fund balances, beginning of year	868,570	868,570	-
Fund balances, end of year	$ 868,570	$ 1,216,111	$ 347,541

CITY OF FAYETTEVILLE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Capital Projects 2 Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Other taxes	$ -	$ -	$ -
Intergovernmental	540,000	441,893	(98,107)
Investment income	3,000	2,966	(34)
Other revenues	224,590	-	(224,590)
Total revenues	767,590	444,859	(322,731)
Expenditures			
Capital outlay:			
General government	-	-	-
Public works	886,200	623,832	262,368
Total expenditures	886,200	623,832	262,368
Excess (deficiency) of revenues over (under) expenditures	(118,610)	(178,973)	(60,363)
Other financing sources			
Transfers in	118,610	118,609	(1)
Total other financing sources	118,610	118,609	(1)
Net change in fund balances	-	(60,364)	(60,364)
Fund balances, beginning of year	252,621	252,621	-
Fund balances, end of year	$ 252,621	$ 192,257	$ (60,364)

(Continued)

TAD Fund		
Final Budget	Actual	Variance With Final Budget
$ 798,500	$ 798,482	$ (18)
-	-	-
113,000	112,811	(189)
-	-	-
911,500	911,293	(207)
911,500	201,670	709,830
-	-	-
911,500	201,670	709,830
-	709,623	709,623
-	-	-
-	-	-
-	709,623	709,623
2,645,488	2,645,488	-
$ 2,645,488	$ 3,355,111	$ 709,623

CITY OF FAYETTEVILLE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Building Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Property taxes	$ 700,725	$ 700,725	$ -
Intergovernmental	676,000	675,863	(137)
Interest income	56,000	55,434	(566)
Total revenues	1,432,725	1,432,022	(703)
Expenditures			
Capital outlay:			
General government	1,815,143	124,047	1,691,096
Public safety	394,363	385,887	8,476
Public works	686,137	583,135	103,002
Culture and recreation	49,890	49,890	-
Housing and development	44,456	44,456	-
Debt service:			
Principal	1,052,008	1,052,008	-
Interest	59,318	59,318	-
Total expenditures	4,101,315	2,298,741	1,802,574
Excess (deficiency) of revenues over (under) expenditures	(2,668,590)	(866,719)	1,801,871
Other financing sources (uses)			
Financed purchases	700,000	700,000	-
Issuance of bonds	1,545,000	1,545,000	-
Transfers in	423,590	423,584	(6)
Transfers out	-	-	-
Total other financing sources (uses)	2,668,590	2,668,584	(6)
Net change in fund balances	-	1,801,865	1,801,865
Fund balances, beginning of year	420,937	420,937	-
Fund balances, end of year	$ 420,937	$ 2,222,802	$ 1,801,865

(Continued)

Special Purpose Local Option Sales Tax 2017 Fund		
Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -
-	-	-
-	290,052	290,052
-	290,052	290,052
-	-	-
-	-	-
-	850,294	(850,294)
-	-	-
-	-	-
-	-	-
-	-	-
-	850,294	(850,294)
-	(560,242)	(560,242)
-	-	-
-	-	-
-	-	-
-	(760,869)	(760,869)
-	(760,869)	(760,869)
-	(1,321,111)	(1,321,111)
9,234,472	9,234,472	-
$ 9,234,472	$ 7,913,361	$ (1,321,111)

CITY OF FAYETTEVILLE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JULY 31, 2024

	Impact Fee Fund		
	Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	$ -	$ -	$ -
Impact fees	1,036,045	832,150	(203,895)
Interest income	238,000	237,569	(431)
Total revenues	1,274,045	1,069,719	(204,326)
Expenditures			
Capital outlay:			
Public works	1,224,045	-	1,224,045
Total expenditures	1,224,045	-	1,224,045
Excess of revenues over expenditures	50,000	1,069,719	1,019,719
Other financing uses			
Transfers out	(50,000)	(408,784)	(358,784)
Total other financing uses	(50,000)	(408,784)	(358,784)
Net change in fund balances	-	660,935	660,935
Fund balances, beginning of year	5,642,311	5,642,311	-
Fund balances, end of year	$ 5,642,311	$ 6,303,246	$ 660,935

SPLOST 2023 Fund		
Final Budget	Actual	Variance With Final Budget
$ 40,380,000	$ 6,172,752	$ (34,207,248)
-	-	-
-	65,379	65,379
40,380,000	6,238,131	(34,141,869)
40,380,000	1,852,529	38,527,471
40,380,000	1,852,529	38,527,471
-	4,385,602	4,385,602
-	-	-
-	-	-
-	4,385,602	4,385,602
470,729	470,729	-
$ 470,729	$ 4,856,331	$ 4,385,602

CITY OF FAYETTEVILLE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2017 FOR THE FISCAL YEAR ENDED JULY 31, 2024

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Fire Safety Equipment/Vehicles	$ 3,000,000	$ 3,000,000	$ 1,646,389	$ 48,735	$ 1,695,124
Police Safety Equipment/Vehicles	1,109,000	1,109,000	1,087,319	-	1,087,319
Fire Building and Land: Station 93	1,000,000	1,000,000	78,641	-	78,641
Road, Street and Bridge Projects	7,000,872	7,000,872	3,740,885	118,609	3,859,494
Water, Sewer, Stormwater Projects	9,500,000	9,500,000	4,915,689	1,385,930	6,301,619
Recreational and Park Projects	3,400,000	3,400,000	2,906,277	57,889	2,964,166
Totals	$ 25,009,872	$ 25,009,872	$ 14,375,200	$ 1,611,163	$ 15,986,363

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

Transfer to Nonmajor Governmental Funds for SPLOST approved project expenditure	(118,609)
Transfer to the Water and Sewer Fund for SPLOST approved project expenditure	(642,260)
Total SPLOST 2017 Fund expenditures for the current year	$ 850,294

CITY OF FAYETTEVILLE, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2023
FOR THE FISCAL YEAR ENDED JULY 31, 2024

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Fire Safety Equipment/Vehicles	$ 2,000,000	$ 2,000,000	$ -	$ 943,829	$ 943,829
Police Safety Equipment/Vehicles	2,250,000	2,250,000	-	898,788	898,788
Computer Equipment	750,000	750,000	-	-	-
Police and Court Buildings	4,500,000	4,500,000	-	-	-
Road, Street and Bridge Projects	11,000,000	11,000,000	-	9,912	9,912
Water, Sewer, Stormwater Projects	4,000,000	4,000,000	-	-	-
Recreational and Park Projects	10,500,000	10,500,000	-	-	-
Totals	$ 35,000,000	$ 35,000,000	$ -	$ 1,852,529	$ 1,852,529

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report ("ACFR") 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.

Contents **Page**

Financial Trends ..... **91 – 104**

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 ..... **105 – 114**

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

Debt Capacity ..... **115 – 120**

These schedules contain 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 ..... **121 and 122**

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 ..... **123 – 126**

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 comprehensive financial reports for the relevant year.

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year			
	2015	2016	2017	2018
Governmental Activities				
Net investment in capital assets	$ 68,600,004	$ 70,522,573	$ 72,963,871	$ 73,396,508
Restricted	2,902,027	3,825,714	3,866,029	3,116,993
Unrestricted	2,804,841	2,261,422	2,404,766	4,979,714
Total governmental activities net position	$ 74,306,872	$ 76,609,709	$ 79,234,666	$ 81,493,215
Business-Type Activities				
Net investment in capital assets	$ 7,962,881	$ 7,916,518	$ 7,233,909	$ 7,627,778
Restricted	2,987,802	2,998,621	3,004,607	3,031,959
Unrestricted	1,986,662	2,610,938	3,416,347	3,332,116
Total business-type activities net position	$ 12,937,345	$ 13,526,077	$ 13,654,863	$ 13,991,853
Primary Government				
Net investment in capital assets	$ 76,562,885	$ 78,439,091	$ 80,197,780	$ 81,024,286
Restricted	5,889,829	6,824,335	6,870,636	6,148,952
Unrestricted	4,791,503	4,872,360	5,821,113	8,311,830
Total primary government net position	$ 87,244,217	$ 90,135,786	$ 92,889,529	$ 95,485,068

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 75,562,324	$ 60,482,704	$ 74,588,706	$ 80,001,680	$ 86,274,819	$ 81,612,926
2,910,161	4,035,510	10,482,246	13,067,227	20,426,298	26,805,217
7,851,536	25,860,644	4,628,613	3,906,096	7,391,685	22,680,955
$ 86,324,021	$ 90,378,858	$ 89,699,565	$ 96,975,003	$ 114,092,802	$ 131,099,098
$ 8,248,140	$ 9,460,359	$ 13,329,265	$ 13,219,975	$ 14,068,749	$ 18,430,508
3,144,898	883,873	751,511	435,227	4,717,567	-
3,308,879	4,853,264	5,717,304	5,831,903	979,841	3,530,393
$ 14,701,917	$ 15,197,496	$ 19,798,080	$ 19,487,105	$ 19,766,157	$ 21,960,901
$ 83,810,464	$ 69,943,063	$ 87,917,971	$ 93,221,655	$ 100,343,568	$ 100,043,434
6,055,059	4,919,383	11,233,757	13,502,454	25,143,865	26,805,217
11,160,415	30,713,908	10,345,917	9,737,999	8,371,526	26,211,348
$ 101,025,938	$ 105,576,354	$ 109,497,645	$ 116,462,108	$ 133,858,959	$ 153,059,999

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	$ 1,090,268	$ 1,499,529	$ 1,897,428	$ 3,580,927
Judicial	591,966	649,968	588,769	605,967
Public safety	7,218,353	8,307,210	8,804,976	7,904,689
Public works	1,305,120	1,784,682	1,782,748	3,082,460
Culture and recreation	4,024	1,756	30	30
Housing and development	1,205,233	1,445,102	1,807,358	2,085,329
Interest on long-term debt	143,584	151,836	157,269	158,004
Total governmental activities expenses	11,558,548	13,840,083	15,038,578	17,417,406
Business-type activities:				
Water and sewer	5,616,165	5,652,208	6,088,714	5,992,402
Stormwater	407,049	413,917	365,125	383,749
Solid waste	662,473	631,887	656,959	665,625
Total business-type activities	6,685,687	6,698,012	7,110,798	7,041,776
Total primary government	$ 18,244,235	$ 20,538,095	$ 22,149,376	$ 24,459,182
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 491,211	$ 738,418	$ 668,408	$ 612,132
Judicial	941,816	1,149,394	907,630	944,822
Public safety	78,677	56,856	69,557	56,850
Public works	-	-	-	-
Housing and development	511,033	1,009,230	676,936	699,253
Operating grants and contributions	712,268	609,313	574,307	647,997
Capital grants and contributions	1,327,532	1,804,969	3,007,935	4,069,051
Total governmental activities program revenues	4,062,537	5,368,180	5,904,773	7,030,105
Business-type activities:				
Charges for services:				
Water and sewer	5,175,387	5,523,564	5,709,452	5,748,538
Stormwater	741,777	763,764	759,289	773,664
Solid waste	658,728	674,937	637,610	698,881
Capital grants and contributions	300,975	309,040	124,147	184,970
Total business-type activities program revenues	6,876,867	7,271,305	7,230,498	7,406,053
Total primary government program revenues	$ 10,939,404	$ 12,639,485	$ 13,135,271	$ 14,436,158

(Continued)

Fiscal Year						
2019	2020	2021	2022	2023	2024
$ 2,322,589	$ 2,751,667	$ 3,541,617	$ 3,982,343	$ 4,273,440	$ 4,445,725
632,417	530,392	651,377	641,860	650,510	754,796
10,147,469	11,092,290	12,590,057	11,922,000	13,759,755	14,723,217
3,663,837	5,239,662	7,531,915	2,666,942	1,457,805	3,859,953
55	301,541	2,559	405,469	278,002	201,739
1,959,415	1,671,733	2,357,813	2,832,588	5,067,819	12,673,130
262,626	826,092	910,176	872,522	760,772	1,039,597
18,988,408	22,413,377	27,585,514	23,323,724	26,248,103	37,698,157
5,673,074	6,491,953	7,316,901	7,520,034	8,096,119	8,102,108
439,347	421,360	595,196	1,102,902	676,332	719,321
676,036	698,973	821,536	837,921	1,081,265	1,162,879
6,788,457	7,612,286	8,733,633	9,460,857	9,853,716	9,984,308
$ 25,776,865	$ 30,025,663	$ 36,319,147	$ 32,784,581	$ 36,101,819	$ 47,682,465
$ 740,870	$ 934,750	$ 1,304,859	$ 2,065,320	$ 3,641,959	$ 19,568,066
1,230,882	755,778	934,666	1,121,352	1,012,379	1,201,981
83,768	194,646	17,488	18,088	29,761	53,640
-	-	-	-	-	-
908,201	1,498,700	997,763	1,739,777	1,694,598	1,091,361
300,440	2,156,961	505,931	1,059,231	7,453,052	6,609,084
5,102,896	4,524,951	5,424,949	5,419,129	8,279,765	1,769,891
8,367,057	10,065,786	9,185,656	11,422,897	22,111,514	30,294,023
6,053,739	6,724,648	6,989,539	7,370,037	7,733,439	8,203,530
777,486	784,964	802,676	813,398	892,585	1,351,800
709,842	727,118	845,282	863,920	1,023,079	1,339,017
170,710	284,281	5,131,031	292,000	367,625	1,031,647
7,711,777	8,521,011	13,768,528	9,339,355	10,016,728	11,925,994
$ 16,078,834	$ 18,586,797	$ 22,954,184	$ 20,762,252	$ 32,128,242	$ 42,220,017

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year			
	2015	2016	2017	2018
Net (expense)/revenue				
Governmental activities	$ (7,496,011)	$ (8,471,903)	$ (9,133,805)	$ (10,387,301)
Business-type activities	191,180	573,293	119,700	364,277
Total primary government net expense	$ (7,304,831)	$ (7,898,610)	$ (9,014,105)	$ (10,023,024)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	$ 3,134,679	$ 3,224,290	$ 3,377,638	$ 4,238,436
Sales taxes	2,799,116	3,049,230	3,627,566	3,799,392
Other taxes	4,150,689	4,467,235	4,721,419	4,528,300
Unrestricted investment earnings	8,217	16,929	32,139	44,761
Gain on sale of capital assets	17,582	-	-	-
Transfers	-	-	-	34,961
Total governmental activities	10,110,283	10,757,684	11,758,762	12,645,850
Business-type activities:				
Unrestricted investment earnings	306	931	852	5,848
Gain on sale of capital assets	-	31,564	8,234	1,826
Transfers	-	-	-	(34,961)
Total business-type activities	306	32,495	9,086	(27,287)
Total primary government	$ 10,110,589	$ 10,790,179	$ 11,767,848	$ 12,618,563
Change in Net Position				
Governmental activities	$ 2,614,272	$ 2,285,781	$ 2,624,957	$ 2,258,549
Business-type activities	191,486	605,788	128,786	336,990
Total primary government	$ 2,805,758	$ 2,891,569	$ 2,753,743	$ 2,595,539

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ (10,621,351)	$ (12,347,591)	$ (18,399,858)	$ (11,900,827)	$ (4,136,589)	$ (7,404,134)
923,320	908,725	5,034,895	(121,502)	163,012	1,941,686
$ (9,698,031)	$ (11,438,866)	$ (13,364,963)	$ (12,022,329)	$ (3,973,577)	$ (5,462,448)
$ 6,052,590	$ 4,715,445	$ 6,521,939	$ 7,502,267	$ 8,758,854	$ 10,598,792
3,953,389	5,260,580	5,721,673	5,926,258	6,243,470	6,493,365
4,952,360	5,303,784	4,988,704	5,156,149	5,733,383	6,057,451
193,818	404,896	15,489	28,890	540,185	1,292,559
-	267,723	22,760	368,268	70,757	60,523
300,000	450,000	450,000	194,433	(92,261)	(92,260)
15,452,157	16,402,428	17,720,565	19,176,265	21,254,388	24,410,430
86,744	36,854	15,689	4,960	23,779	160,798
-	-	-	-	-	-
(300,000)	(450,000)	(450,000)	(194,433)	92,261	92,260
(213,256)	(413,146)	(434,311)	(189,473)	116,040	253,058
$ 15,238,901	$ 15,989,282	$ 17,286,254	$ 18,986,792	$ 21,370,428	$ 24,663,488
$ 4,830,806	$ 4,054,837	$ (679,293)	$ 7,275,438	$ 17,117,799	$ 17,006,296
710,064	495,579	4,600,584	(310,975)	279,052	2,194,744
$ 5,540,870	$ 4,550,416	$ 3,921,291	$ 6,964,463	$ 17,396,851	$ 19,201,040

CITY OF FAYETTEVILLE, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax	Insurance Premium Tax
2015	$ 3,163,272	2,799,116	1,398,004	406,527	868,188
2016	3,224,290	3,049,230	1,404,682	339,911	927,516
2017	3,377,638	3,627,566	1,418,440	366,163	1,006,241
2018	4,238,436	3,799,392	1,426,555	369,553	1,072,946
2019	6,052,590	3,953,389	1,502,179	358,614	1,158,554
2020	4,715,445	5,260,580	1,549,296	392,154	1,230,642
2021	6,521,939	5,721,673	1,519,731	376,422	1,297,352
2022	7,502,267	5,926,258	1,624,921	357,282	1,340,824
2023	8,758,854	6,243,470	1,671,423	350,026	1,580,184
2024	10,598,792	6,493,365	1,709,495	412,875	1,680,460

Business and Occupation Tax	Other Taxes	Total
925,729	552,241	10,113,077
997,986	797,140	10,740,755
1,132,578	797,997	11,726,623
1,154,115	505,131	12,566,128
1,248,235	684,778	12,566,128
1,267,045	1,537,266	15,952,428
1,351,430	443,769	17,232,316
1,322,056	511,066	18,584,674
1,578,844	552,906	20,735,707
1,648,374	606,247	23,149,608

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year			
	2015	2016	2017	2018
General Fund				
Nonspendable	$ 130,449	$ 210,087	$ 256,694	$ 450,832
Assigned	2,885,387	3,092,983	3,385,000	3,500,000
Unassigned	3,556,522	2,400,709	3,064,984	847,789
Total General Fund	$ 6,572,358	$ 5,703,779	$ 6,706,678	$ 4,798,621
All Other Governmental Funds				
Nonspendable, reported in:				
Special revenue funds	$ 43,887	$ 21,469	$ 39,779	$ 49,645
Capital projects funds	-	-	-	-
Restricted, reported in:				
Special revenue funds	753,080	935,860	1,185,684	1,123,166
Capital projects funds	2,148,947	2,889,854	2,680,345	2,381,621
Assigned, reported in:				
Capital projects funds	-	-	-	-
Unassigned, reported in:				
Capital projects funds	267,046	-	-	-
Total all other governmental funds	$ 3,212,960	$ 3,847,183	$ 3,905,808	$ 3,554,432

Fiscal Year						
2019	2020	2021	2022	2023	2024
$ 313,842	$ 392,616	$ 355,510	$ 398,385	$ 496,039	$ 607,182
3,500,000	4,200,000	4,200,000	5,250,000	5,250,000	7,000,000
1,935,499	3,374,394	3,720,082	3,879,377	6,838,886	20,058,099
$ 5,749,341	$ 7,967,010	$ 8,275,592	$ 9,527,762	$ 12,584,925	$ 27,665,281
$ 33,765	$ 48,591	$ 23,148	$ 26,583	$ 58,689	$ 63,889
22,268	-	-	-	-	-
1,030,364	1,125,182	1,215,341	1,504,391	1,759,740	2,014,223
2,491,829	3,413,827	11,359,088	11,875,913	18,666,558	24,843,108
-	-	-	-	-	-
(1,008,120)	15,350,544	-	-	-	-
$ 2,570,106	$ 19,938,144	$ 12,597,577	$ 13,406,887	$ 20,484,987	$ 26,921,220

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes	$ 10,113,077	$ 10,748,014	$ 11,734,645	$ 12,550,082
Licenses and permits	391,641	605,257	530,484	493,649
Intergovernmental	1,676,503	2,219,017	3,407,632	4,447,552
Fines and forfeitures	917,448	1,103,205	874,142	901,655
Charges for services	401,364	427,977	430,616	462,155
Main Street	35,071	35,414	36,275	37,803
Impact fees	262,447	767,735	403,916	368,585
Contributions	322,768	155,057	109,985	214,657
Interest income	8,217	16,929	32,139	44,761
Other revenues	55,295	54,518	111,723	104,049
Total revenues	14,183,831	16,133,123	17,671,557	19,624,948
Expenditures				
General government	1,038,603	1,396,104	1,892,285	3,322,770
Judicial	597,843	654,217	581,762	610,101
Public safety	6,778,141	7,454,179	7,824,112	8,959,295
Public works	870,572	921,742	1,011,184	1,217,720
Culture and recreation	4,024	1,756	30	30
Housing and development	1,089,323	1,328,880	2,239,375	2,495,415
Capital outlay	2,230,877	3,859,669	3,962,113	5,664,017
Debt service:				
Principal	561,212	638,119	943,811	1,002,389
Interest	141,391	138,362	134,793	145,414
Total expenditures	13,311,986	16,393,028	18,589,465	23,417,151
Excess (deficiency) of revenues over (under) expenditures	871,845	(259,905)	(917,908)	(3,792,203)
Other financing sources (uses)				
Capital leases	388,760	768,055	580,700	2,365,000
Issuance of debt	-	-	-	-
Premium on debt	-	-	-	-
Proceeds from sale of assets	32,197	16,529	932,137	24,547
Payment to escrow agent	-	-	-	2,895,000
Transfers in	1,835,032	2,722,254	1,509,690	2,384,350
Transfers out	(1,835,032)	(2,705,198)	(1,509,690)	(2,349,389)
Total other financing sources (uses)	420,957	801,640	1,512,837	5,319,508
Net change in fund balances	$ 1,292,802	$ 541,735	$ 594,929	$ 1,527,305
Debt service as a percentage of noncapital expenditures	6.6%	5.5%	6.7%	6.1%

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 14,910,005	$ 15,772,610	$ 17,394,192	$ 18,567,314	$ 20,735,980	$ 23,148,921
570,191	671,653	1,045,341	1,783,085	3,359,506	19,288,107
4,613,854	6,605,281	5,700,796	6,291,834	15,080,899	7,589,710
1,169,649	923,247	924,977	1,112,263	1,014,963	1,228,444
424,627	327,507	396,343	319,776	360,780	400,347
44,308	23,239	17,625	7,600	5,825	6,400
633,908	1,337,593	803,387	1,539,922	1,475,008	832,150
114,505	44,533	79,235	122,682	142,750	76,898
203,259	404,896	46,144	56,496	944,906	1,943,959
186,521	132,733	187,297	218,129	267,062	220,567
22,870,827	26,243,292	26,595,337	30,019,101	43,387,679	54,735,503
2,220,727	2,627,501	2,489,495	3,275,128	3,773,845	4,272,512
636,626	542,432	589,232	657,372	648,201	734,001
9,948,082	10,417,443	9,899,441	11,069,238	12,338,998	13,938,595
1,109,739	1,063,677	1,070,035	1,379,712	1,449,421	1,404,378
55	301,541	273,091	413,659	4,804,779	151,849
1,951,171	1,824,164	2,277,385	3,097,561	4,931,661	12,502,887
4,256,034	12,727,204	21,431,299	2,644,445	4,638,927	4,715,740
1,409,037	1,851,278	1,863,860	5,374,957	762,297	1,052,008
250,139	712,217	1,021,125	1,008,250	882,783	1,090,207
21,781,610	32,067,457	40,914,963	28,920,322	34,230,912	39,862,177
1,089,217	(5,824,165)	(14,319,626)	1,098,779	9,156,767	14,873,326
500,000	940,000	500,000	400,000	1,000,000	700,000
-	-	-	-	-	5,975,000
-	2,352,973	-	-	-	-
-	267,723	22,760	368,268	70,757	60,523
-	21,695,000	-	-	-	-
3,411,412	9,331,171	17,407,564	5,192,103	9,179,922	2,324,995
(3,111,412)	(8,881,171)	(16,957,564)	(4,997,670)	(9,272,183)	(2,417,255)
800,000	25,705,696	972,760	962,701	978,496	6,643,263
$ 1,889,217	$ 19,881,531	$ (13,346,866)	$ 2,061,480	$ 10,135,263	$ 21,516,589
6.8%	11.5%	11.5%	24.2%	6.7%	5.9%

CITY OF FAYETTEVILLE, GEORGIA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax	Insurance Premium Tax
2015	$ 3,163,272	2,799,116	1,398,004	406,527	868,188
2016	3,231,549	3,049,230	1,404,682	410,703	927,516
2017	3,385,660	3,627,566	1,418,440	430,024	1,006,241
2018	3,765,756	3,799,392	1,426,555	441,758	1,072,946
2019	4,520,615	3,953,389	1,502,179	431,144	1,158,554
2020	4,826,210	4,107,376	1,549,296	455,780	1,230,642
2021	5,595,148	4,585,851	1,519,731	472,517	1,297,352
2022	6,082,900	4,914,699	1,624,921	492,640	1,340,824
2023	7,315,671	5,435,970	1,671,423	547,306	1,580,184
2024	8,677,651	5,792,640	1,709,495	669,992	1,680,460

Business and Occupation Tax	Other Taxes	Total
925,729	552,241	10,113,077
997,986	726,348	10,748,014
1,132,578	734,136	11,734,645
1,154,115	889,560	12,550,082
1,248,235	2,095,889	14,910,005
1,267,045	2,336,261	15,772,610
1,351,430	2,572,163	17,394,192
1,322,056	2,789,274	18,567,314
1,578,844	2,606,582	20,735,980
1,648,374	2,970,309	23,148,921

CITY OF FAYETTEVILLE, GEORGIA

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

Fiscal Year	Assessed Value					
	Residential	Commercial	Industrial	Agricultural	Utility	Motor Vehicle
2015	$ 354,864,079	$ 286,136,874	$ 9,096,352	$ 1,270,564	$ 10,678,994	$ 39,708,310
2016	395,758,690	308,710,848	11,173,566	1,321,672	10,399,688	29,407,350
2017	430,419,970	316,416,754	13,705,564	4,014,688	10,246,597	21,564,490
2018	487,377,962	355,953,893	17,768,348	5,027,388	10,785,661	16,073,620
2019	519,435,067	392,040,861	22,514,630	3,977,656	11,202,352	12,250,750
2020	604,745,028	382,424,776	32,806,550	4,996,832	12,568,127	8,633,950
2021	658,806,034	406,944,247	38,524,050	5,322,536	13,010,676	6,505,680
2022	817,494,031	461,033,325	48,089,288	3,799,068	12,834,210	6,188,540
2023	961,442,195	483,819,839	61,625,463	3,944,372	14,225,686	6,331,000
2024	1,040,805,020	592,372,074	54,068,477	4,104,004	19,352,264	5,357,050

Source:
City of Fayetteville, Georgia and Fayette County, Georgia tax records.

(1) Includes heavy duty equipment, timber, and conservation use.
(2) State of Georgia requires 40% assessment of actual value.

Other [1]	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value [2]
$ 1,394,317	$ 5,464,068	$ 697,685,422	3.870	$ 1,744,213,555	40%
936,012	6,112,866	751,594,960	3.874	1,878,987,400	40%
1,047,602	7,712,300	789,703,365	3.874	1,974,258,413	40%
916,306	8,383,268	885,519,910	3.874	2,213,799,775	40%
561,215	10,027,024	951,955,507	5.646	2,381,460,268	40%
1,342,338	12,568,837	1,034,948,764	5.646	2,587,371,910	40%
1,146,480	15,360,277	1,114,899,426	5.646	2,787,248,565	40%
891,310	17,880,559	1,332,449,213	5.646	3,331,123,033	40%
310,924	21,418,962	1,510,280,517	5.646	3,775,701,293	40%
224,360	26,841,555	1,689,441,694	5.646	4,223,604,235	40%

CITY OF FAYETTEVILLE, GEORGIA

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

Fiscal Year	State	County	County School District	City of Fayetteville			Total
				General Fund	Capital Projects Funds	Total City	
2015	0.10	6.27	21.45	2.76	1.11	3.87	31.69
2016	0.05	5.84	21.35	3.02	0.86	3.87	31.11
2017	0.00	5.59	21.10	3.07	0.81	3.87	30.56
2018	0.00	5.18	20.85	2.91	0.69	3.87	29.90
2019	0.00	5.06	20.85	4.41	1.24	5.65	31.56
2020	0.00	4.94	20.52	4.49	1.16	5.65	30.92
2021	0.00	4.70	20.43	4.78	0.87	5.65	30.78
2022	0.00	4.03	19.15	5.04	0.61	5.65	28.83
2023	0.00	4.03	20.00	5.20	0.45	5.65	29.68
2024	0.00	4.47	19.60	5.18	0.47	5.65	29.72

Source:
City of Fayetteville, Georgia and Fayette County, Georgia tax records.

CITY OF FAYETTEVILLE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	Fiscal Year 2024				Fiscal Year 2015		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Trilith Studios LLC	$ 28,800,000	1	1.70%	DDRTC Fayette Pavilion I & II	$ 66,199,850	1	9.49%
Heartis Fayetteville Partners LP	12,024,000	2	0.71%	DDRTC Fayette Pavilion III & IV	31,985,140	2	4.58%
Trilith Studios LLC	11,000,008	3	0.65%	Brent Scarbrough & Company, Inc	18,970,039	3	2.72%
PFH 1267 Mob LLC	10,367,548	4	0.61%	Piedmont Hospital Inc	16,060,600	4	2.30%
DDRTC Fayette Pavilion I & II	10,136,452	5	0.60%	Piedmont Fayette Medical & Office Bldg	15,471,120	5	2.22%
CR Ban Crossing LLC	9,675,280	6	0.57%	NG Ban Crossing LLC	14,525,730	6	2.08%
CCC- PWF LLC	9,116,000	7	0.54%	Chartwell Cobblestone, LLC	13,833,000	7	1.98%
DDDRTC Fayette Pavillion III & IV	8,515,966	8	0.50%	TNT SRT Summit Point LLC	11,535,440	8	1.65%
DDRTC Fayette Pavilion I & II	8,398,916	9	0.50%	Norbelle LLC & Lasalle Investment	11,405,000	9	1.63%
Piedmont Hospital, INC	7,773,120	10	0.46%	Lowes Home Centers, Inc.	9,405,850	10	1.35%
Total	$ 115,807,290		6.85%		$ 209,391,769		30.00%

Source:
City of Fayetteville, Georgia and Fayette County, Georgia tax records.

CITY OF FAYETTEVILLE, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	$ 2,799,996	2,701,065	96.5	76,000	2,794,478	99.8 %
2016	2,827,868	2,822,251	99.8	93,413	2,824,801	99.9
2017	3,030,113	3,026,471	99.9	2,550	3,027,727	99.9
2018	3,299,117	3,280,003	99.4	1,256	3,294,514	99.9
2019	5,262,887	5,030,676	95.6	14,511	5,256,141	99.9
2020	5,448,306	5,413,030	99.4	225,465	5,435,338	99.8
2021	5,789,390	5,771,840	99.7	22,308	5,771,840	99.7
2022	6,529,515	6,486,376	99.3	-	6,486,376	99.3
2023	7,280,689	7,263,618	99.8	-	7,263,618	99.8
2024	8,527,044	8,339,422	98.1	23,673	8,363,095	98.1

Source:
City of Fayetteville, Georgia and Fayette County, Georgia tax records.

CITY OF FAYETTEVILLE, GEORGIA

WATER SOLD BY CUSTOMER TYPE
LAST TEN FISCAL YEARS
(MILLIONS OF GALLONS)

Type of Customer	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Residential [1]	274.86	282.87	267.72	268.27	289.23	285.55	304.45	309.86	326.20	323.97
Commercial [1]	85.49	88.56	86.37	81.25	90.12	90.96	84.68	90.50	92.01	84.09
Senior [1]	68.74	70.65	65.17	67.04	68.76	65.80	62.63	60.39	61.55	64.67
Other [1]	9.18	13.85	4.35	2.73	9.81	4.55	8.76	5.66	8.05	6.01
Total usage	438.27	455.93	423.61	419.29	457.92	446.86	460.52	466.41	487.81	478.74
Total direct rate per 1,000 gallons [2]	$ 3.04	$ 3.11	$ 3.18	$ 3.26	$ 3.35	$ 3.52	$ 3.69	$ 3.86	$ 4.05	$ 4.25

[1] City of Fayetteville billing registers.
[2] City of Fayetteville ordinances.

CITY OF FAYETTEVILLE, GEORGIA

WATER AND SEWER USER RATES
LAST TEN FISCAL YEARS

Fiscal Year	Water (Residential)		Water (Commercial)		Water (Senior)	
	Monthly Base Rate	Rate per 1000 Gallons	Monthly Base Rate	Rate per 1000 Gallons	Monthly Base Rate	Rate per 1000 Gallons
2015	$ 15.19	$ 3.04	$ 27.86	$ 3.04	$ 12.92	$ 3.04
2016	15.55	3.11	28.53	3.11	13.23	3.11
2017	15.92	3.18	29.21	3.18	13.55	3.18
2018	16.30	3.26	29.91	3.26	13.88	3.26
2019	16.69	3.34	30.36	3.34	14.21	3.34
2020	17.52	3.51	32.16	3.51	14.92	3.51
2021	18.40	3.68	33.77	3.68	15.67	3.68
2022	19.32	3.85	35.45	3.86	16.45	3.86
2023	20.28	4.05	37.22	4.05	17.27	4.05
2024	21.29	4.25	39.08	4.25	18.13	4.25

Source:
City of Fayetteville, Georgia ordinances.

Sewer (Residential)		Sewer (Commercial)		Sewer (Senior)	
Monthly Base Rate	Rate per 1000 Gallons	Monthly Base Rate	Rate per 1000 Gallons	Monthly Base Rate	Rate per 1000 Gallons
$ 17.05	$ 3.05	$ 29.90	$ 3.05	$ 14.48	$ 3.05
17.46	3.12	30.62	3.12	14.83	3.12
17.88	3.19	31.35	3.19	15.19	3.19
18.31	3.27	32.10	3.27	15.55	3.27
18.75	3.35	32.87	3.35	15.92	3.35
19.69	3.52	34.51	3.52	16.72	3.52
20.67	3.69	36.24	3.69	17.55	3.69
21.07	3.87	38.05	3.87	18.42	3.87
22.12	4.06	39.95	4.06	19.34	4.06
23.22	4.26	41.94	4.26	20.30	4.26

CITY OF FAYETTEVILLE, GEORGIA

TEN LARGEST WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	Fiscal Year 2024			Fiscal Year 2015		
Taxpayer	Total Water Revenue	Rank	Percentage of Total Water Revenue	Total Water Revenue	Rank	Percentage of Total Water Revenue
Banks Station	$ -		-	$ 23,079	1	1.00%
HCCC, Inc.	-		-	19,315	5	0.84%
Meridian @ Lafayette Apts	61,953	1	1.71%	-		-
Fayette County Jail Complex	19,910	10	-	22,144	2	0.85%
Swanbrook	27,006	4	0.74%	19,577	3	0.85%
Bay Branch Condo	24,627	6	0.68%	19,377	4	0.84%
Curtis J Ball			-	1,928	10	0.08%
Board of Commissioners	20,552	9	-	14,691	6	0.64%
Cobblestone of Fayette	23,860	7	0.66%	14,156	8	0.61%
Summit Retail			-	14,378	7	0.62%
Magnolia Park Daycare (VANE)			-	6,784	9	0.29%
Walton Fayetteville LLC	44,941	2	1.24%	-		-
Hearthside Lafayette	31,809	3	0.88%	-		-
Tidal Wave Auto Spa	21,513	8	0.59%	-		-
CA New Plan Acquisition	24,897	5	0.69%	-		-
Fayette County Board of Ed			-	-		-
Subtotal (10 Largest)	301,069		7.18%	155,429		6.74%
Balance from Other Customers	3,326,321		- 92.82%	2,149,489		93.26%
Total	$ 3,627,390		100.00%	$ 2,304,918		100.00%

Source:
City of Fayetteville, Georgia Water/Sewer Department records.

CITY OF FAYETTEVILLE, GEORGIA

TEN LARGEST SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

	Fiscal Year 2024			Fiscal Year 2014		
Taxpayer	Total Sewer Revenue	Rank	Percentage of Total Sewer Revenue	Total Sewer Revenue	Rank	Percentage of Total Sewer Revenue
Piedmont Healthcare	$ 154,537	1	3.55%	$ 96,300	1	4.68%
Fayette Pavillion LP	106,368	2	2.44%	47,934	2	2.33%
Banks Station	-		-	22,113	3	1.07%
Fayette County Jail Complex	-		-	21,116	5	1.03%
Bay Branch Condo	-		-	19,239	6	93.00%
Summit Retail	-		-	14,939	10	73.00%
Lafayette Nursing Home	-		-	18,073	7	88.00%
Swanbrook	28,878	9	0.66%	21,635	4	1.05%
Board of Commissioners	-		-	15,766	8	0.77%
Walton Fayetteville LLC	48,687	4	-	-		
Cobblestone Fayette	-		-	15,589	9	0.76%
Trilith Propco	42,668	5	0.98%	-		
CA New Plan Acquisition	26,313	10	0.60%	-		-
Meridian @ Lafayette Apt	66,763	3	1.53%	-		-
Hearthside Lafayette	34,693	7	0.80%	-		-
Lofts at Trilith Venture LLC	38,383	6	0.88%	$0	8	0.00%
Heartis Fayetteville Partners	34,594	8	0.79%	-		-
Subtotal (10 Largest)	581,882		12.23%	292,704		14.21%
Balance from Other Customers	3,776,388		87.77%	1,766,619		85.79%
Total	$ 4,358,270		100.00%	$ 2,059,323		100.00%

Source:
City of Fayetteville, Georgia Water/Sewer Department records.

CITY OF FAYETTEVILLE, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					
	Certificates of Participation	Revenue Bonds	Leases	Financed Purchases	Notes Payable	Total
2015	$ 2,805,000	$ 1,600,000	$ 292,919	$ -	$ 670,161	$ 5,368,080
2016	2,600,000	1,385,000	898,659	-	614,357	5,498,016
2017	2,390,000	1,170,000	1,184,980	-	389,925	5,134,905
2018	2,175,000	950,000	5,928,034	-	345,250	9,398,284
2019	1,955,000	720,000	2,715,245	-	3,093,234	8,483,479
2020	1,730,000	24,410,962	2,694,908	-	2,662,293	31,498,163
2021	1,500,000	24,048,951	2,246,714	-	2,216,627	30,012,292
2022	-	23,681,940	-	1,237,260	-	24,919,200
2023	-	23,559,929	-	1,474,963	-	25,034,892
2024	-	29,414,313	-	1,122,955	-	30,537,268

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(2) Due to the implementation of GASB 61, the Downtown Development Authority was changed from a discretely presented component unit to a blended component unit and the related debt became part of the primary government in fiscal year 2013.

Business-type Activities			Total Primary Government	Percentage of Personal Income [1]	Per Capita [1]
Revenue Bonds	Notes Payable	Total			
$ 18,687,366	$ -	$ 17,970,996	$ 23,339,076	4.30 %	$ 1,409
17,970,996	-	18,044,824	23,542,840	3.60	1,266
17,243,618	801,206	16,460,000	21,594,905	4.30	1,481
16,460,000	-	16,460,000	25,858,284	3.68	1,433
15,749,697	806,652	16,556,349	25,039,828	4.17	1,434
13,848,279	9,586,527	23,434,806	54,932,969	9.14	3,144
13,172,762	13,929,756	27,102,518	57,114,810	8.40	3,129
12,454,911	14,127,993	26,582,904	51,502,104	7.57	2,821
11,721,197	13,788,156	25,509,353	50,544,245	7.43	2,769
10,961,994	13,439,554	24,401,548	54,938,816	8.51	2,849

CITY OF FAYETTEVILLE, GEORGIA

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

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Fayette County School District	$ 14,730,885	16.77%	$ 2,470,369
Fayette County Public Facilities Authority	50,055,000	16.77%	8,394,224
Total overlapping debt			10,864,593
City of Fayetteville direct debt			30,537,268
Total direct and overlapping debt			$ 41,401,861

Source:
Fayette County School District and Fayette County Public Facilities Authority.

Notes:
Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Fayetteville. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by 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 FAYETTEVILLE, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2015	2016	2017	2018
Debt limit	$ 70,314,949	$ 75,770,783	$ 79,741,567	$ 89,390,318
Total net debt applicable to limit	-	-	-	-
Legal debt margin	$ 70,314,949	$ 75,770,783	$ 79,741,567	$ 89,390,318
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Notes:
Under Georgia law, the City's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 96,198,253	$ 104,751,760	$ 113,025,970	$ 134,780,949	$ 158,905,899	$ 177,679,195
-	-	-	-	-	-
$ 96,198,253	$ 104,751,760	$ 113,025,970	134,780,949	158,905,899	$ 177,679,195
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value	$ 1,749,950,398
Add back: exempt real property	26,841,555
Total assessed value	1,776,791,953
Debt limit (10% of assessed value)	177,679,195
Legal debt margin	$ 177,679,195

CITY OF FAYETTEVILLE, GEORGIA

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	$ 5,917,164	$ 3,802,058	$ 2,115,106	$ 645,000	$ 673,645	1.60
2016	6,287,328	3,986,165	2,301,163	700,000	658,719	1.69
2017	6,468,741	4,378,653	2,090,088	715,000	644,869	1.54
2018	6,522,202	4,175,132	2,347,070	735,000	629,769	1.72
2019	6,831,225	4,359,414	2,471,811	745,000	612,476	1.82
2020	7,509,612	4,964,070	2,545,542	15,725,017	388,966	0.16
2021	7,792,215	6,142,042	1,650,173	600,000	405,989	1.64
2022	8,183,435	6,552,671	1,630,764	650,000	384,593	1.58
2023	8,626,024	6,565,324	2,060,700	675,000	384,593	1.94
2024	9,555,330	6,681,405	2,873,925	710,000	384,593	2.63

Notes:

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

Utility service charges include tap fees, but exclude interest.

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

CITY OF FAYETTEVILLE, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population [1]	Personal Income (thousands) [2]	Per Capita Personal Income [2]	Median Age [1]	School Enrollment [3]	Unemployment Rate [4]
2015	16,725	$ 502,302	$ 30,033	40.2	20,054	4.9 %
2016	16,990	536,119	31,555	41.3	20,078	4.4
2017	16,705	547,289	32,762	41.7	20,238	5.2
2018	17,056	600,320	35,197	41.8	20,104	5.2
2019	17,459	601,166	34,433	41.8	20,520	3.4
2020	17,472	680,045	38,922	41.8	20,613	3.4
2021	18,255	645,789	35,376	43.5	19,912	3.7
2022	19,284	681,689	35,350	41.0	20,048	2.8
2023	19,687	765,844	38,901	42.9	19,895	3.0
2024	20,083	781,249	38,901	43.4	20,242	3.8

Sources:

(1) City of Fayetteville records.

(2) Bureau of Economic Analysis, U.S. Department of Commerce.

(3) Fayette County Board of Education.

(4) Bureau of Labor Statistics, U.S. Department of Labor.

CITY OF FAYETTEVILLE, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	Fiscal Year 2024			Fiscal Year 2015		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fayette County Board of Education	2,800	1	10.50%	2,567	1	25.03%
Fayette Hospital (Piedmont)	2,156	2	8.08%	1,176	2	11.46%
Brent Scarborough & Company, Inc.	-		-	250	4	2.44%
Walmart Stores, Inc	361	4	1.35%	158	6	1.54%
Kroger	269	8	1.01%	-		-
Publix	355	5	1.33%	107	10	1.04%
Kindred Transitional Care/ Rehabilitation	-	-	-	113	9	1.10%
Fayette County Board of Commissioners	773	3	2.90%	723	3	7.05%
CGH Facility Management LLC	-	-	-	185	5	1.80%
City of Fayetteville	172	9	0.65%	-		-
Olive Garden	272	7	1.02%	-		-
Lowe's	-		-	130	7	1.27%
Chic-fil-A	310	6	1.16%	-		-
Concrete Supply Co	169	10	0.63%	130	8	1.27%
Total	7,637		28.64%	5,539		54.00%

Source:
City of Fayetteville, Georgia records.

CITY OF FAYETTEVILLE, GEORGIA

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
General government	15	18	21	23	24	30	33	32	32	24
Judicial	3	3	3	2	3	3	4	4	4	4
Public safety:										
Police	45	48	55	54	59	60	61	62	62	62
Fire	31	33	39	51	51	48	51	50	54	54
Public works	11	9	12	13	12	8	8	14	15	15
Housing and development	6	8	7	10	11	9	12.5	8	8	9
Main Street tourism	2	1	3	4	3.5	4	4.5	2	2	2
Water and Sewer:										
Water	10	10	11	14	17	14	2	2	2	2
Wastewater	3	3	3	3	2.5	4	5	-	-	-
Total	126	133	154	174	183	180	181	174	179	172

Source:
City of Fayetteville, Georgia records

CITY OF FAYETTEVILLE, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year 2015	2016	2017	2018
Mayor And Council				
Citizen contacts	4,598	4,600	4,780	4,659
Council meetings	27	25	24	24
Correspondence generated	75	76	70	74
Finance and Administration				
A/P checks processed	4,678	3,515	3,513	6,243
Business licenses processed	2,500	2,459	2,379	2,718
Utility bills generated	103,049	103,405	98,404	98,451
Information Technology				
Number of work orders received	600	600	1,700	2,011
Hits on City website per year	400,990	430,850	577,917	500,108
Municipal Court				
Citations processed	5,727	7,954	5,209	5,372
Cases adjudicated	5,909	7,610	253	7,371
Average inmates per month	3	2	3	3
Police				
Number of arrests	1,330	1,430	1,102	1,183
Number of traffic accidents	1,149	1,556	1,634	1,567
Citations/warnings issued	7,262	7,901	6,990	7,637
Fire				
Emergency calls	2,689	2,889	3,237	3,203
Hydrants maintained	1,287	1,287	1,304	1,336
Inspections completed	1,364	1,280	1,969	2,045
Public Works				
Miles resurfaced	0.0	0.0	0.0	3.0
Miles of cracks sealed	0.0	1.0	1.0	1.0
Miles of right of way mowed	410	470	490	495
Housing and Development				
Building permit inspections	2,303	2,727	3,613	4,524
Development plan applications	10	12	0	15
Erosion control inspections	193	237	383	356
Water and Sewer				
Water - gallons processed (X 1,000)	215,760	210,840	265,000	212,304
Wastewater - gallons processed (X 1,000)	743,425	905,662	825,538	846,761
New meter installations	51	62	37	45

Source:
City of Fayetteville, Georgia records.

Fiscal Year					
2019	2020	2021	2022	2023	2024
4,679	4,800	N/A	N/A	N/A	N/A
24	27	28	24	27	35
N/A	N/A	N/A	N/A	N/A	N/A
4,212	4,576	4,690	3,374	5,409	3,705
2,935	2,675	2,507	2,766	2,865	2,685
104,632	101,896	103,618	94,041	109,431	110,532
2,710	2,196	2,930	3,542	3,967	3,500
533,384	419,429	408,565	393,208	606,904	643,587
9,088	4,286	4,321	6,723	5,384	5,233
7,701	2,797	5,160	6,439	4,884	4,579
3	1	1	2	4	5
1,174	1,049	951	1,158	1,168	1,167
1,449	1,362	1,647	1,012	1,036	1,576
9,032	9,947	7,853	8,948	13,589	10,164
3,379	3,416	3,938	4,460	4,674	4,797
1,347	1,379	1,361	1,500	1,557	2,047
2,057	2,341	2,371	2,587	2,311	1,557
5.0	4.0	8.0	4.0	1.0	4.0
1.0	1.0	1.0	2.0	0.0	1.0
498	500	500	502	500	505
4,862	8,907	4,161	4,132	5,676	5,319
13	27	22	35	26	22
833	1,804	1,081	1,164	1,000	1,107
308,395	280,253	245,073	328,351	336,241	318,007
898,152	832,300	768,810	835,990	865,330	926,400
67	21	21	64	51	49

CITY OF FAYETTEVILLE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function/Program	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General Government										
Phone system	1	1	1	1	1	1	1	1	1	1
Computer system	1	1	1	1	1	1	1	1	1	1
Buildings	2	2	2	2	2	2	2	2	2	2
Police										
Station	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	2	2	2	2	2	3	3	3	3	3
Fire trucks	4	5	6	8	8	8	8	8	8	8
Public Works										
Parks	5	5	5	5	5	5	5	5	5	5
Highways/streets	63.30	66.30	66.30	64.30	64.30	64.30	64.30	64.30	64.30	67.00
Building	0.5	0.5	0.5	0.5	0.05	0.05	0.05	0.05	0.05	0.05
Bridge	1	1	1	1	1	1	1	1	1	1
Traffic signals	3	3	3	3	3	3	3	3	3	3
Cemetery	1	1	1	1	1	1	1	1	1	1
Lake	3	3	3	3	3	3	3	3	3	3
Component Units										
Buildings	4	4	4	6	7	7	7	6	6	6
Museum collection	1	1	1	1	1	1	0	0	0	0
Water And Sewer										
Buildings	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Lift stations	24	26	26	26	26	26	28	28	29	29
Miles of sewer lines	126	129	130	131	131	132	133	133	133	137
Miles of water lines	108	108	109	109	109	109	109	109	130	132
Manholes	2,798	2,848	2,863	2,870	2,880	2,890	2,940	2,940	2,940	3,200
Stormwater detention	1	1	1	1	1	1	1	1	1	1
Lake	1	1	1	1	1	1	1	1	1	1
Wells	3	3	3	3	3	3	3	3	3	3

Source:

City of Fayetteville, Georgia records.

CONTINUING DISCLOSURE SECTION

CITY OF FAYETTEVILLE, GEORGIA

WATER SUPPLY BY SOURCE
LAST TEN CALENDAR YEARS
(IN THOUSAND GALLONS)

Calendar Year	Fayette County Volume	Fayette County Percent	System Well/Water Plant Volume	System Well/Water Plant Percent	Total Usage	Percent Change
2015	263,918	55.0 %	215,760	45.0 %	479,678	(2.1) %
2016	287,590	57.7	210,840	42.3	498,430	1.8
2017	301,247	58.7	212,304	41.3	513,551	3.0
2018	251,776	50.3	248,446	49.7	500,222	(2.6)
2019	234,363	43.2	308,395	56.8	542,758	8.5
2020	247,868	46.9	280,253	53.1	528,121	(2.7)
2021	359,737	51.0	345,073	49.0	704,810	33.5
2022	309,729	48.5	328,351	51.5	638,080	(9.5)
2023	266,901	44.3	336,241	55.7	603,142	(5.5)
2024	301,994	51.7	282,348	48.3	584,342	(3.1)

Source: City of Fayetteville, Georgia records.

CITY OF FAYETTEVILLE, GEORGIA

WASTEWATER TREATMENT PLANT AVERAGE FLOW
LAST TEN CALENDAR YEARS
(IN MILLION GALLONS PER DAY)

Calendar Year	Average Daily Flow MGD	Average Weekly Peak Flow MGD
2015	2.04	N/A
2016	2.34	N/A
2017	2.28	N/A
2018	2.34	N/A
2019	2.46	N/A
2020	2.29	N/A
2021	2.10	N/A
2022	2.30	N/A
2023	2.37	N/A
2024	2.52	N/A

Note:

The City's sewerage system consists of a modern secondary wastewater treatment facility, 29 pumping stations and approximately 130 miles of collector and transmission lines. The Whitewater Creek wastewater treatment plant was expanded and upgraded in 1992 to 3.75 MGC and in 2008 to 5.0 MGC through 2003 Water and Sewer Bonds and a GEFA Loan.

Source:

City of Fayetteville, Georgia records.

CITY OF FAYETTEVILLE, GEORGIA

WATER AND SEWER CUSTOMERS
LAST TEN CALENDAR YEARS

Calendar Year	Number of Water Customers	% Increase in Water Customers	Number of Sewer Customers	% Sewer to Water Customers
2015	6,856	1.3 %	7,122	103.9 %
2016	6,891	0.5	7,170	104.0
2017	6,820	(1.0)	7,212	105.7
2018	7,023	3.0	7,472	106.4
2019	7,017	(0.1)	7,559	107.7
2020	7,094	1.1	8,160	115.0
2021	7,092	(0.0)	7,643	107.8
2022	7,147	0.8	7,645	107.0
2023	7,241	1.3	7,758	107.1
2024	7,236	(0.1)	7,557	104.4

Source:
City of Fayetteville, Georgia records.

CITY OF FAYETTEVILLE, GEORGIA

WATER AND SEWER USER FEES AND CHARGES

In accordance with the requirements of Rule 15c-2-12 promulgated by the Securities and Exchange Commission ("SEC"), the City has covenanted to disclose the following annual financial information.

User fees are set by the Mayor and Council to recover independently the cost of providing water and sewerage service, to pay principal and interest on debt obligations of the System and to general reserves for emergencies and expansion of the System. The Mayor and Council last adopted a schedule for rates, tolls, assessments and fees charged by the System in August 2009. The City has covenanted in the Ordinance to revise and adjust such schedules of rates, fees and charges for water sewerage services and facilities to the extent necessary to produce funds at least equal to the amount necessary to: 1) operate and maintain the System on a sound business-like basis but before provision for depreciation or amortization; 2) produce an amount equal to 115% of the Debt Service Requirement for the then current Sinking Fund Year; 3) create and maintain in the Debt Service Reserve Fund an amount equal to the Debt Service Reserve Requirement; and 4) make the payments then required to be made into the Renewal and Extension Fund.

The minimum water and sewer bill is based on the first 2,000 gallons of water usage. In addition to the charges for water and sewerage usage, the City charges a connection fee for new water and sewer services based upon the size of the water meter as indicated in the following table:

Meter Size	Meter Charge	Installed	Tap	Sewer	Total for Water and Sewer
5/8 - 3/4"	$ 900	Y	$ 400	$ 1,479	$ 2,779
1"	1,200	Y	400	2,464	4,064
1.5"	1,500	Y	400	4,928	6,828
2"	2,000	Y	400	7,885	10,285
3"	2,500	N	-	14,785	17,285
4"	7,800	N	-	24,642	32,442
6"	10,540	N	-	49,283	59,823
8"	14,000	N	-	78,854	92,854

Based on the current rate structure and average residential water of usage of 6,500 gallons per month, the average water bill for a residential customer is approximately $30.97 per month. The average residential sewer bill is approximately $33.03 per month.

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards"*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fayetteville, Georgia (the "City"), as of and for the fiscal year ended July 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 23, 2025.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
January 23, 2025

CITY OF FAYETTEVILLE, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JULY 31, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP.	Unmodified
Internal control over financial reporting: Material weaknesses identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Noncompliance material to financial statements noted?	____ Yes __X__ No

Federal Awards

There was not an audit of major federal programs as of July 31, 2024 due to the total amount expended being less than $750,000

SECTION II
FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

CITY OF FAYETTEVILLE, GEORGIA

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

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.