

CITY OF ROYSTON, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2023

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CITY OF ROYSTON, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2023

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RUSHTON
ACCOUNTING & BUSINESS ADVISORS | CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Royston, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Royston, Georgia, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the City of Royston, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Royston Georgia, as of June 30, 2023 and the respective changes in the financial position and, where applicable, cash flows thereof, and the budgetary comparisons of the General Fund and American Rescue Plan Act Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Royston, Georgia's and to meet our 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Royston, Georgia'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 generally accepted auditing standards 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the 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 of Royston, Georgia'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 of Royston, Georgia'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 and the required supplementary information on pages 4 through 16 and 65 through 70, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 of Royston, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2023, on our consideration of the City of Royston, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 results of that testing, and not to provide an opinion on the 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 Royston, Georgia's internal control over financial reporting and compliance.

Rushton, LLC

Gainesville, Georgia
October 6, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Royston, it is our pleasure to present this narrative discussion and analysis of the City of Royston's financial performance, providing an overview of the activities for the fiscal year ended June 30, 2023. The purpose of this narrative is to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about the City of Royston. This analytical information is designed to be read in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- The City of Royston's assets exceeded its liabilities at June 30, 2023 by $18,378,707 (reported as *net position).*

- As of June 30, 2023, Royston's governmental funds reported combined ending fund balances of $2,813,516. Approximately 51% of this total amount, $1,424,498, is available for spending at the City Council's discretion (unreserved fund balance).

More detailed information regarding these activities and funds begins on page 8.

Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to the City of Royston's basic financial statements. The City of Royston's basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

Government-wide Financial Statements (Reporting the City as a whole)

The focus of the government-wide financial statements is on the overall financial position and activities of the City of Royston and is designed to provide readers with a broad overview of the City's financial activities in a manner similar to a private business enterprise.

The City's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These two statements report information about the City of Royston using the accrual basis of accounting, which is similar to the accounting used by most private-sector businesses. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

The purpose of the ***Statement of Net Position*** (pages 17-18) is to report all the assets held and liabilities owed by the City. The City reports all its assets when it acquires ownership over the assets and reports all its liabilities when they are incurred. The difference between the total assets and total liabilities is labeled *net position.* Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

The ***Statement of Activities*** (page 19), on the other hand, presents the revenues and expenses of the City. Under the accrual basis of accounting mentioned earlier, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net position.* The primary focus of the Statement of Activities is on the *net cost* of various activities provided by the City and identifies the extent to which each function of the City draws from general revenues or is self-financing through fees, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, we divide the City of Royston into three types of activities:

- ***Governmental Activities*** – Most of the City's basic services are reported under this category, including police, fire, public works, and general administration. Sales tax, property taxes, and intergovernmental revenues finance most of these services.

- ***Business-type Activities*** – The City charges fees to customers to assist in covering all or most of the cost for certain services it provides. The City's natural gas system, water and sewer system, and garbage collection fees are reported in this category.

- ***Discretely Presented Component Unit*** – Component units are legally separate organizations for which the elected officials of the City are financially accountable. The Downtown Development Authority, although legally separate, functions for all practical purposes as a department of the City of Royston, and therefore has been included as an integral part of the primary government.

The City's government-wide financial statements are presented on pages 17-19.

Fund Financial Statements (Reporting the City's Major Funds)

The focus of fund financial statements is directed to specific activities of the City and its most significant funds, not the City as a whole. A fund is an entity with a self-balancing set of accounts that the City uses to tract specific resources and expenditures, either for management purposes or because of legal mandates. The City's funds are divided into three broad categories – governmental, proprietary, and fiduciary – and use different accounting approaches.

- ***Governmental Funds*** – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements; however governmental fund financial statements focus on the short-term view of the City's general government operations and the basic services it provides. Governmental 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.

  Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided at the bottom of each statement.

In addition to the General Fund, which is considered a major fund, the City of Royston maintains two governmental fund types:

1. Special Revenue Funds
2. Capital Projects Funds

The City of Royston adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The City of Royston adopts an annual appropriated budget for its American Rescue Plan Act Special Revenue Fund. A budgetary comparison statement has been provided for the American Rescue Plan Act Special Revenue Fund to demonstrate compliance with this budget.

The City's basic governmental fund financial statements are presented on pages 20-25 of this report.

- ***Proprietary Funds*** – When the City charges customers for the services it provides – whether to outside customers or to other departments of the City – these services are generally reported in proprietary funds. These proprietary funds are prepared using the same accounting basis as the government-wide financial statements.

  Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. The City of Royston uses enterprise funds, which are considered major funds, to account for its Natural Gas system, Water and Sewer system, and Solid Waste functions.

  The City's proprietary fund financial statements are presented on pages 26-30.

- ***Fiduciary Funds*** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Royston's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City acts as a trustee or fiduciary for the Municipal Court Custodial Fund.

  The City's fiduciary fund financial statements are presented on pages 31-32.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-64 of this report.

Required Supplementary Information

The required supplementary information provides additional information on the City's defined benefit pension plan. This information is necessary to provide a complete picture of the changes in the City's net pension liability. The required supplementary information can be found on pages 65-70.

Other Supplementary Information

Other supplementary information includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements.

This report includes two schedules (pages 21 and 23), which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual-to-accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on fund financial statements.

- Certain tax revenues that are earned, but not available, are reported as revenue on the government-wide statement but are reported as deferred revenue on the fund statements. Unless due and payable, long-term liabilities, such as lease obligations, compensated absences, bonds and notes payable, and others only appear as liabilities in the government-wide statements.

- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.

- Bond and note proceeds result in liabilities on the government-wide statements but are recorded as other financing sources on the governmental fund financial statements.

- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements but are reported as expenditures on the governmental fund financial statements.

Overview of the City's Financial Position and Operations

The City's overall financial position and operations for this year is summarized as follows based on the information included in the government-wide financial statements (see pages 17-19):

City of Royston
Net Position (Financial Position)
Fiscal Years 2022 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2022	**2023**	**2022**	**2023**	**2022**	**2023**
Current assets	$ 2,829,687	$ 3,275,129	$ 5,458,740	$ 6,320,399	$ 8,288,427	$ 9,595,528
Noncurrent assets	5,288,017	5,141,005	7,735,046	7,684,640	13,023,063	12,825,645
Total assets	8,117,704	8,416,134	13,193,786	14,005,039	21,311,490	22,421,173
Total deferred outflows of resources	66,165	231,423	61,021	161,958	127,186	393,381
Current liabilities	517,157	519,906	541,511	656,547	1,058,668	1,176,453
Noncurrent liabilities	40,374	736,899	1,783,047	2,070,603	1,823,421	2,807,502
Total liabilities	557,531	1,256,805	2,324,558	2,727,150	2,882,089	3,983,955
Total deferred inflows of resources	629,131	438,938	155,868	12,954	784,999	451,892
Net Position						
Net investment in capital assets	4,798,883	4,707,037	5,820,931	5,914,759	10,619,814	10,621,796
Restricted	1,032,287	1,039,326	0	0	1,032,287	1,039,326
Unrestricted	1,166,037	1,205,451	4,953,450	5,512,134	6,119,487	6,717,585
Total net position	$ 6,997,207	$ 6,951,814	$ 10,774,381	$ 11,426,893	$ 17,771,588	$ 18,378,707

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets for the City of Royston exceeded liabilities by $18,378,707 at the close of the current year. However, much of the net position either is restricted for the purposes for which they can be used or are invested in capital assets.

The largest portion of the City of Royston's net position reflects its net invested in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire the assets. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's invested in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The unrestricted governmental net position increased due to several factors of recent financial activity; revenues exceeded expenditures due to conservative revenue budgeting. The City continues sustain prior year fund balance in reserve because of current economic conditions.

The city's original budget forecast for fiscal year 2023 continued to be affected by current economic conditions resulting in significant increase in expenditures to due price increases as felt by all citizens and governments in our area. The city continues to focus on major infrastructure projects and current fixed assets maintenance in the Gas, Water, Sewer, Street, Police Department, Fire Department, and Sanitation. Of all planned projects only 50% were

completed due to supply shortages, work force issues, and budget restrictions. The City of Royston will continue to ensure measures that were implemented to control cost and expenditures continue to be managed accordingly.

Additionally, conservative spending in the Government as a whole combined with some Federal Government Grant Funding through the American Rescue Plan Act resulted in total revenues exceeding expenditures and were contributing factors for the positive Net Position at year end. In recent years the city has reduced its reliance upon a substantial Gas transfer to stabilize the General Fund, which has enabled a more realistic picture of what is required from an operational view.

GAS DEPT:

Gas continues to be a major financial sustainer for the City of Royston. The city will continue to focus on gas line maintenance with an eye toward expansion within the City's Gas Territory. As the 2024 budget is underway, the potential of new volume customers, smaller poultry farms, residential and small businesses within the city's service area will support expansion possibilities. Major projects will impact the City of Royston over the next 5 years due to the proposed widening of State Route 17, as Royston Natural Gas' arterial feeds run along this route. This expansion will require detailed in-depth funding options, engineering, and construction. This will be a major investment for the city and aid the ability to serve the requested MCF's of gas per hour of larger industrial possibilities.

WATER DEPT:

The Royston Wastewater Treatment Plant has received some new compliance regulations that resulted in a recommendation from the City Engineers to upgrade the existing plant with new filtration processes. These new upgrades led the city to apply for a GEFA loan with principal forgiveness to pay for the needed changes. Projected date for completion is April 2025. Lift Station Rehabilitation continues with one lift station project remaining to be completed.

The City increased Water and Sewer Rates in Fiscal Year 2023 to mitigate the price increases in operating materials and supplies along with a plan to reserve some funds for the future upgrades planned.

The Water Department has planned a Plant Upgrade to High-Rate water production for Municipal customers that have requested an increase of water volume as well as some planned growth within the city. These upgrades include replacing equipment that is well past the end of useful life along with a plan to improve the water supply intake system to allow for increased water sales. The City has applied for funding from GEFA for this project which will include a low interest loan and a principal forgiveness portion. For planning fiscal years 2025-2027, intergovernmental agreement updates will need to be a priority for Royston. The City continues to strive to maintain quality distribution services and water production. New Regulations have been imposed for Lead Service Line discovery. These regulations will require the city to expend some funds for an inventory process. Fiscal Year 2024 may see a continued increase in expenditures due to rising prices for materials and chemicals. Water intake, water plant production, and well development will continue to be a priority for fiscal years 2024-2027.

The water department continues to incur rising cost in materials and chemicals caused by the economy and availability of products associated with water and wastewater processes. New housing development will require additional Lift Station Pump maintenance, repairs, and replacements requiring additional funding for fiscal years 2024-2026. To meet the budgetary and GEFA compliance requirements, Water & Sewer rates will require annual review. Royston City Council voted to increase rates with the CPI beginning January 2024.

SANITATION DEPT:

During fiscal year 2023, the city continued to focus on residential and commercial equipment replacement such as carts & dumpsters. An increase in sanitation rates and fees associated with roll-off container services and residential services increased slightly during 2023 with a vote from Council to continue small increases annually in line with the Consumer Price Index. Increases in landfill fees, gasoline, and equipment repair and maintenance cost increases have had a significant impact on Sanitation net position as the economy continues to dictate major cost inflations with waste refuse.

GENERAL FUND:

During fiscal year 2024 the city will see increased costs due to a retirement change that positively impacted employees and council. Although this causes an increase in retirement liabilities for the future, the Council was determined to reward longevity in the staff. Tax collections continue to exceed budgeted tax revenue for fiscal year 2023 due to county reassessment and surrounding property value increase due to economic changes. The city continues to take responsible and proactive measures to ensure financial stability, expenditure and budgeting oversight, and cost saving processes which will allow for future growth.

Effective tax collection processes, SPLOST V Grant Revenues continuing to exceed expectations, insurance proceeds from covered vehicle loss, sales of stagnant equipment, and ARPA funding from State and Federal Grant processes had a positive and direct impact on the city's overall Net Position for Fiscal Year 2023. The availability of SPLOST V and VI & LMIG funding from the State of Georgia continues to reduce financial strain on the General Fund. The City of Royston continues apply for Public Safety Grants through FEMA / GEMA that will cover a percentage of costs associated with the equipment needs within the Fire and Police Department.

The Street Department and Downtown Development Authority will continue to have areas that increase cost, but in a direct and positive way, through continued road and street maintenance and downtown business interest. The City has applied for a Strategic Plan Grant through the Appalachian Regional Commission to aid the city in future planning and growth. The city continues to maintain a one hundred acre plus green space which includes parks, roadways, and cemetery in addition to city rights-of-way. LMIG funds applied to street paving and emergency repairs on major street issues contribute to the 70 % of major resurfacing projects. LMIG Funding received for 2020 and 2022 were combined to fund a Fiscal Year 2023 repaving project that exceeded single year funding and repaved a significant portion of Cook Street.

AMERICAN RESCLUE PLAN ACT SPECIAL REVENUE FUND:

During fiscal year 2022, the city council voted to recognize ARPA proceeds as lost revenue replacement in the general fund. These funds will help to offset any lost revenue the City experienced during the COVID19 pandemic. The last of these funds will be recognized in FY2024.

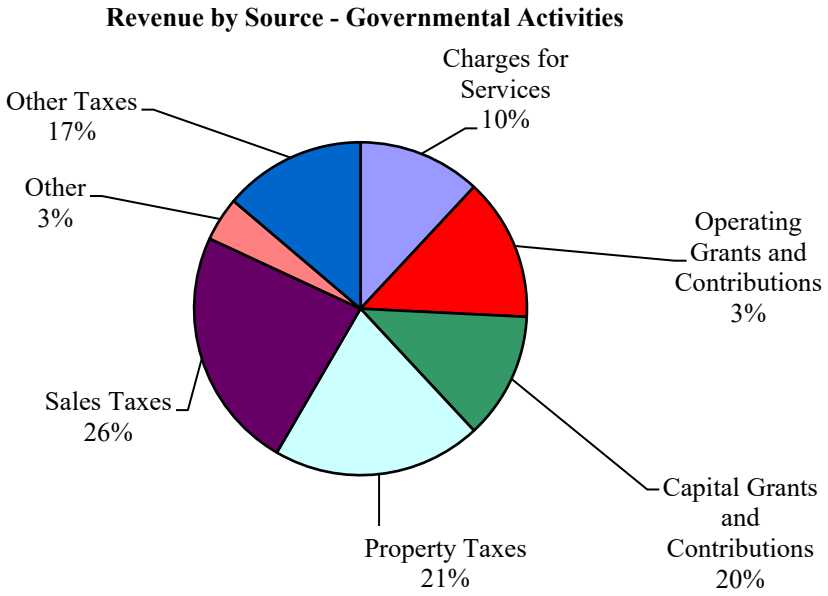
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how the City of Royston's net position changed during the year.

City of Royston
Changes in Net Position
For Fiscal Years 2022 and 2023

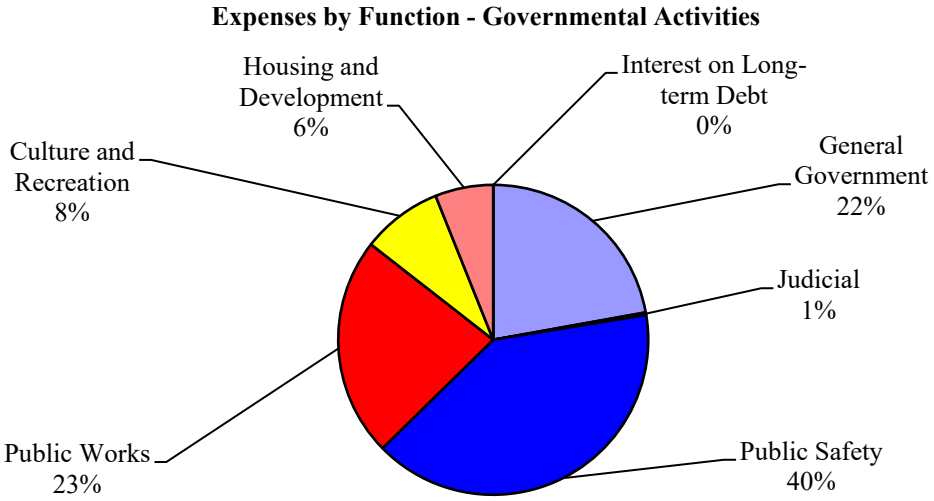
	Governmental Activities		Business-Type Activities		Total	
	2022	**2023**	**2022**	**2023**	**2022**	**2023**
Program revenues:						
Charges for services	$ 315,494	$ 462,219	$ 4,392,992	$ 4,895,579	$ 4,708,486	$ 5,357,798
Operating grants and contributions	92,557	536,261	0	0	92,557	536,261
Capital grants and contributions	648,292	476,023	0	13,822	648,292	489,845
General revenues:						
Property taxes	680,433	787,373	0	0	680,433	787,373
Sales tax	841,099	911,038	0	0	841,099	911,038
Other taxes	525,899	534,794	0	0	525,899	534,794
Interest and investment earnings	14,495	23,372	3,464	31,730	17,959	55,102
Miscellaneous revenue	90,504	142,123	458	25,100	90,962	167,223
Total revenues	3,208,773	3,873,203	4,396,914	4,966,231	7,605,687	8,839,434
Expenses						
General Government	601,180	823,715	0	0	601,180	823,715
Judicial	7,226	8,888	0	0	7,226	8,888
Public Safety	1,090,999	1,479,664	0	0	1,090,999	1,479,664
Public Works	620,522	935,226	0	0	620,522	935,226
Culture and Recreation	227,720	247,974	0	0	227,720	247,974
Housing and Development	164,151	131,709	0	0	164,151	131,709
Water and sewer	0	0	1,159,652	1,474,384	1,159,652	1,474,384
Natural gas	0	0	2,092,616	2,681,715	2,092,616	2,681,715
Sanitation	0	0	357,758	449,040	357,758	449,040
Total expenses	2,711,798	3,627,176	3,610,026	4,605,139	6,321,824	8,232,315
Increase (decrease) in net position before tranfers	496,975	246,027	786,888	361,092	1,283,863	607,119
Transfers	(251,126)	(291,420)	251,126	291,420	0	0
Increase (decrease) in net position	245,849	(45,393)	1,038,014	652,512	1,283,863	607,119
Net position - beginning	6,751,358	6,997,207	9,736,367	10,774,381	16,487,725	17,771,588
Net position - ending	$ 6,997,207	$ 6,951,814	$ 10,774,381	$ 11,426,893	$ 17,771,588	$ 18,378,707

Governmental Activities –

The following chart depicts revenues of the governmental activities for the year:

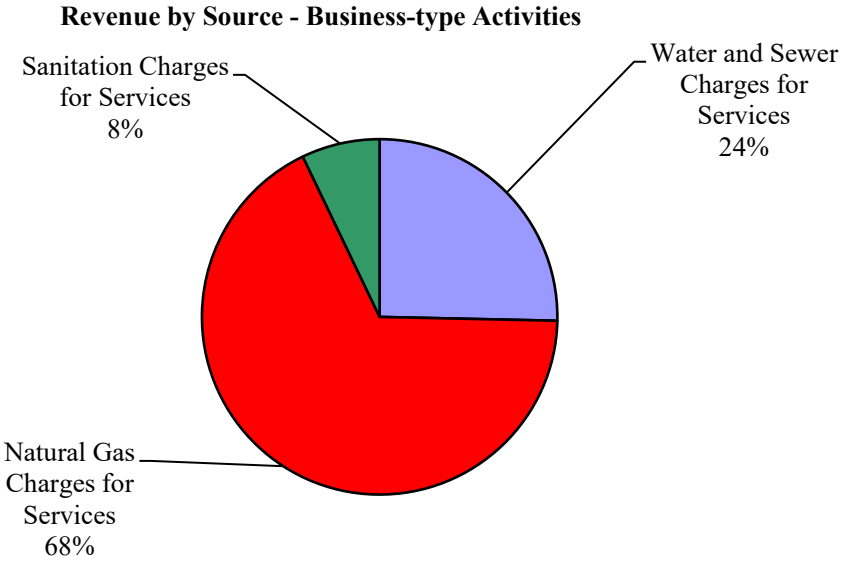


The following chart depicts the expenses of the governmental activities for the year:

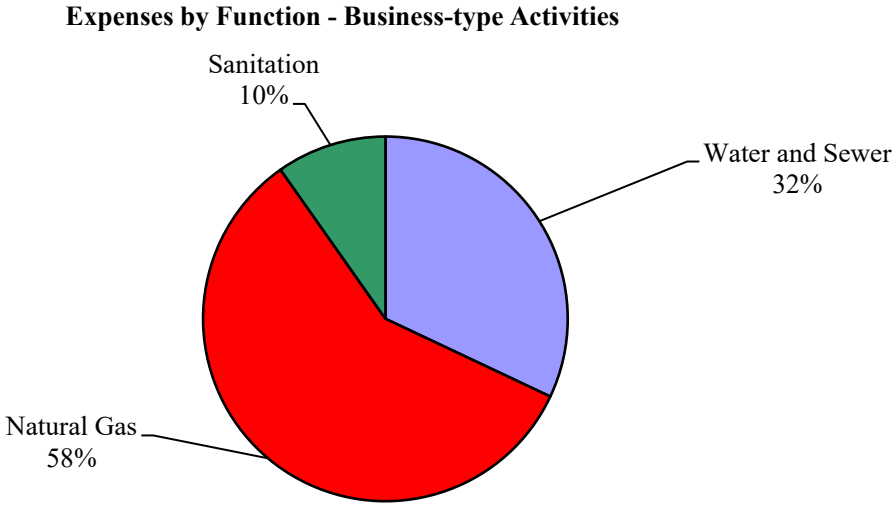


Business-type Activities –

The following chart depicts the revenues of the business-type activities:



The following chart depicts the expenses of the business-type activities:



Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City of Royston's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As the City completed this year, its governmental funds reported a combined ending fund balance of $2,813,516. Of this amount, $1,424,498 (51%) constitutes unreserved fund balance, which is available for appropriation for the general purposes of the funds. The remainder of fund balance is reserved or designated for projects and is not available for spending.

The **General Fund** is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the General Fund was $1,424,498 and the total fund balance reached $1,799,308. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 53% of the total General Fund expenditures, while total fund balance represents 66% of that same amount.

The **American Rescue Plan Act** Fund is the special revenue fund that is used to account for revenues and expenditures of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery grant. At the end of the current year, restricted fund balance of this fund was $3,767.

The **Franklin County SPLOST #5** Fund is the capital projects fund that is used to account for long-term projects financed by the passage of the Franklin County Special Purpose Local Option Sales Tax #5. At the end of the current year, restricted fund balance of this fund was $841,534.

General Fund Budget Highlights

The original budget for the General Fund was amended by various additional revenues and appropriations approved after the beginning of the year. The City invested additional funds to complete the Amphitheater addition to the Wellness Park with plans to hold various events in the upcoming year and to offer the Amphitheater for Rental Use. The City also made an effort to increase the wages of employees to help combat the inflationary effects to our dedicated staff. A new addition was made to the budget to allow for Planning and Zoning improvements within the city limits. The city anticipates a reduction in fund balance for Fiscal Year 2024 due to necessary Capital Asset replacement needs throughout the city. The city will continue to make every effort to keep expenses low while maintaining a high level of service for residents and looking for grant funding options.

General Fund expenditures were $2,700,698 with appropriations of $3,046,400. Continued increases in local sales taxes have aided city efforts to stay within budget guidelines. Unexpected capital purchases will continue to be offset from funds provided by SPLOST V and SPLOST VI from Franklin and Hart County.

American Rescue Plan Act Special Revenue Fund Budget Highlights.

American Rescue Plan Act Special Revenue Fund expenditures were $0 and transfers out were $480,000 with total appropriations of $480,000. The city has continued to be conservative in the spending of these funds and will make every effort to make the best use of the remaining funds.

Proprietary Funds

The City of Royston's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the City's three proprietary funds totaled as follows:

- Water and Sewer Utility $4,234,152
- Natural Gas Utility $7,003,750
- Sanitation $ 188,991

The total increase in net position for the three funds was $896,426. Other factors concerning the finances of these three funds have already been addressed in the discussion of The City's business-type activities.

Capital Assets and Debt Administration

Capital Assets. The City of Royston has invested $12,401,669 in capital assets (net of accumulated depreciation). Capital assets include infrastructure, land, buildings, and machinery and equipment. Approximately 62% of these investments are related to business-type activities and approximately 38% relates to governmental activities.

Capital assets held by the City at the end of the current year are summarized as follows:

	Governmental Activities	Business-type Activities	Total
Land	$ 515,144	$ 81,702	$ 596,846
Buildings	4,733,847	206,501	4,940,348
Infrastructure	2,515,785	0	2,515,785
Land improvements	0	46,824	46,824
Distribution system	0	14,614,409	14,614,409
Vehicles and equipment	2,721,284	1,821,419	4,542,703
Furniture and fixtures	59,230	0	59,230
Software	94,030	0	94,030
Construction in progress	0	368,607	368,607
Total	10,639,320	17,139,462	27,778,782
Accumulated depreciation	(5,922,291)	(9,454,822)	(15,377,113)
Net Capital Assets	$ 4,717,029	$ 7,684,640	$ 12,401,669

Additional information on the City of Royston's capital assets can be found in the Notes to the Financial Statements, Exhibit A-14, on pages 52-53 of this report.

Long-term debt. On June 30, 2023, the City of Royston has $1,640,606 in notes payable outstanding. The City decreased its long-term debt outstanding in fiscal year 2023 by $273,509. Additional information on the City's long-term debt can be found in the notes to the Financial Statements, Exhibit A-14, on pages 54-55 of this report.

ECONOMIC CONDITION AND OUTLOOK:

The City of Royston continues to meet the needs of the city through a managed spending plan and budgeting process. This has allowed the city to continue a high level of service despite current economic conditions. The city will continue to stay steadfast, ensuring our citizens are provided with what they need. The governing factors considered for the fiscal year 2024 budget planning were:

- Ensuring that we can better service the city and its responsibilities through planning.
- Implement long-term capital planning to maintain city equipment to continue our level of service to citizens.
- Hire qualified, competent employees to fill key positions. Implement a program with Georgia Rural Water to increase training and hiring possibilities in the Water Department.
- Continue to show accurate accountability through proper procurement processes.
- Natural Gas continues to be one of our biggest revenue sources. Planning for future expansion and required maintenance and service area needs.
- Potential large Natural Gas customer through regional industrial growth with area municipalities and IBA.
- Water and Wastewater upgrades for aging infrastructure through GEFA loans funding.
- Street & Sidewalk resurfacing and replacing through Budgeting, LMIG, GDOT Grant and SPLOST funds being used.
- Continue replacing aging city equipment concentrating on police department vehicles as well as the oldest vehicles in other departments.
- Fund a plan for Phase II for the Amphitheater in Wellness Park along with ordinance changes for possible future uses.
- Plan for revitalization of downtown area with help from an ARC Strategic Plan Grant.
- Housing and Business development needs, working with the DCA and Economic groups to aid in planning forward.
- Plan for the exit of the local Elementary School and its impact on the community.
- "Plan for our Success"

Contacting the City's Financial Services Department

This financial report is compiled to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Royston's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed as follows:

City of Royston
684 Franklin Springs Street
Royston, GA 30662

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BASIC FINANCIAL STATEMENTS

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS				
Current assets				
Cash and cash equivalents	$ 2,847,698	$ 5,529,085	$ 8,376,783	$ 3,372
Certificates of deposit	82,839	0	82,839	0
Restricted assets				
Cash and cash equivalents	5,191	167,396	172,587	0
Receivables (net)				
Accounts	18,752	471,108	489,860	0
Taxes	101,770	0	101,770	0
Lease	18,699	0	18,699	0
Intergovernmental	80,298	0	80,298	0
Interest	99	0	99	0
Internal balances	69,709	(69,709)	0	0
Prepaid items	49,236	16,452	65,688	0
Inventories	838	136,358	137,196	0
Total current assets	3,275,129	6,250,690	9,525,819	3,372
Noncurrent assets				
Lease receivable	423,976	0	423,976	0
Capital assets				
Non-depreciable	515,144	450,309	965,453	0
Depreciable (net)	4,201,885	7,234,331	11,436,216	152,695
Total noncurrent assets	5,141,005	7,684,640	12,825,645	152,695
Total assets	8,416,134	13,935,330	22,351,464	156,067
DEFERRED OUTFLOWS OF RESOURSES				
Deferred outflows related to pension	231,423	161,958	393,381	0
LIABILITIES				
Current liabilities				
Payables				
Accounts	128,094	233,469	361,563	2,916
Refunds	1,216	0	1,216	0
Sales tax	0	4,935	4,935	0
Due to others	22,658	0	22,658	0
Accrued salaries and expenses	21,589	10,617	32,206	0
Other payroll liabilities	0	4,124	4,124	0
Compensated absences	65,651	35,386	101,037	0
Unearned revenue	280,698	46,369	327,067	0
Customer deposits payable	0	167,396	167,396	0
Notes payable	0	84,542	84,542	0
Total current liabilities	519,906	586,838	1,106,744	2,916

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
Noncurrent liabilities				
Compensated absences	$ 7,294	$ 3,932	$ 11,226	$ 0
Net pension liability	729,605	510,607	1,240,212	0
Notes payable	0	1,556,064	1,556,064	0
Total noncurrent liabilities	736,899	2,070,603	2,807,502	0
Total liabilities	1,256,805	2,657,441	3,914,246	2,916
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	18,614	12,954	31,568	0
Deferred inflows related to leases	420,324	0	420,324	0
Total deferred inflows of resources	438,938	12,954	451,892	0
NET POSITION				
Net investment in capital assets	4,707,037	5,914,759	10,621,796	152,695
Restricted for:				
Public Safety	114,676	0	114,676	0
Grant specifications	3,767	0	3,767	0
Capital outlay	920,883	0	920,883	0
Unrestricted	1,205,451	5,512,134	6,717,585	456
Total net position	$ 6,951,814	$ 11,426,893	$ 18,378,707	$ 153,151

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 823,715	$ 363,903	$ 480,053	$ 0	$ 20,241
Judicial	8,888	0	0	0	(8,888)
Public Safety	1,479,664	72,688	56,208	0	(1,350,768)
Public Works	935,226	9,200	0	476,023	(450,003)
Culture and Recreation	247,974	0	0	0	(247,974)
Housing and Development	131,709	16,428	0	0	(115,281)
Total governmental activities	3,627,176	462,219	536,261	476,023	(2,152,673)
Business-type activities					
Water and Sewer Utility	1,474,384	1,240,766	0	0	(219,796)
Natural Gas Utility	2,681,715	3,306,673	0	13,822	624,958
Sanitation	449,040	348,140	0	0	(100,900)
Total business-type activities	4,605,139	4,895,579	0	13,822	304,262
Total primary government	8,232,315	5,357,798	536,261	489,845	(1,848,411)
Component Unit					
Downtown Development Authority					
Housing and Development	30,000	4,690	1,500	0	(23,810)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Change in net position				
Net (expense) revenue	$ (2,152,673)	$ 304,262	$ (1,848,411)	$ (23,810)
General revenues				
Taxes				
Property	787,373	0	787,373	0
Sales	911,038	0	911,038	0
Franchise	188,114	0	188,114	0
Insurance premium	217,640	0	217,640	0
Intangibles	13,903	0	13,903	0
Alcoholic beverage	72,811	0	72,811	0
Occupational	32,568	0	32,568	0
Hotel/Motel	9,758	0	9,758	0
Payments from City of Royston	0	0	0	10,602
Interest and investment earnings	23,372	31,730	55,102	0
Other	70,873	0	70,873	614
Gain on sale of assets	71,250	25,100	96,350	0
Transfers	(291,420)	291,420	0	0
Total general revenues and transfers	2,107,280	348,250	2,455,530	11,216
Change in net position	(45,393)	652,512	607,119	(12,594)
Net position - beginning	6,997,207	10,774,381	17,771,588	165,745
Net position - ending	$ 6,951,814	$ 11,426,893	$ 18,378,707	$ 153,151

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	General	American Rescue Plan Act	Franklin County SPLOST #5	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	$ 1,600,823	$ 281,754	$ 833,319	$ 131,802	$ 2,847,698
Certificates of deposit	82,839	0	0	0	82,839
Restricted assets					
Cash and equivalents	5,191	0	0	0	5,191
Receivables (net)					
Accounts	18,752	0	0	0	18,752
Taxes	101,115	0	0	655	101,770
Leases	442,675	0	0	0	442,675
Intergovernmental	0	0	30,932	49,366	80,298
Interest	99	0	0	0	99
Due from other funds	69,709	0	0	0	69,709
Inventories	838	0	0	0	838
Prepaid items	49,236	0	0	0	49,236
Total assets	$ 2,371,277	$ 281,754	$ 864,251	$ 181,823	$ 3,699,105
LIABILITIES					
Accounts payable	$ 92,461	$ 0	$ 22,717	$ 12,916	$ 128,094
Refunds payable	1,216	0	0	0	1,216
Accrued salaries	21,589	0	0	0	21,589
Unearned revenue	2,711	277,987	0	0	280,698
Due to others	22,658	0	0	0	22,658
Total liabilities	140,635	277,987	22,717	12,916	454,255
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	11,010	0	0	0	11,010
Leases	420,324	0	0	0	420,324
Total deferred inflows of resources	431,334	0	0	0	431,334
FUND BALANCES					
Nonspendable prepaid items	49,236	0	0	0	49,236
Nonspendable inventories	838	0	0	0	838
Nonspendable leases	22,351	0	0	0	22,351
Restricted for:					
Public Safety	20,618	0	0	94,058	114,676
Grant specifications	0	3,767	0	0	3,767
Capital projects	4,500	0	841,534	74,849	920,883
Assigned for:					
Subsequent budget	266,425	0	0	0	266,425
Capital outlay	10,842	0	0	0	10,842
Unassigned	1,424,498	0	0	0	1,424,498
Total fund balances	1,799,308	3,767	841,534	168,907	2,813,516
Total liabilities, deferred inflows of resources, and fund balances	$ 2,371,277	$ 281,754	$ 864,251	$ 181,823	$ 3,699,105

CITY OF ROYSTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2023

Total fund balance - total governmental funds		$ 2,813,516
Amounts reported for governmental activities in the statement of net position are different because:		
Some assets are not financial resources and, therefore, are not reported in the funds. These are:		
Capital assets net of accumulated depreciation		4,717,029
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds. These are:		
Property taxes		11,010
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are:		
Deferred outflows of resources:		
Pension	$ 231,423	
Deferred inflows of resources:		
Pension	(18,614)	212,809
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:		
Net pension liability	(729,605)	
Compensated absences	(72,945)	(802,550)
Net position of governmental activities		$ 6,951,814

CITY OF ROYSTON, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2023

	General	American Rescue Plan Act	Franklin County SPLOST #5	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	$ 2,224,189	$ 0	$ 0	$ 9,758	$ 2,233,947
Licenses and permits	29,973	0	0	0	29,973
Fines, fees and forfeitures	60,362	0	0	11,463	71,825
Charges for services	360,421	0	0	0	360,421
Intergovernmental	21,021	480,056	351,839	131,659	984,575
Interest	19,979	3,329	5,103	64	28,475
Contributions	8,210	0	0	14,400	22,610
Other	70,873	0	0	0	70,873
Total revenues	2,795,028	483,385	356,942	167,344	3,802,699
EXPENDITURES					
Current					
General Government	689,430	0	0	0	689,430
Judicial	8,508	0	0	0	8,508
Public Safety	1,123,739	0	0	33,214	1,156,953
Public Works	567,701	0	0	0	567,701
Culture and Recreation	215,864	0	0	0	215,864
Housing and Development	95,456	0	0	10,983	106,439
Capital outlay	0	0	320,105	36,022	356,127
Total expenditures	2,700,698	0	320,105	80,219	3,101,022
Excess (deficiency) of revenue over (under) expenditures	94,330	483,385	36,837	87,125	701,677
Other financing sources (uses)					
Transfers in	480,000	(480,000)	0	0	0
Transfers out	(189,787)	0	(101,633)	0	(291,420)
Sale of capital assets	71,250	0	0	0	71,250
Total other financing sources (uses)	361,463	(480,000)	(101,633)	0	(220,170)
Net change in fund balance	455,793	3,385	(64,796)	87,125	481,507
Fund balances, July 1	1,343,515	382	906,330	81,782	2,332,009
Fund balances, June 30	$ 1,799,308	$ 3,767	$ 841,534	$ 168,907	$ 2,813,516

See accompanying notes to the financial statements.

CITY OF ROYSTON, 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 June 30, 2023

Net change in fund balances - total governmental funds		$ 481,507
Amounts reported for governmental activities in the statement of activities are different because:		
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.		
Capital outlays	$ 159,586	
Depreciation	(274,078)	(114,492)
In the statement of activities, the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increase financial resources.		
Cost of assets disposed	(561,038)	
Related accumulated depreciation	561,038	0
Distributions of capital assets decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources		
Cost of assets	(23,079)	
Related accumulated depreciation	9,257	(13,822)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable property taxes.		(744)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
Pension contributions	71,961	
Cost of benefits earned net of employee contributions	(450,944)	(378,983)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.		
Compensated absences	(18,859)	(18,859)
Change in net position of governmental activities		$ (45,393)

CITY OF ROYSTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2023

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	$ 2,124,250	$ 2,149,550	$ 2,224,189	$ 74,639
Licenses and permits	40,400	40,400	29,973	(10,427)
Fines, fees and forfeitures	49,550	52,125	60,362	8,237
Charges for services	338,800	338,800	360,421	21,621
Intergovernmental	23,000	23,000	21,021	(1,979)
Interest	850	2,650	19,979	17,329
Contributions	1,000	4,000	8,210	4,210
Other	46,200	46,200	70,873	24,673
Total revenues	2,624,050	2,656,725	2,795,028	138,303
EXPENDITURES				
Current				
General Government				
Mayor and Council	130,750	138,550	136,887	1,663
Administration	753,450	752,050	552,286	199,764
Elections	300	300	257	43
Judicial				
Municipal Court	13,800	13,800	8,508	5,292
Public Safety				
Police	1,034,630	1,037,630	1,025,324	12,306
Fire	90,720	92,220	81,372	10,848
Animal Control	11,325	17,500	17,043	457
Public Works				
Streets	422,375	456,475	447,680	8,795
Maintenance Shop	129,980	126,980	95,250	31,730
Cemetery	44,300	47,300	24,771	22,529
Culture and Recreation				
Library	47,960	50,360	50,357	3
Parks and Recreation	188,180	201,780	165,507	36,273
Housing and Development				
Planning and Zoning	27,600	27,600	11,653	15,947
Better Hometown Program	79,655	83,855	83,803	52
Total expenditures	2,975,025	3,046,400	2,700,698	345,702
Excess (deficiency) of revenues over (under) expenditures	(350,975)	(389,675)	94,330	484,005
Other financing sources (uses)				
Transfers in	0	188,000	480,000	292,000
Transfers out	0	(190,300)	(189,787)	513
Sales of capital assets	0	31,300	71,250	39,950
Contingency	(1,500)	0	0	0
Total other financing sources (uses)	(1,500)	29,000	361,463	332,463
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(352,475)	(360,675)	455,793	816,468
Fund balances, July 1	352,475	360,675	1,343,515	982,840
Fund balances, June 30	$ 0	$ 0	$ 1,799,308	$ 1,799,308

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2023

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 480,000	$ 480,000	$ 480,056	$ 56
Interest	0	0	3,329	3,329
Total revenues	480,000	480,000	483,385	3,385
EXPENDITURES				
Current	0	0	0	0
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	480,000	480,000	483,385	3,385
Other financing sources (uses)				
Transfers out	(384,650)	(384,650)	(480,000)	(95,350)
Contingency	(95,350)	(95,350)	0	95,350
Total other financing sources (uses)	(480,000)	(480,000)	(480,000)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	3,385	3,385
Fund balances, July 1	0	0	382	382
Fund balances, June 30	$ 0	$ 0	$ 3,767	$ 3,767

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 833,536	$ 4,503,163	$ 192,386	$ 5,529,085
Restricted assets				
Cash and cash equivalents	45,538	121,858	0	167,396
Receivables (net)				
Accounts	208,527	222,064	40,517	471,108
Inventories	0	136,358	0	136,358
Prepaid items	7,199	7,040	2,213	16,452
Total current assets	1,094,800	4,990,483	235,116	6,320,399
Noncurrent assets				
Capital assets				
Non-depreciable	430,193	13,687	6,429	450,309
Depreciable (net)	4,738,825	2,411,037	84,469	7,234,331
Total noncurrent assets	5,169,018	2,424,724	90,898	7,684,640
Total assets	6,263,818	7,415,207	326,014	14,005,039
DEFERRED OUTFLOWS OF RESOURSES				
Deferred outflows related to pension	55,091	86,599	20,268	161,958
LIABILITIES				
Current liabilities				
Payables				
Accounts	181,889	40,246	11,334	233,469
Sales tax	0	4,935	0	4,935
Accrued salaries	4,531	5,068	1,018	10,617
Other payroll liabilities	0	3,247	877	4,124
Compensated absences	13,354	14,283	7,749	35,386
Unearned revenue	19,236	26,846	287	46,369
Due to other funds	0	0	69,709	69,709
Notes payable	84,542	0	0	84,542
Liabilities payable from restricted assets:				
Customer deposits payable	45,538	121,858	0	167,396
Total current liabilities	349,090	216,483	90,974	656,547

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
Noncurrent liabilities				
Compensated absences	$ 1,484	$ 1,587	$ 861	$ 3,932
Net pension liability	173,688	273,021	63,898	510,607
Notes payable	1,556,064	0	0	1,556,064
Total noncurrent liabilities	1,731,236	274,608	64,759	2,070,603
Total liabilities	2,080,326	491,091	155,733	2,727,150
DEFERRED INFLOWS OF RESOURCES				
Deferred iniflows related to pension	4,431	6,965	1,558	12,954
NET POSITION				
Net investment in capital assets	3,399,137	2,424,724	90,898	5,914,759
Unrestricted	835,015	4,579,026	98,093	5,512,134
Total net position	$ 4,234,152	$ 7,003,750	$ 188,991	$ 11,426,893

See accompanying notes to the financial statements.

Exhibit A-9, continued

CITY OF ROYSTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2023

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
OPERATING REVENUES				
Charges for sales and services	$ 1,240,766	$ 3,306,673	$ 348,140	$ 4,895,579
OPERATING EXPENSES				
Costs of sales and services	769,032	1,956,004	236,640	2,961,676
Personal services	454,813	594,626	153,463	1,202,902
Depreciation	224,409	127,067	58,937	410,413
Total operating expenses	1,448,254	2,677,697	449,040	4,574,991
Operating income (loss)	(207,488)	628,976	(100,900)	320,588
Non-operating revenues (expenses)				
Interest revenue	5,432	25,063	1,235	31,730
Interest expense	(26,130)	(4,018)	0	(30,148)
Gain (loss) on sale of capital assets	25,100	0	0	25,100
Total non-operating revenues (expenses)	4,402	21,045	1,235	26,682
Income before capital contributions and transfers	(203,086)	650,021	(99,665)	347,270
Capital contributions				
Contributions of capital assets from Governmental Activities	0	13,822	0	13,822
Income before transfers	(203,086)	663,843	(99,665)	361,092
Transfers in	291,420	0	0	291,420
Change in net position	88,334	663,843	(99,665)	652,512
Net position, July 1	4,145,818	6,339,907	288,656	10,774,381
Net position, June 30	$ 4,234,152	$ 7,003,750	$ 188,991	$ 11,426,893

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2023

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
Cash flows from operating activities:				
Receipts from customers	$ 1,200,547	$ 3,318,395	$ 344,862	$ 4,863,804
Payments to suppliers	(746,768)	(2,003,184)	(246,448)	(2,996,400)
Payments to employees	(386,840)	(459,317)	(118,953)	(965,110)
Net cash provided (used) by operating activities	66,939	855,894	(20,539)	902,294
Cash flows from capital and related financing activities:				
Receipts from other funds	303,276	0	0	303,276
Interest paid	(26,130)	(4,502)	0	(30,632)
Acquisition of capital assets	(228,855)	0	0	(228,855)
Proceeds from sale of capital assets	37,045	0	0	37,045
Principal payments - notes	(83,241)	(190,268)	0	(273,509)
Net cash provided (used) by capital and related financing activities	2,095	(194,770)	0	(192,675)
Cash flows from investing activities:				
Interest received	5,432	25,129	1,234	31,795
Proceeds from sale of investments	0	155,011	0	155,011
Net cash provided (used) by investing activities	5,432	180,140	1,234	186,806
Net increase (decrease) in cash and cash equivalents	74,466	841,264	(19,305)	896,425
Cash and cash equivalents, July 1	804,607	3,783,757	211,691	4,800,055
Cash and cash equivalents, June 30	$ 879,073	$ 4,625,021	$ 192,386	$ 5,696,480

See accompanying notes to the financial statements.

Exhibit A-11, continued

CITY OF ROYSTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2023

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (207,488)	$ 628,976	$ (100,900)	$ 320,588
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	224,409	127,067	58,937	410,413
(Increase) decrease in accounts receivable	(60,902)	8,995	1,672	(50,235)
(Increase) decrease in prepaids	237	(1,815)	520	(1,058)
(Increase) decrease in inventories	0	(11,164)	0	(11,164)
(Increase) decrease in deferred outflows related to pension	(28,416)	(57,398)	(15,123)	(100,937)
Increase (decrease) in accounts payable	22,027	(34,201)	(10,328)	(22,502)
Increase (decrease) in sales tax payable	0	(1,259)	0	(1,259)
Increase (decrease) in unearned revenue	11,347	(8,798)	(4,950)	(2,401)
Increase (decrease) in deferred inflows related to pension	(63,708)	(67,623)	(11,583)	(142,914)
Increase (decrease) in net pension liability	159,590	257,589	61,179	478,358
Increase (decrease) in accrued payroll liabilities	507	2,741	37	3,285
Increase (decrease) in deposits payable	9,336	12,784	0	22,120
Total adjustments	274,427	226,918	80,361	581,706
Net cash provided (used) by operating activities	$ 66,939	$ 855,894	$ (20,539)	$ 902,294
Cash and cash equivalents reconciliation:				
Cash and cash equivalents	$ 833,536	$ 4,503,163	$ 192,386	$ 5,529,085
Restricted assets				
Cash and cash equivalents	45,538	121,858	0	167,396
Total cash and cash equivalents	$ 879,074	$ 4,625,021	$ 192,386	$ 5,696,481

Noncash investing, capital, and financing activities:

Contributions of capital assets from the governmental activities totaled $23,079

Acquisitions of capital assets through accounts payable totaled $129,275

CITY OF ROYSTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2023

ASSETS	
Equity in pooled cash	$ 7,945
LIABILITIES	
Due to other agencies	7,945
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 0

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2023

ADDITIONS		
Fines and forfeitures collected for other governments	$	30,234
DEDUCTIONS		
Distributions of fines and forfeitures to other governments		30,234
Change in net position		0
Net position, July 1		0
Net position, June 30	$	0

See accompanying notes to the financial statements.

1. Description of Government Unit

The City of Royston was established in 1879. The City operates under a council/mayor form of government and provides the following services: public safety, street and sanitation, culture and recreation, public improvements and general and administrative services. In addition, the City operates public utilities for water, sewer, and gas for the incorporated and immediate surrounding areas.

The City is governed by an elected six-member council.

2. Summary of Significant Accounting Policies

A. Description of Government-wide 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 nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business- type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

City of Royston Downtown Development Authority

The City of Royston Downtown Development Authority was established as a legally separate entity, which operates pursuant to the Official Code of Georgia Annotated. The Authority consists of seven members appointed by the City Council and an executive director. The Downtown Development Authority provides for the vitalization of the downtown area of the City of Royston. In many respects, the Authority functions similar to a City department through regular participation in department director meetings, budget approval, accounting, payroll, etc.

The City of Royston Downtown Development Authority is reported in a separate column to emphasize that it is legally separate from the City. Individual financial statements are presented as part of the City's Annual Financial Report in the section labeled "Component Unit" (See Exhibit I). The City of Royston Downtown Development Authority has a June 30th year-end. Individual financial statements may be obtained by contacting the City of Royston Downtown Development Authority, 634 Franklin Springs Street, Royston, GA 30662.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Downtown Development Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund - The general operating fund of the City is used to account for all financial resources except those required to be accounted for in another fund.

American Rescue Plan Act Special Revenue Fund – This fund is used to account for the revenues and expenditures of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds.

Franklin County SPLOST #5 Capital Projects Fund – This fund is used to account for long-term projects financed by the passage of the 2016 Franklin County special purpose local option sales tax.

The City reports the following major proprietary funds:

Water and Sewer Utility Enterprise Fund - This fund is used to account for activities connected with the development, operation and maintenance of water and sewer services in the City of Royston.

Natural Gas Utility Enterprise Fund – This fund is used to account for activities connected with the development, operation, and maintenance of natural gas services in the City of Royston.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds - This fund type is used to account for financial resources to be used for the acquisition or construction of capital assets (other than those financed by the proprietary or fiduciary funds).

Fiduciary Fund Types

Custodial Funds – Custodial Funds are fiduciary in nature and are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held for others. The City has a custodial fund to account for the activity of the Municipal Court.

Component Units

The Royston Downtown Development Authority is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e. when they both become measurable and available).

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the 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.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

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 Water and Sewer, Natural Gas, and Solid Waste Funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

G. Budgets and Budgetary Accounting

The City Council adopts an annual budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by City Council when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution.

In January each year, the departments submit their budget requests to the Chief Financial Officer. The Finance Department compiles a complete citywide budget and submits the proposed budget to the City Manager for review. Meetings are held between the City Manager, Chief Financial Officer, and department heads in February to review the proposed budget. The City Manager then submits the proposed budget to the City Council by May 1.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

During June, the Mayor and Council conduct a public hearing to discuss the proposed budget and to obtain input from the citizens of the City of Royston. This hearing is publicized in the local newspaper at least two weeks before the hearing. The final proposed budget is then adopted by the City Council on or before June 30 during a regular Council meeting, which is also open to the public.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Changes may be made within an operating budget by departmental request through the City Manager except for equipment requests under $5,000, which must be approved by the City Manager, and equipment requests over $5,000 and changes in personal services budgets, which must be approved by the City Council. All operating budget transfers between departments and all changes to Capital Projects budgets must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance, and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year-end.

H. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital project investments is included in the investment accounts.

2. Summary of Significant Accounting Policies (continued)

I. Leases Receivable

Leases receivable are measured at the present value of lease payments expected to be received during the lease terms. Under the lease agreements, the City may receive variable lease payments that dependent upon the lessees' revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for each of the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the respective lease.

J. Intergovernmental Receivables

Receivables for state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

K. Inventories

Inventories of the Natural Gas Utility Enterprise Fund are valued at cost on the first-in, first-out method.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

M. Capital Assets, continued

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ended June 30, 2004. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Prior to July 1, 2007, neither their historical costs nor related depreciation had historically been reported in the financial statements. For entities the size of the City of Royston, retroactive reporting of infrastructure assets was not required.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at their acquisition value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Buildings	50	$ 5,000
Distribution systems	50	$ 50,000
Roads	50	$ 100,000
Bridges and culverts	50	$ 50,000
Equipment	10	$ 5,000
Vehicles	5	$ 5,000
Furniture and fixtures	5	$ 5,000
Land improvements	15	$ 5,000

All land will be valued and capitalized.

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

2. Summary of Significant Accounting Policies (continued)

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City reports deferred outflows of resources related to their defined benefit pension plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable property taxes revenues. The City also reports deferred inflows of resources related to their defined benefit pension plans and leases receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

O. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from City service. Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

2. Summary of Significant Accounting Policies (continued)

P. Pensions

For the 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 Royston Employees' Pension 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.

Q. 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, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

R. Capital Contributions

Federal, state, and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

2. Summary of Significant Accounting Policies (continued)

S. Fund Balances – Governmental Funds

The City of Royston implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at fiscal year-end by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City of Royston's highest level of decision-making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 120 days of fiscal year-end.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the City Council's adopted policy, amounts may be assigned by the City Manager, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. Equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

2. Summary of Significant Accounting Policies (continued)

S. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance.

For the purposes of fund balance classification, the City considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

T. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

U. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. Summary of Significant Accounting Policies (continued)

V. Restricted Assets and Restricted Net Position

Restricted assets of the Enterprise Funds represent certain resources set aside for the repayment of revenue bonds because they are maintained in a separate bank account and their use is limited by applicable bond covenants.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of reserve.

W. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain prior fiscal year amounts have been reclassified to conform to the current fiscal year presentation.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned. The City has no formal policy but follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

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.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia, pooled investment programs of the State of Georgia, and no-load mutual funds of direct obligations of the United States. The City has no investment policy that would further limit its investment choices. Investments are reported at fair value.

3. Deposit and Investment Risk (continued)

Concentration of Credit Risk

The City has no formal policy on the amount the City may invest in any one issuer.

Foreign currency risk

The City has no investments denominated in a foreign currency.

4. Accounts Receivable

Net accounts receivable at the end of the current fiscal year consist of the following:

Major Funds		
General Fund		$ 18,752
Enterprise Funds		
Water and Sewer Utility	$ 243,552	
Less: Allowances for Uncollectibles	(35,025)	
Natural Gas Utility	262,015	
Less: Allowances for Uncollectibles	(39,951)	430,591
Nonmajor Funds		
Sanitation	52,808	
Less: Allowances for Uncollectibles	(12,291)	40,517
Total Primary Government		$ 489,860

5. Intergovernmental Receivables

Intergovernmental receivables at the end of the current fiscal year consist of the following:

Major Funds	
Governmental Funds	
Franklin County SPLOST #5	$ 30,932
Nonmajor Governmental Funds	49,366
Total Primary Government	$ 80,298

6. Property Taxes

Taxes receivable at the end of the current year consist of property taxes for five years as follows:

Tax Year	Amount
2022	$ 11,223
2021	1,628
2020	129
2019	36
2018	16
2017	18
2016	18
Less: allowance for uncollectible accounts	(405)
Totals	$ 12,663

Property tax rates are set by the City Council each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for fiscal year 2023, based upon the assessments of January 1, 2022, were billed on December 12, 2022, and due on February 12, 2023. Tax liens are issued 90 days after the due date. The tax rate of 10.0 mills for fiscal year 2022 was levied on October 25, 2022.

Other Taxes

$88,452 of sales taxes and $655 of other taxes are also included in taxes receivable.

7. Lease Receivable

In 2013, the City entered into a five year lease with a cell phone service provider to provide the tenant the right to a portion of real property, together with the right to use the tower located thereon. The lease provides for four additional, five-year terms. Under the lease, the tenant paid the Authority a monthly payment of $2,000 per month for the first 12 months of the lease. On the annual anniversary date of the commencement date, the monthly rent amount is increased by 2.5% of the rent paid in the previous year. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at an imputed discount rate of 2.784%. During the current fiscal year, the Authority recognized $39,797 of lease revenue (reported as other revenue on the statement of activities) and $12,589 of interest revenue under the lease.

Annual requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 18,699	$ 12,087	$ 30,786
2025	20,005	11,550	31,555
2026	21,369	10,976	32,345
2027	22,790	10,363	33,153
2028	24,272	9,710	33,982
2029-2033	145,871	37,215	183,086
2034-2038	189,669	13,769	203,438
Totals	$ 442,675	$ 105,670	$ 548,345

8. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables as of the end of the current fiscal year is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Sanitation	$ 69,709

The balance reported as Due to/Due from represent loans between the borrower funds and the lender fund. Balances reported between in the General Fund and nonmajor governmental funds resulted from transactions to alleviate equity in pooled cash deficits at year-end. Balances between the General Fund and the Sanitation Enterprise Fund are short-term loans expected to be paid in the next fiscal year.

A summary of interfund transfers is as follows:

Transfer Out Fund	Transfer In Fund	Amount
General	Water and Sewer Utility	$ 189,787
American Rescue Plan Act	General	480,000
Franklin County SPLOST #5	Water and Sewer Utility	101,633
Total Interfund Transfers		$ 771,420

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

9. Capital Assets

Capital asset activity for the primary government for the current fiscal year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Non-depreciable assets				
Land	$ 515,144	$ 0	$ 0	$ 515,144
Construction in progress	212,124	0	(212,124)	0
Total non-depreciable assets	727,268	0	(212,124)	515,144
Depreciable assets				
Buildings	4,452,482	281,365	0	4,733,847
Infrastructure	2,515,785	0	0	2,515,785
Vehicles and equipment	3,215,056	90,345	(584,117)	2,721,284
Software	94,030	0	0	94,030
Furniture and fixtures	59,230	0	0	59,230
Total depreciable assets	10,336,583	371,710	(584,117)	10,124,176
Accumulated depreciation				
Buildings	(2,536,212)	(76,043)	0	(2,612,255)
Infrastructure	(741,525)	(58,263)	0	(799,788)
Vehicles and equipment	(2,870,148)	(128,078)	570,295	(2,427,931)
Software	(18,806)	(9,403)	0	(28,209)
Furniture and fixtures	(51,817)	(2,291)	0	(54,108)
Total accumulated depreciation	(6,218,508)	(274,078)	570,295	(5,922,291)
Total depreciable assets, net	4,118,075	97,632	(13,822)	4,201,885
Governmental activities capital assets, net	$ 4,845,343	$ 97,632	$ (225,946)	$ 4,717,029
Business-type activities				
Non-depreciable assets				
Land	$ 81,702	$ 0	$ 0	$ 81,702
Construction in progress	171,644	208,908	(11,945)	368,607
Total non-depreciable assets	253,346	208,908	(11,945)	450,309
Depreciable assets				
Buildings	206,501	0	0	206,501
Land improvements	24,644	22,180	0	46,824
Distribution system	14,614,409	0	0	14,614,409
Vehicles and equipment	1,727,326	150,121	(56,028)	1,821,419
Total depreciable assets	16,572,880	172,301	(56,028)	16,689,153
Accumulated depreciation				
Buildings	(146,654)	(5,030)	0	(151,684)
Land improvements	(23,328)	(2,373)	0	(25,701)
Distribution system	(7,583,226)	(263,013)	0	(7,846,239)
Vehicles and equipment	(1,337,972)	(149,254)	56,028	(1,431,198)
Total accumulated depreciation	(9,091,180)	(419,670)	56,028	(9,454,822)
Total depreciable assets, net	7,481,700	(247,369)	0	7,234,331
Business-type activities capital assets, net	$ 7,735,046	$ (38,461)	$ (11,945)	$ 7,684,640

Decreases in construction in progress in the business-type activities consists of projects abandoned in the amount of $11,945.

9. Capital Assets (continued)

Capital asset activity for the Downtown Development Authority Component Unit for the current fiscal year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit				
Depreciable assets				
Buildings	$ 167,208	$ 0	$ 0	$ 167,208
Accumulated Depreciation				
Buildings	(11,169)	(3,344)	0	(14,513)
Downtown Development Authority				
Component Unit, net	$ 156,039	$ (3,344)	$ 0	$ 152,695

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 29,955
Public Safety	108,538
Public Works	67,413
Culture and Recreation	68,172
Total depreciation expense for governmental activities	$ 274,078
Business-type activities	
Water and Sewer Utility	$ 224,409
Natural Gas Utility	127,067
Nonmajor Sanitation	58,937
Total depreciation expense for business-type activities	$ 410,413
Component Unit	
Downtown Development Authority	$ 3,344

	Governmental Activities	Business-type Activities
Current year depreciation expense	$ 274,078	$ 410,413
Prior accumulated depreciation on assets transferred between governmental, business-type activities, and component units	0	9,257
Additions to accumulated depreciation	$ 274,078	$ 419,670

10. Long-Term Debt

Notes from Direct Borrowings

On February 27, 2015, the City entered into an agreement with Branch Bank and Trust for the financed purchase of certain equipment in the original amount of $684,780. The note is secured by the equipment. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The note bears interest at a rate of 2.51% to 3.05% and requires monthly payments of $21,573 to $21,955 through June 2025. The remaining principal balance was paid off during the current fiscal year.

On November 7, 2017, the City entered into an agreement with the Georgia Environmental Finance Authority for improvements to the City's water and sewerage system. The City agreed to borrow up to $2,000,000 due in 239 consecutive monthly installments of principal and interest beginning on the earlier of the project completion date or October 1, 2019; interest at 1.55%. On September 10, 2019, an amendment was made to the agreement, allowing the City to borrow $2,347,413 due in 239 consecutive monthly installments of principal and interest beginning on February 1, 2020; interest at 1.55%. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City. At the end of the current fiscal year, the outstanding balance of the note is $1,640,606.

Annual debt service requirements for notes from direct borrowings are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	$ 84,542	$ 24,830	$ 109,372
2025	85,861	23,511	109,372
2026	87,202	22,170	109,372
2027	88,563	20,809	109,372
2028	89,946	19,427	109,373
2029-2033	471,233	75,628	546,861
2034-2038	509,181	37,680	546,861
2039-2041	224,078	3,781	227,859
Totals	$ 1,640,606	$ 227,836	$ 1,868,442

11. Long-Term Liabilities

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for the current fiscal year:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
Compensated absences	$ 61,752	$ 59,869	$ (48,676)	$ 72,945	$ 65,651
Business-type activities					
Notes from direct borrowings	$ 1,914,115	$ 0	$ (273,509)	$ 1,640,606	$ 84,542
Compensated absences	49,646	15,634	(25,962)	39,318	35,386
Total business-type activities	$ 1,963,761	$ 15,634	$ (299,471)	$ 1,679,924	$ 119,928

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. In prior years, compensated absences of the governmental activities were liquidated in the General Fund.

Total interest expense in the business-type activities for the current fiscal year is $30,148.

12. Net Investment in Capital Assets

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows at the end of the current fiscal year:

	Governmental Activities	Business-type Activities	Component Unit
Cost of capital assets	$ 10,639,320	$ 17,139,462	$ 167,208
Accumulated Depreciation	(5,922,291)	(9,454,822)	(14,513)
Book value	4,717,029	7,684,640	152,695
Notes payable	0	(1,640,606)	0
Capital-related accounts payable	(9,992)	(129,275)	0
Net investment in capital assets	$ 4,707,037	$ 5,914,759	$ 152,695

13. Restricted and Assigned Fund Balances

A summary of restricted and assigned fund balances of the governmental funds as of the end of the current fiscal year is as follows:

	General	American Rescue Plan Act	Franklin County SPLOST #5	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:					
Public Safety					
Police department	$ 5,191	$ 0	$ 0	$ 13,562	$ 18,753
Fire department	15,427	0	0	80,496	95,923
Grant specifications	0	3,767	0	0	3,767
Capital projects	4,500	0	841,534	74,849	920,883
	$ 25,118	$ 3,767	$ 841,534	$ 168,907	$ 1,039,326
Assigned for:					
Subsequent budget	$ 266,425	0	0	0	$ 266,425
Capital outlay	10,842	0	0	0	10,842
	$ 277,267	$ 0	$ 0	$ 0	$ 277,267

14. Pension Plan

Plan Description. The City is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The City has established provisions, which assign the authority to the City council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the City but shall be allocated to employees. All employees are eligible for immediate participation. Officials are covered under the plan and are eligible for immediate participation.

14. Pension Plan (continued)

There are no loans to any of the City officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in the City of Royston. The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained from the Plan Administrator, the Georgia Municipal Employees Benefit System.

At January 1, 2023, the date of the most recent actuarial valuation, the participants consisted of the following:

Retirees and beneficiaries currently receiving benefits	20
Terminated vested participants entitled to but not yet receiving benefits	23
Active participants	42
Total number of participants	85

Benefits Provided. The plan provides retirement, disability, and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 65 with no reduction in benefit. Officials and Class One members (City Manager and City Clerk) are eligible to retire at age 65 with no reduction in benefit. Members and officials with ten years of total service are eligible to retire at age 55 with no reduction in benefit. Officials and Class One members are eligible for early retirement at age 55 with no reduction in benefit. Members are eligible for early retirement with reduced benefits based on the early retirement reduction table at age 55 after 10 years of service. The benefit formula is 1.5% with a five year vesting schedule. Officials and Class One members benefit formula is 1.5% with benefits vesting immediately.

Contributions. Employees make no contributions to the plan. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. The City's actuarially determined contribution rate for the current fiscal year was $122,322, or 7.17% of covered payroll. The City's covered payroll for employees participating in the Plan for the current fiscal year was $1,705,596. The Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy. The administrative expenses set by contract with GMEBS are in addition to the state-required annual funding requirement. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

14. Pension Plan (continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the City reported a net pension liability of $1,240,212. The net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023. For the governmental activities, the net pension liability is liquidated by the General Fund. For the current fiscal year, the City recognized pension expense in the amount of $728,116.

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,038	$ (31,568)
Changes of assumptions	13,620	0
Net difference between projected and actual earnings on pension plan investments	286,981	0
City contributions subsequent to the measurement date	91,742	0
Totals	$ 393,381	$ (31,568)

The $91,742 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability during the next fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2024	$ 62,868
2025	34,918
2026	46,720
2027	125,565
Totals	$ 270,071

14. Pension Plan (continued)

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

Inflation	2.25%
Projected salary increases	2.25% plus service based merit increases
Cost of living adjustments	0.00%
Net investment rate of return	7.375%

Healthy mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

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

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	6.80%
Domestic fixed income	20%	0.40%
Real estate	10%	3.90%
Global fixed income	5%	0.46%
Total	100%	

14. Pension Plan (continued)

Discount Rate. The discount rate used to measure the total pension liability was 7.375 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 9/30/20	$ 2,702,377	$ 2,635,161	$ 67,216
Changes for the year:			
Service cost	65,002	0	65,002
Interest	200,237	0	200,237
Differences between expected and actual experience	(18,937)	0	(18,937)
Contributions—employer	0	120,682	(120,682)
Net investment income	0	(432,954)	432,954
Benefit payments, including refunds of employee contributions	(104,614)	(104,614)	0
Administrative expense	0	(11,652)	11,652
Other	602,770	0	602,770
Net changes	744,458	(428,538)	1,172,996
Balances at 9/30/21	$ 3,446,835	$ 2,206,623	$ 1,240,212

Plan fiduciary net position as a percentage of the total pension liability	64.02%
Covered payroll	$ 1,563,646
Employer's net pension liability as percentage of covered payroll	79.32%

14. Pension Plan (continued)

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.375 percent) or one percentage-point higher (8.375 percent) than the current rate:

	Discount Rate	Net Pension Liabilty (Asset)
1% decrease	6.375%	$ 1,715,933
Current discount rate	7.375%	1,240,212
1% increase	8.375%	842,165

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report

Other Plans. In addition to the plan above, various City employees are covered under the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding this plan can be obtained from the plan's annual report. This plan is immaterial to the financial statements.

15. Deferred Compensation Plans

The City provides retirement benefits for its employees through two deferred compensation, defined contribution plans. The Plans were created under Internal Revenue Code Sections 457 and 401(a). The first plan is administered by the Public Employees Benefits Services Corporation (PEBSCO), an independent third party. In fiscal year 2002, the City elected to participate in the plan administered by the Georgia Municipal Association (GMA), an independent third party. Participating employees at the time of the conversion were given the option of remaining with the plan administered by PEBSCO, or changing to the plan administered by GMA. All employees who became eligible to participate in the deferred compensation, defined contribution plan after the conversion were enrolled in the GMA plan. The City Council provides for the benefits and funding policy through a City ordinance and maintains the authority to change the policy.

15. Deferred Compensation Plans (continued)

Under the terms of the Plans, employees may defer a portion of their salary through voluntary contributions to the Plan. Employees may defer a maximum of 25% of their salary, up to the maximum allowable by federal law. After completing 90 days of service, the City will contribute 25% of the employee's contributions per year. At the end of the current fiscal year, there were 11 members of the Plans.

There is a cap of $1,000 per eligible employee for City contributions. Funds are vested 100% at the time of contribution. Amounts held in the Plans are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the current fiscal year, the City contributed $4,170 to the plans based on covered salaries of $644,414. Plan members made voluntary contributions of $16,840 to the plans. Total payroll was $2,031,822.

The City has no fiduciary relationship with the plans, and plan assets are not available to the City or its general creditors. The Plans assets are held in trust by the administrator for the exclusive benefit of the participants of the Plans.

16. Hotel/Motel Lodging Tax

The City has levied a 3% lodging tax. A summary of the transactions for the current fiscal year are as follows:

Lodging Tax Receipts	$9,758	
Disbursements to		
Downtown Development Authority	$10,603	108% of Tax Receipts

17. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 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. OCGA 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 Georgia Mountains Regional Commission, 1310 West Ridge Road, Gainesville, Georgia 30501.

18. Related Organizations

The Housing Authority of the City of Royston is considered a related organization to the City of Royston. The City appoints members to the Authority but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low-income housing for the individuals in the City of Royston. The City received $21,021 as payment-in-lieu-of-taxes during the current fiscal year. Separate financial statements may be obtained from Housing Authority of the City of Royston, 216 Hartwell Street, Royston, Georgia 30662.

19. Risk Management

Material estimates have been made by management about the life of depreciated capital assets. Management has used a conservative approach on these estimates.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. City has elected to manage its risk financing activities through the purchase of commercial insurance. There have been no insurance settlements exceeding insurance coverage for any of the past three fiscal years.

Management estimates liabilities for unpaid claims based on the probability of losses exceeding the occurrence limits and the reasonableness of estimating those losses. At the end of the current fiscal year, the City has no losses that are probable or estimable and accordingly has not recognized any liability.

20. Contingencies

The City's legal counsel has stated that there are presently no determinable lawsuits.

21. New Accounting Pronouncements

The City implemented GASB Statement No. 91, *Conduit Debt*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after December 15, 2021. The implementation of this new standard had no impact on the City's net position.

The City implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the City's net position.

The City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the City's net position.

The City implemented GASB Statement No. 99, *Omnibus 2022*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the City's net position.

22. Subsequent Events

On August 23, 2023, the City entered into a contract for the purchase of real property on Ray Street in Royston, Georgia in the amount of $25,000.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROYSTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2023
(Unaudited)

	Fiscal Year		
	2023	**2022**	**2021**
Total pension liability			
Service cost	$ 65,002	$ 66,304	$ 61,407
Interest	200,237	190,101	180,105
Differences between expected and actual experience	(18,937)	(15,255)	(13,799)
Changes of benefit terms	602,770		
Benefit payments, including refunds of employee contributions	(104,614)	(100,206)	(93,960)
Other	0	0	0
Net change in total pension liability	744,458	140,944	133,753
Total pension liability - beginning	2,702,377	2,561,433	2,427,680
Total pension liability - ending (a)	3,446,835	2,702,377	2,561,433
Plan fiduciary net position			
Contributions - employer	$ 120,682	$ 129,561	$ 124,974
Net investment income	(432,954)	510,861	185,874
Benefit payments, including refunds of employee contributions	(104,614)	(100,206)	(93,960)
Administrative expense	(11,652)	(9,257)	(8,914)
Net change in total pension liability	(428,538)	530,959	207,974
Plan fiduciary net position - beginning	2,635,161	2,104,202	1,896,228
Plan fiduciary net position - ending (b)	$ 2,206,623	$ 2,635,161	$ 2,104,202
Net pension liability (asset) - ending : (a) - (b)	$ 1,240,212	$ 67,216	$ 457,231
Plan's fiduciary net position as a percentage of the total pension liability	64.02%	97.51%	82.15%
Covered payroll	$ 1,563,646	$ 1,571,624	$ 1,532,818
Net pension liabilty as a percentage of covered payroll	79.32%	4.28%	29.83%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only nine years are reported.

Fiscal Year						
2020	2019	2018	2017	2016	2015
$ 64,130	$ 73,242	$ 81,578	$ 83,644	$ 90,691	$ 97,099
169,546	160,002	144,637	138,514	125,255	109,378
(4,561)	(11,124)	7,268	(84,767)	13,041	55,842
				0	0
(91,930)	(79,565)	(55,901)	(60,829)	(55,011)	(48,664)
48,041	0	28,081	0	0	(5,620)
185,226	142,555	205,663	76,562	173,976	208,035
2,242,454	2,099,899	1,894,236	1,817,675	1,643,699	1,435,664
2,427,680	2,242,454	2,099,899	1,894,237	$ 1,817,675	$ 1,643,699
$ 133,511	$ 138,032	$ 148,055	$ 152,823	$ 152,263	$ 149,721
56,456	160,594	203,670	126,653	7,629	95,129
(91,930)	(79,565)	(55,901)	(60,829)	(55,011)	(48,664)
(8,590)	(9,150)	(9,766)	(5,350)	(5,878)	(4,551)
89,447	209,911	286,058	213,297	99,003	191,635
1,806,781	1,596,870	1,310,812	1,097,515	998,512	806,877
$ 1,896,228	$ 1,806,781	$ 1,596,870	$ 1,310,812	$ 1,097,515	$ 998,512
$ 531,452	$ 435,673	$ 503,029	$ 583,425	$ 720,160	$ 645,187
78.11%	80.57%	76.05%	69.20%	60.38%	60.75%
$ 1,444,009	$ 1,389,033	$ 1,541,958	$ 1,579,149	$ 1,514,806	$ 1,566,779
36.80%	31.37%	32.62%	36.95%	47.54%	41.18%

See accompanying notes to the required supplementary information.

CITY OF ROYSTON, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2023
(Unaudited)

	Fiscal Year		
	2023	**2022**	**2021**
Actuarially determined contribution	$ 122,322	$ 129,250	$ 123,549
Contributions in relation to the actuarially determined contribution	(122,322)	(129,250)	(123,549)
Contribution deficiency (excess)	$ 0	$ 0	$ 0
Covered payroll	$ 1,705,596	$ 1,510,308	$ 1,492,413
Contributions as a percentage of covered payroll	7.17%	8.56%	8.28%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only nine years are reported.

Fiscal Year						
2020	2019	2018	2017	2016	2015
$ 136,831	$ 138,432	$ 148,055	$ 151,263	$ 153,343	$ 151,903
(136,831)	(138,432)	(148,055)	(151,263)	(153,343)	(151,903)
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
$ 1,578,162	$ 1,518,135	$ 1,469,871	$ 1,580,444	$ 1,696,036	$ 1,669,519
8.67%	9.12%	10.07%	9.57%	9.04%	9.10%

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2023, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2024.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Projected unit credit

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

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 amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Net investment rate of return = 7.375%

Projected salary increases = 2.25% plus service based merit increases

Cost of living adjustments = 0%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

3. Changes in Benefits

There were no changes in benefit provisions in the last two fiscal years.

4. Changes of Assumptions

Amounts reported for fiscal years ending in 2023 and later reflect that effective August 1, 2022, the following plan changes were made:

Normal retirement eligibility for employees was changed from age 65 with 5 years of service to age 62 with 5 years of service.

Normal retirement eligibility for the city manager and city clerk was changed from age 65 to age 62.

Alternative normal retirement at age 55 with 20 years of service became available to certified public safety employees.

The employees' benefit multiplier was increased from 1.50% to 1.75%.

The officials' benefit multiplier was increased from $22 to $50.

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COMBINING STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

CITY OF ROYSTON, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023

	Special Revenue			
	Confiscated Assets	Hotel/Motel Tax	Technology Surcharge	Fire Department
ASSETS				
Cash and cash equivalents	$ 4,375	$ 978	$ 10,271	$ 77,698
Taxes receivable	0	655	0	0
Intergovernmental receivable	0	0	0	2,798
Total assets	$ 4,375	$ 1,633	$ 10,271	$ 80,496
LIABILITIES				
Accounts payable	$ 0	$ 1,633	$ 1,084	$ 0
FUND BALANCES				
Restricted for Public Safety	4,375	0	9,187	80,496
Restricted for Capital Outlay	0	0	0	0
Total fund balances	4,375	0	9,187	80,496
Total liabilities and fund balances	$ 4,375	$ 1,633	$ 10,271	$ 80,496

Capital Projects		Total
Franklin County SPLOST #6	Hart County SPLOST #5	Nonmajor Governmental Funds
$ 38,480	$ 0	$ 131,802
0	0	655
36,369	10,199	49,366
74,849	$ 10,199	$ 181,823
0	$ 10,199	$ 12,916
0	0	94,058
74,849	0	74,849
74,849	0	168,907
74,849	$ 10,199	$ 181,823

CITY OF ROYSTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2023

	Special Revenue			
	Confiscated Assets	Hotel/Motel Tax	Technology Surcharge	Fire Department
REVENUES				
Taxes	$ 0	$ 9,758	$ 0	$ 0
Fines, fees, and forfeitures	0	0	11,463	0
Intergovernmental	0	0	0	20,788
Interest	0	0	64	0
Contributions	0	0	0	14,400
Total revenues	0	9,758	11,527	35,188
EXPENDITURES				
Current				
Public Safety	0	0	15,358	17,856
Housing and Development	380	10,603	0	0
Capital outlay	0	0	0	0
Total expenditures	380	10,603	15,358	17,856
Excess (deficiency) of revenues over (under) expenditures	(380)	(845)	(3,831)	17,332
Fund balances, July 1	4,755	845	13,018	63,164
Fund balances, June 30	$ 4,375	$ 0	$ 9,187	$ 80,496

Capital Projects		Total
Franklin County SPLOST #6	Hart County SPLOST #5	Nonmajor Governmental Funds
$ 0	$ 0	$ 9,758
0	0	11,463
74,849	36,022	131,659
0	0	64
0	0	14,400
74,849	36,022	167,344
0	0	33,214
0	0	10,983
0	36,022	36,022
0	36,022	80,219
74,849	0	87,125
0	0	81,782
74,849	$ 0	$ 168,907

CITY OF ROYSTON, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2023

	Final Budget	Actual	Variance
REVENUES	$ 0	$ 0	$ 0
EXPENDITURES			
Payments to others	400	380	20
Excess (deficiency) of revenues over (under) expenditures	(400)	(380)	20
Fund balances, July 1	400	4,755	4,355
Fund balances, June 30	$ 0	$ 4,375	$ 4,375

CITY OF ROYSTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2023

	Final Budget	Actual	Variance
REVENUES			
Hotel/motel taxes	$ 10,610	$ 9,758	$ (852)
EXPENDITURES			
Current			
Housing and Development			
Agency allocations	10,610	10,603	7
Excess (deficiency) of revenues over (under) expenditures	0	(845)	(845)
Fund balances, July 1	0	845	845
Fund balances, June 30	$ 0	$ 0	$ 0

CITY OF ROYSTON, GEORGIA
TECHNOLOGY SURCHARGE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2023

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 9,000	$ 11,463	$ 2,463
Interest	0	64	64
Total revenues	9,000	11,527	2,527
EXPENDITURES			
Current			
Public Safety			
Contract services	13,500	14,817	(1,317)
Materials and supplies	2,000	541	1,459
Total expenditures	15,500	15,358	142
Excess (deficiency) of revenues over (under) expenditures	(6,500)	(3,831)	2,669
Fund balances, July 1	6,500	13,018	6,518
Fund balances, June 30	$ 0	$ 9,187	$ 9,187

CITY OF ROYSTON, GEORGIA
FIRE DEPARTMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2023

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 16,800	$ 20,788	$ 3,988
Contributions	13,678	14,400	722
Total revenues	30,478	35,188	4,710
EXPENDITURES			
Current			
Public Safety			
Contract services	0	808	(808)
Materials and supplies	8,710	7,080	1,630
Capital outlay	45,000	0	45,000
Payments to others	9,968	9,968	0
Total expenditures	63,678	17,856	45,822
Excess (deficiency) of revenues over (under) expenditures	(33,200)	17,332	50,532
Fund balances, July 1	33,200	63,164	29,964
Fund balances, June 30	$ 0	$ 80,496	$ 80,496

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COMPONENT UNIT

Downtown Development Authority – Used to account for governmental revenues and contributions reserved for City business development.

CITY OF ROYSTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
BALANCE SHEET
June 30, 2023

ASSETS		
Cash	$	3,372
LIABILITIES		
Accounts payable	$	2,916
FUND BALANCES		
Assigned for Housing and Development		456
Total liabilities and fund balances	$	3,372

CITY OF ROYSTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2023

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 15,350	$ 10,602	$ (4,748)
Contributions	1,000	1,500	500
Event Fees	1,000	20	(980)
Miscellaneous	7,000	5,282	(1,718)
Total revenues	24,350	17,404	(6,946)
EXPENDITURES			
Current			
Housing and Development			
Contract services	9,800	8,115	1,685
Materials and supplies	17,800	17,789	11
Payments to others	750	750	0
Total expenditures	28,350	26,654	1,696
Excess (deficiency) of revenues over (under) expenditures	(4,000)	(9,250)	(5,250)
Fund balances, July 1	4,000	9,706	5,706
Fund balances, June 30	$ 0	$ 456	$ 456

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OTHER REPORTING SECTION

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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*

Honorable Mayor and
Members of the City Council
City of Royston, 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Royston, Georgia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Royston, Georgia's basic financial statements and have issued our report thereon dated October 6, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Royston Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Royston, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Royston, Georgia's internal control.

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

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

2023-001

Condition: While performing audit procedures on disbursements, we noted that the City does not properly utilize its purchase order system.

Criteria: Proper internal controls require approval of purchases before requisition of supplies and materials.

Effect: Failure to approve purchases before requisition increases the City's risk of loss due to fraud.

Cause: The City issues purchase orders after the purchase has been made and the invoice has been received

2023-001, continued

Recommendation: We recommend that the City strengthen its purchase order internal controls by adopting a policy that requires department heads to obtain approval of purchase orders before purchases are made.

Management Response: Management concurs with this finding. Management has a plan to improve the current purchase order system. Action was taken immediately upon receipt of the comment from our auditors.

Report on Compliance and Other Matters

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

City of Royston, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Royston, Georgia's response to the findings identified in our audit and described previously. The City of Royston, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion the response.

Purpose of this Report

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

Rushton, LLC

Gainesville, Georgia
October 6, 2023

STATE REPORTING SECTION

CITY OF ROYSTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2023

Project	Estimated Cost * Original	Estimated Cost * Current	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
FRANKLIN COUNTY SPLOST #5					
Library; Roads, Streets, Bridges, and Sanitation; Water, Sewer, and Stormwater and utilities; Public Safety and Fire; Recreation; Administrative Buildings/Government Buildings/Facilities:	$ 1,440,000	$ 1,440,000			
Adminstrative Buildings/ Government Buildings/Facilities			$ 16,132	$ 6,795	$ 22,927
Police Facilities and Equipment			91,447	22,656	114,103
Fire Facilities and Equipment			23,388	2,523	25,911
Library Facillities and Equipment			2,600	0	2,600
Recreation Facilities and Equipment			80,151	22,833	102,984
Street Improvements and Equipment			15,009	221,247	236,256
Water and Sewer Facilities and Equipment			332,724	101,634	434,358
Natural Gas Facilities and Equipment			111,026	0	111,026
Sanitation Facilities and Equipment			60,756	0	60,756
Total	$ 1,440,000	$ 1,440,000	$ 733,233	$ 377,688	$ 1,110,921

Current year SPLOST expenditures	$ 377,688
Street Improvements and Equipment expenditures financed with intergovernmental revenue	44,050
Total expenditures and transfers out of the Franklin County SPLOST #5 Fund	$ 421,738

CITY OF ROYSTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2023

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
HART COUNTY SPLOST #5					
Recreation; Public Safety; Water Sytem Capital and Debt Service; Streets:	$ 358,400	$ 358,400			
Public Safety Capital Improvements and Equipment			$ 9,448	$ 20,207	$ 29,655
Capital Improvements to Streets, Sidwalks, and Bridges			10,335	0	10,335
Recreation Capital Improvements			14,185	15,815	30,000
Water System Capital Improvements and Debt Service			115,083	0	115,083
	$ 358,400	$ 358,400	$ 149,051	$ 36,022	$ 185,073

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

CITY OF ROYSTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2023

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
FRANKLIN COUNTY SPLOST #6					
Water, sewer, stormwater and utilities	$ 900,000	$ 900,000	$ 0	$ 0	$ 0
Public safety and fire	300,000	300,000	0	0	0
Roads, streets, bridges and sanitation	300,000	300,000	0	0	0
Recreation	115,000	115,000	0	0	0
Administrative/Government Buildings	75,000	75,000	0	0	0
Library	35,000	35,000	0	0	0
Total	$ 1,725,000	$ 1,725,000	$ 0	$ 0	$ 0