

CITY OF ROYSTON, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2024

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CITY OF ROYSTON, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2024

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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, 2024 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, 2024 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 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 judgement, 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 67 through 72, 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 18, 2024, 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 18, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the City of Royston is pleased to provide this narrative discussion and analysis of the City's financial performance and activities for the fiscal year ended June 30, 2024. The City's financial performance is discussed and analyzed within the context, and in conjunction with, the City's financial statements following this section.

Financial Highlights

- The City of Royston's assets exceeded its liabilities at June 30, 2024 by $20,234,830 (reported as *net position).*

- As of June 30, 2024, Royston's governmental funds reported combined ending fund balances of $3,288,578. Approximately 52% of this total amount, $1,702,532, 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 the basic financial statements.

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

The focus of the government-wide financial statements is the overall financial position and activities of the City of Royston. These statements are 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.* As net position increases the financial position of the City generally 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, revenues are recognized when earned and expenses are recognized 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, Royston's services and functions are divided 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 and (2) Capital Projects Funds.

The City of Royston adopts an annual appropriated budget for its General Fund and for the American Rescue Plan Special Revenue Fund. Budgetary comparison statements have been provided for each of these funds 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 systems, and its sanitation 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 67-72.

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 21-23), 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 (pages 17-19):

City of Royston
Net Position as of June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2023	**2024**	**2023**	**2024**	**2023**	**2024**
Current assets	$ 3,275,129	$ 3,447,917	$ 6,320,399	$ 7,811,635	$ 9,595,528	$ 11,259,552
Noncurrent assets	5,141,005	5,377,846	7,684,640	7,917,989	12,825,645	13,295,835
Total assets	8,416,134	8,825,763	14,005,039	15,729,624	22,421,173	24,555,387
Total deferred outflows of resources	231,423	172,563	161,958	141,170	393,381	313,733
Current liabilities	519,906	268,811	656,547	671,972	1,176,453	940,783
Noncurrent liabilities	736,899	966,550	2,070,603	2,316,325	2,807,502	3,282,875
Total liabilities	1,256,805	1,235,361	2,727,150	2,988,297	3,983,955	4,223,658
Total deferred inflows of resources	438,938	402,384	12,954	8,248	451,892	410,632
Net Position						
Net investment in capital assets	4,707,037	4,601,845	5,914,759	5,919,619	10,621,796	10,521,464
Restricted	1,039,326	1,214,612	0	0	1,039,326	1,214,612
Unrestricted	1,205,451	1,544,124	5,512,134	6,954,630	6,717,585	8,498,754
Total net position	$ 6,951,814	$ 7,360,581	$ 11,426,893	$ 12,874,249	$ 18,378,707	$ 20,234,830

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 $20,234,830 at the close of the current year.

The largest portion of the City of Royston's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, or 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.

Restricted net position of $1,214,612 is constrained by legal requirements and is not available for day-to-day operations of the City. The remaining balance of *unrestricted net position* ($8,498,754) may be used to meet the City's ongoing obligations to citizens and creditors. The portion of unrestricted net position from business-type activities was $6,954,630 at the end of the fiscal year. The portion of unrestricted net position resulting from the City's governmental activities was $1,544,124 at the close of the fiscal year.

The City's net position increased by $1,856,123 during the current fiscal year. Governmental activities resulted in an increase in net position of $408,767 while business-type activities resulted in an increase of net position of $1,447,356.

The table on the following page was derived from the government-wide Statement of Activities and reflects how the City's net position changed during the fiscal year.

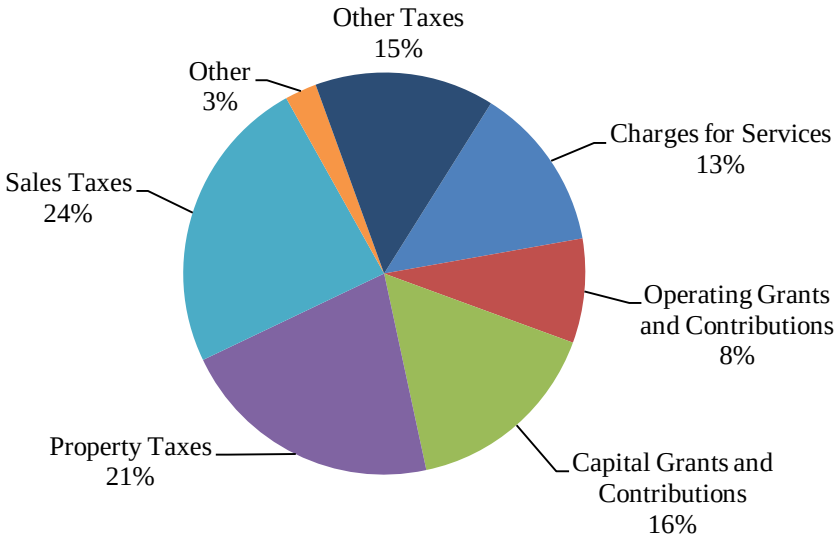
City of Royston
Changes in Net Position
for the Fiscal Years ended June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2023	2024	2023	2024	2023	2024
Program revenues:						
Charges for services	$ 462,219	$ 518,715	$ 4,895,579	$ 5,343,739	$ 5,357,798	$ 5,862,454
Operating grants and contributions	536,261	326,885	0	0	536,261	326,885
Capital grants and contributions	476,023	625,082	13,822	86,508	489,845	711,590
General revenues:						
Property taxes	787,373	829,653	0	0	787,373	829,653
Sales tax	911,038	934,692	0	0	911,038	934,692
Other taxes	534,794	563,329	0	0	534,794	563,329
Interest and investment earnings	23,372	33,760	31,730	86,945	55,102	120,705
Miscellaneous revenue	142,123	64,755	25,100	0	167,223	64,755
Total revenues	3,873,203	3,896,871	4,966,231	5,517,192	8,839,434	9,414,063
Expenses						
General Government	823,715	849,771	0	0	823,715	849,771
Judicial	8,888	10,736	0	0	8,888	10,736
Public Safety	1,479,664	1,305,076	0	0	1,479,664	1,305,076
Public Works	935,226	685,665	0	0	935,226	685,665
Culture and Recreation	247,974	222,266	0	0	247,974	222,266
Housing and Development	131,709	132,286	0	0	131,709	132,286
Interest on long term debt	0	12,095	0	0	0	12,095
Water and sewer	0	0	1,474,384	1,583,513	1,474,384	1,583,513
Natural gas	0	0	2,681,715	2,365,618	2,681,715	2,365,618
Sanitation	0	0	449,040	390,914	449,040	390,914
Total expenses	3,627,176	3,217,895	4,605,139	4,340,045	8,232,315	7,557,940
Increase (decrease) in net position before transfers	246,027	678,976	361,092	1,177,147	607,119	1,856,123
Transfers	(291,420)	(270,209)	291,420	270,209	0	0
Increase (decrease) in net position	(45,393)	408,767	652,512	1,447,356	607,119	1,856,123
Net position - beginning	6,997,207	6,951,814	10,774,381	11,426,893	17,771,588	18,378,707
Net position - ending	$ 6,951,814	$ 7,360,581	$ 11,426,893	$ 12,874,249	$ 18,378,707	$ 20,234,830

Governmental Activities. Governmental activities increased the net position of the City by $408,767. Revenues for the City's governmental activities increased by $23,668 compared to fiscal year 2023, which equates to an increase of only 0.6%. Expenses for governmental activities decreased by $409,282 compared to fiscal year 2023, or 11%. Of this decrease in expenses, about 40% is related to public safety and 60% is related to public works.

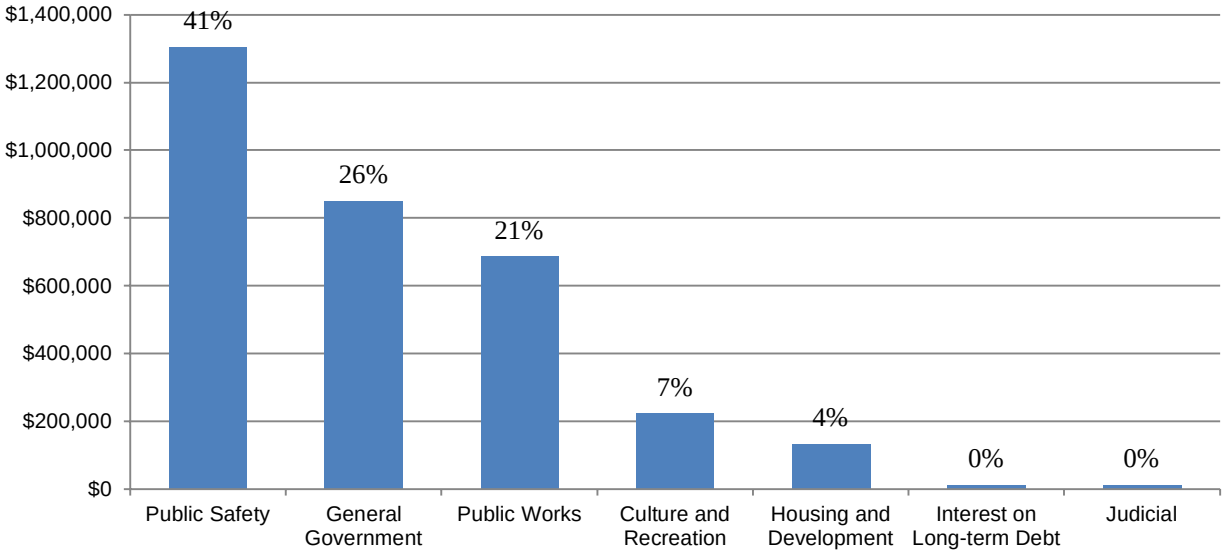
The following chart depicts revenues of the governmental activities for the year:

Revenue by Source - Governmental Activities



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

Expenses by Function - Governmental Activities



Business-type Activities. Business-type activities increased the City's net position by $1,447,356. Key elements of this increase are as follows:

- Sales for business-type activities were $5.3 million, which was an increase of 9% over the prior year (or $448,160).

- Sales in the Water and Sewer Fund were $397,919 higher than in fiscal year 2023, an increase of 32%. The vast majority of this increase in revenue is a direct result of a rate increase implemented in March, 2023. The rate increase was implemented to adjust for a higher cost of operating the water and sewer utilities over the last few years including price inflation on chemicals, electricity, and other operating supplies.

- The Water and Sewer Fund recognized $68,750 in debt issuance costs for two new loans from the Georgia Environmental Facilities Authority (GEFA). These two loans will be used into FY25 to fund a major sewer treatment plant modernization and to fund a project at the raw water intake station on the Broad River that provides the City with raw water for filtration.

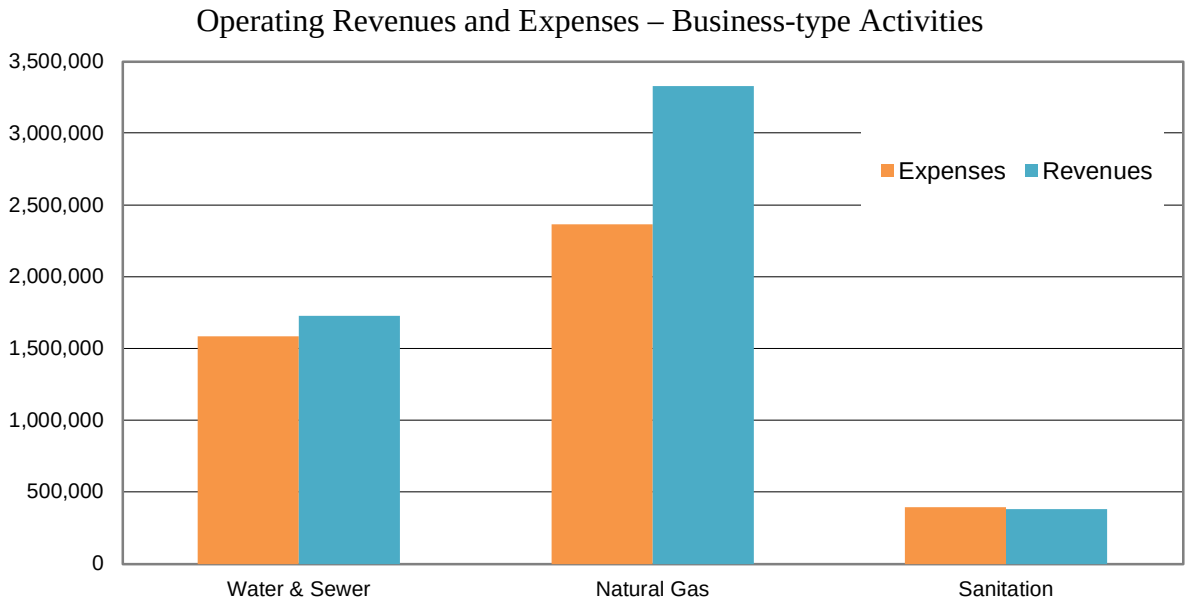
- The operating result of the Water and Sewer Fund increased from a loss of $207,488 in FY23 to an operating income of $154,615 in FY24. This swing was planned and a direct result of the rate increase mentioned previously. Going forward, the fund will implement annual rate increases using the Consumer Price Index. The rate increase was 3.4% in FY24 implemented in March, 2024.

- Natural gas sales were about the same as the prior year at $3.3 million, but the cost of natural gas purchased for resale to customers declined by $263,048 or 16%. This is due to a decline in the wholesale market price of natural gas during FY2024.

- Interest income in the Natural Gas Fund increased in FY24 to $69,301 from $25,063 the prior year. This is reflective of the higher interest rate environment during the fiscal year.

- Personal service and benefits expenses declined in the Natural Gas Fund in FY24 as a result of two positions being vacated during the year. One was re-filled by the end of FY24 and the second was filled in FY25. Pension expense also declined in FY24. Overall personal services and benefits expenses declined $49,770 or 8% over FY23.

- Sanitation sales increased modestly by 9%, but the expenses of the fund were reduced by $58,126 or 13%. This resulted in the loss for Sanitation activities dropping from $100,900 in fiscal year 2023 to a loss of only $11,841. This reduction in loss is attributable to lower personnel costs during the year and significantly reduced pension expense recognized in FY24 over FY23.



Financial Analysis of the City's Major 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, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At the end of fiscal year 2024, its governmental funds reported a combined ending fund balance of $3,288,578. Of this amount, $1,702,532 (52%) constitutes *unassigned fund balance* which is available for spending at the City's discretion. The remainder of fund balance is either (a) *nonspendable* to indicate that these amounts cannot be spent because they are either not in a spendable form such as inventory and prepaid insurance, (b) are legally or contractually *restricted* for a particular purpose such as special purpose sales tax proceeds, or (c) are *assigned* for a particular purpose or project by management.

At the end of the current year, unassigned fund balance of the General Fund was $1,702,532 and the total fund balance reached $2,101,497. 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 52% of the total General Fund expenditures, while total fund balance represents 64% of that same amount.

Revenues in the General Fund modestly increased $144,350 or 5% in FY24 over FY23. One new revenue recognized in FY24 was the issuance of retail liquor licenses totaling $15,000 for three new stores. Previously the City did not issue distilled spirits licenses to retail locations. Expenditures in the General Fund increased substantially in FY24 by $590,275 or 22%. This is

primarily due to purchasing several vehicles totaling $491,674 which was not done in FY23. Some of these new vehicles were financed with a new capital lease in the amount of $372,030 which was recognized as an other financing source in the General Fund.

The American Rescue Plan Act (ARPA) Special Revenue Fund was closed in fiscal year 2024. Previously the City Council had approved a budget to use ARPA funds as revenue replacement due to the COVID-19 pandemic. The remaining amount was transferred to the General Fund from the ARPA fund in FY24.

The Franklin County Special Purpose Local Option Sales Tax #6 Capital Projects Fund (FC SPLOST #6) recognized intergovernmental revenues in FY24 of $543,126. However, no capital projects were initiated or completed in FY24, so there were no expenditures to report. Many future projects will be funded with this special purpose sales tax once the balance of proceeds accumulate enough to fund a major project. Several paving projects are planned for city streets with recent collections received in FY24.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The change in net position in the proprietary funds is depicted in the following table. Factors concerning the performance of the major proprietary funds have already been addressed in the discussion of the City of Royston's business-type activities on page 12.

City of Royston Proprietary Funds
Net Position as of June 30, 2024

	Water & Sewer Fund	Natural Gas Fund	Sanitation Fund	Total
Operating Revenues	$ 1,638,685	$ 3,325,981	$ 379,073	$ 5,343,739
Operating Expenses	1,484,070	2,360,680	390,914	4,235,664
Operating income (loss)	154,615	965,301	(11,841)	1,108,075
Non-operating income (loss)	(85,037)	64,363	3,237	(17,437)
Capital Contributions	86,508	0	0	86,508
Transfers in (out)	270,210	0	0	270,210
Change in net position	426,296	1,029,664	(8,604)	1,447,356
Net Position, July 1	4,234,152	7,003,750	188,991	11,426,893
Net Position, June 30	$ 4,660,448	$ 8,033,414	$ 180,387	$ 12,874,249

General Fund Budget Highlights

There were several budget amendments approved during the fiscal year for the General Fund. Total appropriations increased by $398,109 for the fiscal year. Some amendments only transferred expenditure appropriations among departments and did not affect the total budget. One amendment increased appropriations by $372,030 for the inception of a capital lease and to

purchase new vehicles in the police department and public works department. A second amendment reduced appropriations for audit and technical support expenses by $20,500.

General Fund revenues ended the year at 10%, or $265,928, above budget primarily due to an increased collection of sales tax receipts during the year. Expenditures in the General Fund were $150,761, or 4%, under budget for the fiscal year. This was due to some personnel positions being vacant during the year and due to some small recreation projects that were not initiated or completed during the year as originally planned.

Capital Assets and Debt Administration

Capital Assets. The City of Royston has invested $12,891,863 in capital assets (net of accumulated depreciation). Capital assets include land, buildings, vehicles and equipment, infrastructure, and other items with a useful life beyond one year. Approximately 61% of these investments are related to business-type activities and approximately 39% relate 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	$ 540,144	$ 81,702	$ 621,846
Buildings	4,733,847	206,501	4,940,348
Infrastructure	2,552,746	0	2,552,746
Land improvements	0	46,824	46,824
Distribution system	0	15,023,096	15,023,096
Vehicles and equipment	3,022,775	2,026,117	5,048,892
Furniture and fixtures	59,230	0	59,230
Software	94,030	0	94,030
Construction in progress	0	303,483	303,483
Total	11,002,772	17,687,723	28,690,495
Accumulated depreciation	(6,028,897)	(9,769,735)	(15,798,632)
Net Capital Assets	$ 4,973,875	$ 7,917,988	$ 12,891,863

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, 2024, the City of Royston reported $2,285,002 in notes payable outstanding. Approximately 84% of these investments are related to business-type activities and approximately 16% relate to governmental activities. The City decreased its long-term debt outstanding in fiscal year 2024 by $84,543 through payments of principal, and the City increased its long-term debt outstanding in fiscal year 2024 through the issuance of notes payable in the amount of $728,939. 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.

	Governmental Activities	Business-type Activities	Total
Notes from direct borrowings	$ 372,030	$ 1,912,972	$ 2,285,002

Economic Condition and Outlook

The City of Royston continues to meet the needs of the city, its citizens, and its customers through a managed spending plan and budgeting process. The City also has a long-term capital improvement plan for the water, sewer, and natural gas systems.

Sales tax and property tax revenue has experienced growth in the last three years and modest increases are projected going forward and with the fiscal year 2025 budget.

The local elementary school will be closed at the end of 2024 and relocated to a new facility several miles north of town. This will be a loss to our citizens as the local elementary-aged children are transported out of town for school. The City is in discussions with the Board of Education about the potential future uses of the school property which is located in a residential area but only a couple of blocks from the main highway.

One major retail store, Dill's Food City, burned in early 2024. This was an anchor institution for the City and for the shopping center in which Dill's was located. Some businesses closed permanently as a result of the fire and water damage or as a result of the loss of customer traffic. However, the store owners are planning to rebuild in 2025, and the City will support that effort.

The City plans to construct major improvements to its wastewater treatment facilities to modernize some of the plant's processes and to meet current environmental standards. This project, estimated to be about $4 million, will be bid in late 2024 and constructed in 2025. The City also plans improvements to its raw water intake facilities, and these improvements will be more clearly identified and delineated in 2025.

The City plans to construct a major capacity expansion project for its natural gas system to bring more gas supply into the central part of Franklin County near, and just to the south of, Interstate 85. This capacity expansion will help to facilitate future growth in natural gas sales for new or expanding industry, but it will also help to support existing customers in the local agricultural industry. This expansion project will likely be constructed in 2025 when design and planning is completed.

The City continues to work with the Franklin County Industrial Building Authority to support new and existing industry, and to make proposals to prospects. Royston is the natural gas provider for the immediate area in Franklin County and along parts of Interstate 85, and the City aims to support economic development in our region.

Requests for Information

Questions concerning any of the information provided in this report or requests for additional information should be address to the Office of the City Manager, 684 Franklin Springs Street, Royston, Georgia 30662.

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BASIC FINANCIAL STATEMENTS

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS				
Current assets				
Cash and cash equivalents	$ 2,978,645	$ 6,627,554	$ 9,606,199	$ 6,213
Certificates of deposit	82,963	0	82,963	0
Restricted assets				
Cash and cash equivalents	5,455	107,256	112,711	0
Receivables (net)				
Accounts	16,456	489,840	506,296	0
Taxes	114,707	0	114,707	0
Lease	20,005	0	20,005	0
Intergovernmental	155,537	443,417	598,954	0
Interest	664	0	664	0
Prepaid items	73,485	37,333	110,818	0
Inventories	0	106,235	106,235	0
Total current assets	3,447,917	7,811,635	11,259,552	6,213
Noncurrent assets				
Lease receivable	403,971	0	403,971	0
Capital assets				
Non-depreciable	540,144	385,185	925,329	0
Depreciable (net)	4,433,731	7,532,804	11,966,535	149,351
Total noncurrent assets	5,377,846	7,917,989	13,295,835	149,351
Total assets	8,825,763	15,729,624	24,555,387	155,564
DEFERRED OUTFLOWS OF RESOURSES				
Deferred outflows related to pension	172,563	141,170	313,733	0
LIABILITIES				
Current liabilities				
Payables				
Accounts	95,247	280,288	375,535	2,128
Refunds	156	0	156	0
Sales tax	0	9,402	9,402	0
Interest	12,095	10,802	22,897	0
Due to others	19,357	0	19,357	0
Accrued salaries and expenses	15,800	14,208	30,008	0
Compensated absences	35,586	30,462	66,048	0
Unearned revenue	23,775	85,145	108,920	0
Customer deposits payable	0	107,256	107,256	0
Notes payable	66,795	134,409	201,204	0
Total current liabilities	268,811	671,972	940,783	2,128

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
Noncurrent liabilities				
Compensated absences	$ 3,954	$ 0	$ 3,954	$ 0
Net pension liability	657,361	537,762	1,195,123	0
Notes payable	305,235	1,778,563	2,083,798	0
Total noncurrent liabilities	966,550	2,316,325	3,282,875	0
Total liabilities	1,235,361	2,988,297	4,223,658	2,128
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	10,082	8,248	18,330	0
Deferred inflows related to leases	392,302	0	392,302	0
Total deferred inflows of resources	402,384	8,248	410,632	0
NET POSITION				
Net investment in capital assets	4,601,845	5,919,619	10,521,464	149,351
Restricted for:				
Public Safety	137,197	0	137,197	0
Capital outlay	1,077,415	0	1,077,415	0
Unrestricted	1,544,124	6,954,630	8,498,754	4,085
Total net position	$ 7,360,581	$ 12,874,249	$ 20,234,830	$ 153,436

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2024

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	$ 849,771	$ 362,442	$ 277,989	$ 0	$ (209,340)
Judicial	10,736	0	0	0	(10,736)
Public Safety	1,305,076	148,445	48,896	0	(1,107,735)
Public Works	685,665	1,700	0	625,082	(58,883)
Culture and Recreation	222,266	0	0	0	(222,266)
Housing and Development	132,286	6,128	0	0	(126,158)
Interest on long term debt	12,095	0	0	0	(12,095)
Total governmental activities	3,217,895	518,715	326,885	625,082	(1,747,213)
Business-type activities					
Water and Sewer Utility	1,583,513	1,638,685	0	86,508	141,680
Natural Gas Utility	2,365,618	3,325,981	0	0	960,363
Sanitation	390,914	379,073	0	0	(11,841)
Total business-type activities	4,340,045	5,343,739	0	86,508	1,090,202
Total primary government	7,557,940	5,862,454	326,885	711,590	(657,011)
Component Unit					
Downtown Development Authority					
Housing and Development	20,275	7,325	261	0	(12,689)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Change in net position				
Net (expense) revenue	$ (1,747,213)	$ 1,090,202	$ (657,011)	$ (12,689)
General revenues				
Taxes				
Property	829,653	0	829,653	0
Sales	934,692	0	934,692	0
Franchise	209,123	0	209,123	0
Insurance premium	234,706	0	234,706	0
Intangibles	8,930	0	8,930	0
Alcoholic beverage	69,181	0	69,181	0
Occupational	31,967	0	31,967	0
Hotel/Motel	9,422	0	9,422	0
Payments from City of Royston	0	0	0	12,974
Interest and investment earnings	33,760	86,945	120,705	0
Other	64,755	0	64,755	0
Transfers	(270,209)	270,209	0	0
Total general revenues and transfers	2,155,980	357,154	2,513,134	12,974
Change in net position	408,767	1,447,356	1,856,123	285
Net position - beginning	6,951,814	11,426,893	18,378,707	153,151
Net position - ending	$ 7,360,581	$ 12,874,249	$ 20,234,830	$ 153,436

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	General	American Rescue Plan Act	Franklin County SPLOST #6	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	$ 1,829,428	$ 0	$ 581,496	$ 567,721	$ 2,978,645
Certificates of deposit	82,963	0	0	0	82,963
Restricted assets					
Cash and equivalents	5,455	0	0	0	5,455
Receivables (net)					
Accounts	16,456	0	0	0	16,456
Taxes	113,885	0	0	822	114,707
Leases	423,976	0	0	0	423,976
Intergovernmental	66,300	0	39,245	49,992	155,537
Interest	664	0	0	0	664
Due from other funds	47,102	0	0	0	47,102
Prepaid items	73,485	0	0	0	73,485
Total assets	$ 2,659,714	$ 0	$ 620,741	$ 618,535	$ 3,898,990
LIABILITIES					
Accounts payable	$ 90,154	$ 0	$ 0	$ 5,093	$ 95,247
Refunds payable	156	0	0	0	156
Accrued salaries	15,800	0	0	0	15,800
Unearned revenue	23,775	0	0	0	23,775
Due to other funds	0	0	0	47,102	47,102
Due to others	19,357	0	0	0	19,357
Total liabilities	149,242	0	0	52,195	201,437
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	16,673	0	0	0	16,673
Leases	392,302	0	0	0	392,302
Total deferred inflows of resources	408,975	0	0	0	408,975
FUND BALANCES					
Nonspendable prepaid items	73,485	0	0	0	73,485
Nonspendable leases	31,674	0	0	0	31,674
Restricted for:					
Public Safety	23,031	0	0	114,166	137,197
Capital projects	4,500	0	620,741	452,174	1,077,415
Assigned for:					
Subsequent budget	263,512	0	0	0	263,512
Capital outlay	2,763	0	0	0	2,763
Unassigned	1,702,532	0	0	0	1,702,532
Total fund balances	2,101,497	0	620,741	566,340	3,288,578
Total liabilities, deferred inflows of resources, and fund balances	$ 2,659,714	$ 0	$ 620,741	$ 618,535	$ 3,898,990

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2024

Total fund balance - total governmental funds		$ 3,288,578
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		4,973,875
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		16,673
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	$ 172,563	
Deferred inflows of resources:		
Pension	(10,082)	162,481
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:		
Accrued interest payable	(12,095)	
Notes payable	(372,030)	
Net pension liability	(657,361)	
Compensated absences	(39,540)	(1,081,026)
Net position of governmental activities		$ 7,360,581

CITY OF ROYSTON, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2024

	General	American Rescue Plan Act	Formerly Major Fund Franklin County SPLOST #5	Franklin County SPLOST #6	Nonmajor Governmental Funds	Total
REVENUES						
Taxes	$ 2,312,588	$ 0		$ 0	$ 9,422	$ 2,322,010
Licenses and permits	39,759	0		0	0	39,759
Fines, fees and forfeitures	130,401	0		0	16,128	146,529
Charges for services	332,426	0		0	0	332,426
Intergovernmental	25,821	277,987		543,126	91,065	937,999
Interest	33,628	0		2,766	9,183	45,577
Contributions	0	0		0	2,148	2,148
Other	64,755	0		0	0	64,755
Total revenues	2,939,378	277,987		545,892	127,946	3,891,203
EXPENDITURES						
Current						
General Government	918,113	0		0	0	918,113
Judicial	10,736	0		0	0	10,736
Public Safety	1,376,153	0		0	19,226	1,395,379
Public Works	635,883	0		0	0	635,883
Culture and Recreation	198,665	0		0	0	198,665
Housing and Development	151,423	0		0	9,422	160,845
Capital outlay	0	0		0	198,341	198,341
Total expenditures	3,290,973	0		0	226,989	3,517,962
Excess (deficiency) of revenue over (under) expenditures	(351,595)	277,987		545,892	(99,043)	373,241
Other financing sources (uses)						
Transfers in	281,754	0		0	0	281,754
Transfers out	0	(281,754)		0	(270,209)	(551,963)
Proceeds from inception of debt	372,030	0		0	0	372,030
Total other financing sources (uses)	653,784	(281,754)		0	(270,209)	101,821
Net change in fund balance	302,189	(3,767)		545,892	(369,252)	475,062
Fund balances, July 1, as previously presented	1,799,308	3,767	841,534	0	168,907	2,813,516
Change within financial reporting entity	0	0	(841,534)	74,849	766,685	0
Fund balances, July 1, as restated	1,799,308	3,767		74,849	935,592	2,813,516
Fund balances, June 30	$ 2,101,497	$ 0	$	$ 620,741	$ 566,340	$ 3,288,578

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, 2024

Net change in fund balances - total governmental funds		$ 475,062
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	$ 553,635	
Depreciation	(295,625)	258,010
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	(190,183)	
Related accumulated depreciation	189,019	(1,164)
The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues. Further, governmental funds report bond premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of net position.		
Debt proceeds	(372,030)	
Net change in interest payable	(12,095)	(384,125)
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.		5,663
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	113,514	
Cost of benefits earned net of employee contributions	(91,598)	21,916
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	33,405	33,405
Change in net position of governmental activities		$ 408,767

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, 2024

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	$ 2,183,200	$ 2,183,200	$ 2,312,588	$ 129,388
Licenses and permits	21,000	21,000	39,759	18,759
Fines, fees and forfeitures	47,450	47,450	130,401	82,951
Charges for services	370,350	349,850	332,426	(17,424)
Intergovernmental	21,000	21,000	25,821	4,821
Interest	13,800	13,800	33,628	19,828
Contributions	3,000	3,000	0	(3,000)
Other	34,150	34,150	64,755	30,605
Total revenues	2,693,950	2,673,450	2,939,378	265,928
EXPENDITURES				
Current				
General Government				
Mayor and Council	135,200	141,300	141,300	0
Administration	682,175	800,679	772,241	28,438
Elections	6,200	6,200	4,572	1,628
Judicial				
Municipal Court	35,200	35,200	10,736	24,464
Public Safety				
Police	1,115,050	1,249,054	1,248,955	99
Fire	104,350	119,450	110,594	8,856
Animal Control	20,100	20,100	16,604	3,496
Public Works				
Streets	407,750	511,673	511,467	206
Maintenance Shop	101,125	105,325	105,300	25
Cemetery	28,400	28,400	19,116	9,284
Culture and Recreation				
Library	50,400	50,400	47,188	3,212
Parks and Recreation	206,275	214,354	151,477	62,877
Housing and Development				
Planning and Zoning	23,500	27,600	27,505	95
Main Street	127,900	131,999	123,918	8,081
Total expenditures	3,043,625	3,441,734	3,290,973	150,761
Excess (deficiency) of revenues over (under) expenditures	(349,675)	(768,284)	(351,595)	416,689
Other financing sources (uses)				
Transfers in	280,250	280,250	281,754	1,504
Transfers out	(150,000)	(150,000)	0	150,000
Sales of capital assets	3,000	3,000	0	(3,000)
Proceeds from inception of debt	0	372,030	372,030	0
Contingency	(50,000)	(50,000)	0	50,000
Total other financing sources (uses)	83,250	455,280	653,784	198,504
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(266,425)	(313,004)	302,189	615,193
Fund balances, July 1	266,425	313,004	1,799,308	1,486,304
Fund balances, June 30	$ 0	$ 0	$ 2,101,497	$ 2,101,497

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, 2024

	Budget			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 480,000	$ 280,250	$ 277,987	$ (2,263)
Interest	0	0	0	0
Total revenues	480,000	280,250	277,987	(2,263)
EXPENDITURES				
Current	0	0	0	0
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	480,000	280,250	277,987	(2,263)
Other financing sources (uses)				
Transfers out	(384,650)	(280,250)	(281,754)	(1,504)
Contingency	(95,350)	0	0	0
Total other financing sources (uses)	(480,000)	(280,250)	(281,754)	(1,504)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	(3,767)	(3,767)
Fund balances, July 1	0	0	3,767	3,767
Fund balances, June 30	$ 0	$ 0	$ 0	$ 0

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 840,221	$ 5,643,772	$ 143,561	$ 6,627,554
Restricted assets				
Cash and cash equivalents	38,740	68,516	0	107,256
Receivables (net)				
Accounts	232,927	203,162	53,751	489,840
Intergovernmental	291,517	151,900	0	443,417
Inventories	0	106,235	0	106,235
Prepaid items	17,688	15,319	4,326	37,333
Total current assets	1,421,093	6,188,904	201,638	7,811,635
Noncurrent assets				
Capital assets				
Non-depreciable	279,671	99,085	6,429	385,185
Depreciable (net)	5,058,414	2,433,843	40,547	7,532,804
Total noncurrent assets	5,338,085	2,532,928	46,976	7,917,989
Total assets	6,759,178	8,721,832	248,614	15,729,624
DEFERRED OUTFLOWS OF RESOURSES				
Deferred outflows related to pension	54,330	71,253	15,587	141,170
LIABILITIES				
Current liabilities				
Payables				
Accounts	105,609	156,217	18,462	280,288
Sales tax	0	9,402	0	9,402
Interest	5,864	4,938	0	10,802
Accrued salaries	6,296	7,142	770	14,208
Compensated absences	13,423	12,742	4,297	30,462
Unearned revenue	11,920	73,225	0	85,145
Notes payable	107,142	27,267	0	134,409
Liabilities payable from restricted assets:				
Customer deposits payable	38,740	68,516	0	107,256
Total current liabilities	288,994	359,449	23,529	671,972

CITY OF ROYSTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
Noncurrent liabilities				
Net pension liability	$ 206,962	$ 271,426	$ 59,374	$ 537,762
Notes payable	1,653,930	124,633	0	1,778,563
Total noncurrent liabilities	1,860,892	396,059	59,374	2,316,325
Total liabilities	2,149,886	755,508	82,903	2,988,297
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	3,174	4,163	911	8,248
NET POSITION				
Net investment in capital assets	3,577,013	2,295,630	46,976	5,919,619
Unrestricted	1,083,435	5,737,784	133,411	6,954,630
Total net position	$ 4,660,448	$ 8,033,414	$ 180,387	$ 12,874,249

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, 2024

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
OPERATING REVENUES				
Charges for sales and services	$ 1,638,685	$ 3,325,981	$ 379,073	$ 5,343,739
OPERATING EXPENSES				
Costs of sales and services	744,634	1,686,729	225,127	2,656,490
Personal services	485,426	544,856	121,866	1,152,148
Depreciation	254,009	129,095	43,921	427,025
Total operating expenses	1,484,069	2,360,680	390,914	4,235,663
Operating income (loss)	154,616	965,301	(11,841)	1,108,076
Non-operating revenues (expenses)				
Interest revenue	14,407	69,301	3,237	86,945
Interest expense	(30,694)	(4,938)	0	(35,632)
Debt issue costs	(68,750)	0	0	(68,750)
Total non-operating revenues (expenses)	(85,037)	64,363	3,237	(17,437)
Income before capital contributions and transfers	69,579	1,029,664	(8,604)	1,090,639
Capital contributions				
Intergovernmental	86,508	0	0	86,508
Income before transfers	156,087	1,029,664	(8,604)	1,177,147
Transfers in	270,209	0	0	270,209
Change in net position	426,296	1,029,664	(8,604)	1,447,356
Net position, July 1	4,234,152	7,003,750	188,991	11,426,893
Net position, June 30	$ 4,660,448	$ 8,033,414	$ 180,387	$ 12,874,249

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business Type			
	Water and Sewer Utility	Natural Gas Utility	Nonmajor Sanitation	Totals
Cash flows from operating activities:				
Receipts from customers	$ 1,600,171	$ 3,342,387	$ 365,552	$ 5,308,110
Payments to suppliers	(909,834)	(1,634,312)	(220,112)	(2,764,258)
Payments to employees	(452,299)	(538,209)	(127,793)	(1,118,301)
Net cash provided (used) by operating activities	238,038	1,169,866	17,647	1,425,551
Cash flows from non-capital and related financing activities:				
Payments to other funds	0	0	(69,709)	(69,709)
Cash flows from capital and related financing activities:				
Receipts from other funds	270,210	0	0	270,210
Interest paid	(93,580)	0	0	(93,580)
Acquisition of capital assets	(344,645)	(151,900)	0	(496,545)
Principal payments - notes	(84,543)	0	0	(84,543)
Net cash provided (used) by capital and related financing activities	(252,558)	(151,900)	0	(404,458)
Cash flows from investing activities:				
Interest received	14,407	69,301	3,237	86,945
Net increase (decrease) in cash and cash equivalents	(113)	1,087,267	(48,825)	1,038,329
Cash and cash equivalents, July 1	879,074	4,625,021	192,386	5,696,481
Cash and cash equivalents, June 30	$ 878,961	$ 5,712,288	$ 143,561	$ 6,734,810

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	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)	$ 154,616	$ 965,301	$ (11,841)	$ 1,108,076
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	254,009	129,095	43,921	427,025
(Increase) decrease in accounts receivable	(24,400)	18,902	(13,234)	(18,732)
(Increase) decrease in prepaids	(10,489)	(8,279)	(2,113)	(20,881)
(Increase) decrease in inventories	0	30,123	0	30,123
(Increase) decrease in deferred outflows related to pension	761	15,346	4,681	20,788
Increase (decrease) in accounts payable	(154,711)	30,573	7,128	(117,010)
Increase (decrease) in sales tax payable	0	4,467	0	4,467
Increase (decrease) in unearned revenue	(7,316)	46,379	(287)	38,776
Increase (decrease) in deferred inflows related to pension	(1,257)	(2,802)	(647)	(4,706)
Increase (decrease) in net pension liability	33,274	(1,595)	(4,524)	27,155
Increase (decrease) in accrued payroll liabilities	349	(4,302)	(5,437)	(9,390)
Increase (decrease) in deposits payable	(6,798)	(53,342)	0	(60,140)
Total adjustments	83,422	204,565	29,488	317,475
Net cash provided (used) by operating activities	$ 238,038	$ 1,169,866	$ 17,647	$ 1,425,551
Cash and cash equivalents reconciliation:				
Cash and cash equivalents	$ 840,221	$ 5,643,772	$ 143,561	$ 6,627,554
Restricted assets				
Cash and cash equivalents	38,740	68,516	0	107,256
Total cash and cash equivalents	$ 878,961	$ 5,712,288	$ 143,561	$ 6,734,810

Noncash investing, capital, and financing activities:

Acquisitions of capital assets through accounts payable totaled $163,829

Increase of notes payable through intergovernmental receivables totaled $356,909

See accompanying notes to the financial statements.

CITY OF ROYSTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

ASSETS	
Equity in pooled cash	$ 5,708
LIABILITIES	
Due to other agencies	5,708
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, 2024

ADDITIONS		
Fines and forfeitures collected for other governments	$	55,396
DEDUCTIONS		
Distributions of fines and forfeitures to other governments		55,396
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, 684 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 #6 Capital Projects Fund – This fund is used to account for long-term projects financed by the passage of the 2022 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.

Early each year, the department heads submit budget requests to the City Manager. Meetings are held between the City Manager and department heads each April to discuss the preparation of the proposed budget. The City Manager then submits the proposed budget to the City Council in May.

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. 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 resolution, 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	$ 10,000
Distribution systems	50	$ 50,000
Roads	50	$ 100,000
Bridges and culverts	50	$ 50,000
Equipment	10	$ 10,000
Vehicles	7	$ 10,000
Furniture and fixtures	5	$ 10,000
Land improvements	15	$ 10,000

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City 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 assets 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		$ 16,456
Enterprise Funds		
Water and Sewer Utility	$ 271,839	
Less: Allowances for Uncollectibles	(38,912)	
Natural Gas Utility	243,758	
Less: Allowances for Uncollectibles	(40,596)	436,089
Nonmajor Funds		
Sanitation	67,319	
Less: Allowances for Uncollectibles	(13,568)	53,751
Total Primary Government		$ 506,296

5. Intergovernmental Receivables

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

Major Funds		
Governmental Funds		
General	$ 66,300	
Franklin County SPLOST #6	39,245	$ 105,545
Enterprise Funds		
Water and Sewer Utility	291,517	
Natural Gas Utility	151,900	443,417
Nonmajor Governmental Funds		49,992
Total Primary Government		$ 598,954

6. Property Taxes

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

Tax Year	Amount
2023	$ 28,869
2022	377
2021	152
2020	37
2019	16
2018	18
2017	18
Less: allowance for uncollectible accounts	(405)
Totals	$ 29,082

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 2024, based upon the assessments of January 1, 2023, were billed on December 13, 2023, and due on February 12, 2024. Tax liens are issued 90 days after the due date. The tax rate of 8.947 mills for fiscal year 2023 was levied on November 14, 2023

Other Taxes

$84,803 of sales taxes and $822 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 City 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 City recognized $28,559 of lease revenue (reported as other revenue on the statement of activities) and $11,550 of interest revenue under the lease.

Annual requirements to maturity are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	25,817	9,015	34,832
2030-2034	154,621	33,043	187,664
2035-2038	155,102	8,926	164,028
Totals	$ 423,976	$ 93,583	$ 517,559

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 Governmental	$ 47,102

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.

A summary of interfund transfers is as follows:

Transfer Out Fund	Transfer In Fund	Amount
American Rescue Plan Act	General	$ 281,754
Nonmajor Governmental	Water and Sewer Utility	270,209
Total Interfund Transfers		$ 551,963

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	$ 25,000	$ 0	$ 540,144
Depreciable assets				
Buildings	4,733,847	0	0	4,733,847
Infrastructure	2,515,785	36,961	0	2,552,746
Vehicles and equipment	2,721,284	491,674	(190,183)	3,022,775
Software	94,030	0	0	94,030
Furniture and fixtures	59,230	0	0	59,230
Total depreciable assets	10,124,176	528,635	(190,183)	10,462,628
Accumulated depreciation				
Buildings	(2,612,255)	(73,751)	0	(2,686,006)
Infrastructure	(799,788)	(59,382)	0	(859,170)
Vehicles and equipment	(2,427,931)	(150,798)	189,019	(2,389,710)
Software	(28,209)	(9,403)	0	(37,612)
Furniture and fixtures	(54,108)	(2,291)	0	(56,399)
Total accumulated depreciation	(5,922,291)	(295,625)	189,019	(6,028,897)
Total depreciable assets, net	4,201,885	233,010	(1,164)	4,433,731
Governmental activities capital assets, net	$ 4,717,029	$ 258,010	$ (1,164)	$ 4,973,875
Business-type activities				
Non-depreciable assets				
Land	$ 81,702	$ 0	$ 0	$ 81,702
Construction in progress	368,607	330,588	(395,712)	303,483
Total non-depreciable assets	450,309	330,588	(395,712)	385,185
Depreciable assets				
Buildings	206,501	0	0	206,501
Land improvements	46,824	0	0	46,824
Distribution system	14,614,409	408,687	0	15,023,096
Vehicles and equipment	1,821,419	316,811	(112,113)	2,026,117
Total depreciable assets	16,689,153	725,498	(112,113)	17,302,538
Accumulated depreciation				
Buildings	(151,684)	(5,030)	0	(156,714)
Land improvements	(25,701)	(1,614)	0	(27,315)
Distribution system	(7,846,239)	(284,782)	0	(8,131,021)
Vehicles and equipment	(1,431,198)	(135,599)	112,113	(1,454,684)
Total accumulated depreciation	(9,454,822)	(427,025)	112,113	(9,769,734)
Total depreciable assets, net	7,234,331	298,473	0	7,532,804
Business-type activities capital assets, net	$ 7,684,640	$ 629,061	$ (395,712)	$ 7,917,989

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	(14,513)	(3,344)	0	(17,857)
Downtown Development Authority				
Component Unit, net	$ 152,695	$ (3,344)	$ 0	$ 149,351

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 31,726
Public Safety	120,447
Public Works	69,344
Culture and Recreation	70,426
Housing and Development	3,682
Total depreciation expense for governmental activities	$ 295,625
Business-type activities	
Water and Sewer Utility	$ 254,009
Natural Gas Utility	129,095
Nonmajor Sanitation	43,921
Total depreciation expense for business-type activities	$ 427,025
Component Unit	
Downtown Development Authority	$ 3,344

10. Long-Term Debt

Notes from Direct Borrowings

Governmental Activities

On November 17, 2023, the City entered into an agreement to participate in a finance purchase program sponsored by the Georgia Municipal Association. A note from direct borrowing in the amount of $642,430 was issued with Magnolia Bank, Inc. to finance the purchase of multiple vehicles; interest at 5.30%, due in 5 consecutive annual payments beginning on November 17, 2024. The note is secured by the vehicles. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. At the end of the current fiscal year, the outstanding balance of the note is $372,030.

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

Year Ending June 30,	Principal	Interest	Total
2025	$ 66,795	$ 19,886	$ 86,681
2026	70,503	16,178	86,681
2027	74,240	12,441	86,681
2028	78,175	8,506	86,681
2029	82,317	4,364	86,681
Totals	$ 372,030	$ 61,375	$ 433,405

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities

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 $1,556,065.

On November 17, 2023, the City entered into an agreement to participate in a finance purchase program sponsored by the Georgia Municipal Association. A note from direct borrowing in the amount of $642,430 was issued to Magnolia Bank, Inc to finance the purchase of multiple vehicles; interest at 5.30%, due in 5 consecutive annual payments beginning on November 17, 2024. 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. At the end of the current fiscal year, the outstanding balance of the note is $270,399.

On January 26, 2024, the City entered into an agreement with the Georgia Environmental Finance Authority for improvements to the City's water treatment plant, water distribution system, and related appurtenances. The City agreed to borrow up to $2,500,000 due in 239 consecutive monthly installments of principal and interest beginning on the earlier of the project completion date or May 1, 2025; 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 $84,664. This note is still in drawdown phase, therefore it is not included in the annual debt service requirement table below.

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities (continued)

On January 26, 2024, the City entered into an agreement with the Georgia Environmental Finance Authority for construction of a tertiary treatment system, sludge handling system, and related appurtenances. The City agreed to borrow up to $3,000,000 due in 239 consecutive monthly installments of principal and interest beginning on the earlier of the project completion date or August 1, 2025; interest at 1.31%. 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 $1,844. This note is still in drawdown phase, therefore it is not included in the annual debt service requirement table below.

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

Year Ending June 30,	Principal	Interest	Total
2025	$ 134,409	$ 37,965	$ 172,374
2026	138,445	33,928	172,373
2027	142,522	29,851	172,373
2028	146,765	25,608	172,373
2029	151,180	21,193	172,373
2030-2034	478,589	68,272	546,861
2035-2039	517,129	29,732	546,861
2040-2041	117,425	1,064	118,489
Totals	$ 1,826,464	$ 247,613	$ 2,074,077

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:

	Balance	Additions	Deductions	Balance	One Year
Governmental activities					
Notes from direct borrowings	$ 0	$ 372,030	$ 0	$ 372,030	$ 66,795
Compensated absences	72,945	32,246	(65,651)	39,540	35,586
Total governmental activities	$ 72,945	$ 404,276	$ (65,651)	$ 411,570	$ 102,381
Business-type activities					
Notes from direct borrowings	$ 1,640,606	$ 356,909	$ (84,543)	$ 1,912,972	$ 134,409
Compensated absences	39,318	26,530	(35,386)	30,462	30,462
Total business-type activities	$ 1,679,924	$ 383,439	$ (119,929)	$ 1,943,434	$ 164,871

In prior years, compensated absences of the governmental activities were liquidated in the General Fund.

Total interest expense in the governmental activities for the current fiscal year is $12,095. Total interest expense in the business-type activities for the current fiscal year is $35,632.

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	$ 11,002,772	$ 17,687,723	$ 167,208
Accumulated Depreciation	(6,028,897)	(9,769,734)	(17,857)
Book value	4,973,875	7,917,989	149,351
Notes payable	(372,030)	(1,912,972)	0
Capital-related accounts payable	0	(163,829)	0
Unspent debt proceeds	0	78,431	0
Net investment in capital assets	$ 4,601,845	$ 5,919,619	$ 149,351

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 #6	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:					
Public Safety					
Police department	$ 5,455	$ 0	$ 0	$ 15,852	$ 21,307
Fire department	17,576	0	0	98,314	115,890
Capital projects	4,500	0	620,741	452,174	1,077,415
	$ 27,531	$ 0	$ 620,741	$ 566,340	$ 1,214,612
Assigned for:					
Subsequent budget	$ 263,512	0	0	0	$ 263,512
Capital outlay	2,763	0	0	0	2,763
	$ 266,275	$ 0	$ 0	$ 0	$ 266,275

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, 2024, 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	25
Active participants	35
Total number of participants	80

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 62 with no reduction in benefit. Officials and Class One members (City Manager and City Clerk) are eligible to retire at age 62 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 1.75% with a five year vesting schedule. Officials and Class One members benefit formula is 1.75% 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 $153,529, or 9.66% of covered payroll. The City's covered payroll for employees participating in the Plan for the current fiscal year was $1,588,614. 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 $1,195123. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2024. 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 $237,816.

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	$ 39,267	$ (18,330)
Net difference between projected and actual earnings on pension plan investments	119,684	0
City contributions subsequent to the measurement date	154,782	0
Totals	$ 313,733	$ (18,330)

The $154,782 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	
2025	$ 21,563
2026	33,365
2027	112,137
2028	(26,444)
Totals	$ 140,621

14. Pension Plan (continued)

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

Inflation	2.25%
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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.91%
International equity	20%	7.21%
Domestic fixed income	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
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 9/30/22	$ 3,446,835	$ 2,206,623	$ 1,240,212
Changes for the year:			
Service cost	86,511	0	86,511
Interest	256,634	0	256,634
Differences between expected and actual experience	52,354	0	52,354
Contributions—employer	0	153,529	(153,529)
Net investment income	0	296,329	(296,329)
Benefit payments, including refunds of employee contributions	(107,111)	(107,111)	0
Administrative expense	0	(9,270)	9,270
Net changes	288,388	333,477	(45,089)
Balances at 9/30/23	$ 3,735,223	$ 2,540,100	$ 1,195,123

Plan fiduciary net position as a percentage of the total pension liability	68.00%
Covered payroll	$ 1,729,388
Employer's net pension liability as percentage of covered payroll	69.11%

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 Liability (Asset)
1% decrease	6.375%	$ 1,699,848
Current discount rate	7.375%	1,195,123
1% increase	8.375%	772,030

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 7 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 $4,158 to the plans based on covered salaries of $546,434. Plan members made voluntary contributions of $16,790 to the plans. Total payroll was $2,152,741.

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	$9,422	
Disbursements to		
Downtown Development Authority	$9,422	100% 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 $25,821 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. Changes Within Financial Reporting Entity

During the current fiscal year, changes within the financial reporting entity were as follows:

	Reporting Units Affected by Restatements of Beginning Balances			
	Franklin County SPLOST #5	Franklin County SPLOST #6	Nonmajor Governmental Funds	Total
July 1, 2023, as previously reported	$ 841,534	$ 0	$ 168,907	$ 1,010,441
Change from major to nonmajor fund	(841,534)	0	841,534	0
Change from nonmajor to major fund	0	74,849	(74,849)	0
July 1, 2023, as restated	$ 0	$ 74,849	$ 935,592	$ 1,010,441

22. New Accounting Pronouncements

The City implemented GASB Statement No. 100, *Accounting Changes and Error Corrections,* effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2023. A summary of the impact of this standard to the City's fund balance can be found in Note 21.

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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, 2024
(Unaudited)

	Fiscal Year		
	2024	**2023**	**2022**
Total pension liability			
Service cost	$ 86,510	$ 65,002	$ 66,304
Interest	256,634	200,237	190,101
Differences between expected and actual experience	52,354	(18,937)	(15,255)
Changes of benefit terms	0	602,770	
Benefit payments, including refunds of employee contributions	(107,111)	(104,614)	(100,206)
Other	0	0	0
Net change in total pension liability	288,387	744,458	140,944
Total pension liability - beginning	3,446,835	2,702,377	2,561,433
Total pension liability - ending (a)	3,735,222	3,446,835	2,702,377
Plan fiduciary net position			
Contributions - employer	$ 153,529	$ 120,682	$ 129,561
Net investment income	296,329	(432,954)	510,861
Benefit payments, including refunds of employee contributions	(107,111)	(104,614)	(100,206)
Administrative expense	(9,271)	(11,652)	(9,257)
Net change in total pension liability	333,476	(428,538)	530,959
Plan fiduciary net position - beginning	2,206,623	2,635,161	2,104,202
Plan fiduciary net position - ending (b)	$ 2,540,099	$ 2,206,623	$ 2,635,161
Net pension liability (asset) - ending : (a) - (b)	$ 1,195,123	$ 1,240,212	$ 67,216
Plan's fiduciary net position as a percentage of the total pension liability	68.00%	64.02%	97.51%
Covered payroll	$ 1,729,388	$ 1,563,646	$ 1,571,624
Net pension liability as a percentage of covered payroll	69.11%	79.32%	4.28%

See accompanying notes to the required supplementary information.

Fiscal Year							
2021	2020	2019	2018	2017	2016	2015
$ 61,407	$ 64,130	$ 73,242	$ 81,578	$ 83,644	$ 90,691	$ 97,099
180,105	169,546	160,002	144,637	138,514	125,255	109,378
(13,799)	(4,561)	(11,124)	7,268	(84,767)	13,041	55,842
					0	0
(93,960)	(91,930)	(79,565)	(55,901)	(60,829)	(55,011)	(48,664)
0	48,041	0	28,081	0	0	(5,620)
133,753	185,226	142,555	205,663	76,562	173,976	208,035
2,427,680	2,242,454	2,099,899	1,894,236	1,817,675	1,643,699	1,435,664
2,561,433	2,427,680	2,242,454	2,099,899	1,894,237	$ 1,817,675	$ 1,643,699
$ 124,974	$ 133,511	$ 138,032	$ 148,055	$ 152,823	$ 152,263	$ 149,721
185,874	56,456	160,594	203,670	126,653	7,629	95,129
(93,960)	(91,930)	(79,565)	(55,901)	(60,829)	(55,011)	(48,664)
(8,914)	(8,590)	(9,150)	(9,766)	(5,350)	(5,878)	(4,551)
207,974	89,447	209,911	286,058	213,297	99,003	191,635
1,896,228	1,806,781	1,596,870	1,310,812	1,097,515	998,512	806,877
$ 2,104,202	$ 1,896,228	$ 1,806,781	$ 1,596,870	$ 1,310,812	$ 1,097,515	$ 998,512
$ 457,231	$ 531,452	$ 435,673	$ 503,029	$ 583,425	$ 720,160	$ 645,187
82.15%	78.11%	80.57%	76.05%	69.20%	60.38%	60.75%
$ 1,532,818	$ 1,444,009	$ 1,389,033	$ 1,541,958	$ 1,579,149	$ 1,514,806	$ 1,566,779
29.83%	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, 2024
(Unaudited)

	Fiscal Year		
	2024	**2023**	**2022**
Actuarially determined contribution	$ 153,529	$ 122,322	$ 129,250
Contributions in relation to the actuarially determined contribution	(153,529)	(122,322)	(129,250)
Contribution deficiency (excess)	$ 0	$ 0	$ 0
Covered payroll	$ 1,588,614	$ 1,705,596	$ 1,510,308
Contributions as a percentage of covered payroll	9.66%	7.17%	8.56%

See accompanying notes to the required supplementary information.

Fiscal Year							
2021	2020	2019	2018	2017	2016	2015
$ 123,549	$ 136,831	$ 138,432	$ 148,055	$ 151,263	$ 153,343	$ 151,903
(123,549)	(136,831)	(138,432)	(148,055)	(151,263)	(153,343)	(151,903)
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
$ 1,492,413	$ 1,578,162	$ 1,518,135	$ 1,469,871	$ 1,580,444	$ 1,696,036	$ 1,669,519
8.28%	8.67%	9.12%	10.07%	9.57%	9.04%	9.10%

See accompanying notes to the required supplementary information.

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2024, 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, 2025.

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 15 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

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.

4. Changes of Assumptions

There were no changes in assumptions in the last two fiscal years.

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COMBINING STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

CITY OF ROYSTON, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue			
	Confiscated Assets	**Hotel/Motel Tax**	**Technology Surcharge**	**Fire Department**
ASSETS				
Cash and cash equivalents	$ 4,375	$ 3,186	$ 12,562	$ 95,424
Taxes receivable	0	822	0	0
Intergovernmental receivable	0	0	0	2,890
Total assets	$ 4,375	$ 4,008	$ 12,562	$ 98,314
LIABILITIES				
Accounts payable	$ 0	$ 4,008	$ 1,085	$ 0
Due to other funds	0	0	0	0
Total liabilities	0	4,008	1,085	0
FUND BALANCES				
Restricted for Public Safety	4,375	0	11,477	98,314
Restricted for Capital Outlay	0	0	0	0
Total fund balances	4,375	0	11,477	98,314
Total liabilities and fund balances	$ 4,375	$ 4,008	$ 12,562	$ 98,314

Capital Projects		Total
Franklin County SPLOST #5	Hart County SPLOST #5	Nonmajor Governmental Funds
$ 452,174	$ 0	$ 567,721
0	0	822
0	47,102	49,992
452,174	$ 47,102	$ 618,535
$ 0	$ 0	$ 5,093
0	47,102	47,102
0	47,102	52,195
0	0	114,166
452,174	0	452,174
452,174	0	566,340
$ 452,174	$ 47,102	$ 618,535

CITY OF ROYSTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2024

	Special Revenue			
	Confiscated Assets	**Hotel/Motel Tax**	**Technology Surcharge**	**Fire Department**
REVENUES				
Taxes	$ 0	$ 9,422	$ 0	$ 0
Fines, fees, and forfeitures	0	0	16,128	0
Intergovernmental	0	0	0	20,926
Interest	0	0	132	0
Contributions	0	0	0	2,148
Total revenues	0	9,422	16,260	23,074
EXPENDITURES				
Current				
Public Safety	0	0	13,970	5,256
Housing and Development	0	9,422	0	0
Capital outlay	0	0	0	0
Total expenditures	0	9,422	13,970	5,256
Excess (deficiency) of revenues over (under) expenditures	0	0	2,290	17,818
Other financing sources (uses)				
Transfers out	0	0	0	0
Net change in fund balance	0	0	2,290	17,818
Fund balances, July 1, as previously presented	4,375	0	9,187	80,496
Change within financial reporting entity	0	0	0	0
Fund balances, July 1, as restated	4,375	0	9,187	80,496
Fund balances, June 30	$ 4,375	$ 0	$ 11,477	$ 98,314

	Capital Projects			
	Formerly Nonmajor Fund			
Franklin County SPLOST #5	Franklin County SPLOST #6	Hart County SPLOST #5	Total Nonmajor Governmental Funds
$ 0		$ 0	$ 9,422
0		0	16,128
0		70,139	91,065
9,051		0	9,183
0		0	2,148
9,051		70,139	127,946
0		0	19,226
0		0	9,422
137,212		61,129	198,341
137,212		61,129	226,989
(128,161)		9,010	(99,043)
(261,199)		(9,010)	(270,209)
(389,360)		0	(369,252)
0	74,849	0	168,907
841,534	(74,849)	0	766,685
841,534		0	935,592
$ 452,174		$ 0	$ 566,340

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, 2024

	Final Budget	Actual	Variance
REVENUES	$ 0	$ 0	$ 0
EXPENDITURES			
Payments to others	0	0	0
Excess (deficiency) of revenues over (under) expenditures	0	0	0
Fund balances, July 1	0	4,375	4,375
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, 2024

	Final Budget	Actual	Variance
REVENUES			
Hotel/motel taxes	$ 12,000	$ 9,422	$ (2,578)
EXPENDITURES			
Current			
Housing and Development			
Agency allocations	12,000	9,422	2,578
Excess (deficiency) of revenues over (under) expenditures	0	0	0
Fund balances, July 1	0	0	0
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, 2024

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 8,800	$ 16,128	$ 7,328
Interest	0	132	132
Total revenues	8,800	16,260	7,460
EXPENDITURES			
Current			
Public Safety			
Contract services	12,800	13,970	(1,170)
Materials and supplies	2,000	0	2,000
Total expenditures	14,800	13,970	830
Excess (deficiency) of revenues over (under) expenditures	(6,000)	2,290	8,290
Fund balances, July 1	6,000	9,187	3,187
Fund balances, June 30	$ 0	$ 11,477	$ 11,477

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, 2024

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 20,788	$ 20,926	$ 138
Contributions	3,000	2,148	(852)
Total revenues	23,788	23,074	(714)
EXPENDITURES			
Current			
Public Safety			
Contract services	0	212	(212)
Materials and supplies	7,000	5,044	1,956
Capital outlay	60,000	0	60,000
Total expenditures	67,000	5,256	61,744
Excess (deficiency) of revenues over (under) expenditures	(43,212)	17,818	61,030
Fund balances, July 1	43,212	80,496	37,284
Fund balances, June 30	$ 0	$ 98,314	$ 98,314

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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, 2024

ASSETS		
Cash	$	6,213
LIABILITIES		
Accounts payable	$	2,128
FUND BALANCES		
Assigned for Housing and Development		4,085
Total liabilities and fund balances	$	6,213

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, 2024

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 17,000	$ 12,974	$ (4,026)
Contributions	150	261	111
Event Fees	1,000	100	(900)
Miscellaneous	8,000	7,225	(775)
Total revenues	26,150	20,560	(5,590)
EXPENDITURES			
Current			
Housing and Development			
Contract services	3,700	1,423	2,277
Materials and supplies	20,200	15,133	5,067
Payments to others	2,250	375	1,875
Total expenditures	26,150	16,931	9,219
Excess (deficiency) of revenues over (under) expenditures	0	3,629	3,629
Fund balances, July 1	0	456	456
Fund balances, June 30	$ 0	$ 4,085	$ 4,085

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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, 2024, 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 18, 2024.

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:

2024-001

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.

2024-001, continued

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

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.

2024-002

Condition: While performing audit procedures, we noted a lack of proper approval evidence on supporting documentation for utility customer account adjustments and bank reconciliations.

Criteria: Proper internal controls require that all utility customer adjustments and bank reconciliations have appropriate supporting documentation with evidence of approval.

Effect: Failure to maintain proper supporting documentation with evidence of approval subjects the assets of the City to greater risk of misappropriation.

Cause: Management is not maintaining appropriate supporting documentation with evidence of proper approval for utility customer adjustments and bank reconciliations.

Recommendation: Supporting documentation with evidence of approval for all utility customer adjustments and bank reconciliations should be retained by management.

Management Response: Management concurs with this finding. The City's Finance Department will maintain supporting documentation with evidence of approval for all utility customer adjustments and bank reconciliations.

2024-003

Condition: While performing audit procedures at the Downtown Development Authority, we noted a lack of supporting documentation, including evidence of proper approval, for cash disbursements.

Criteria: Proper internal controls require that cash disbursements have appropriate supporting documentation with evidence of approval.

Effect: Failure to maintain proper supporting documentation with evidence of approval subjects the assets of the City to greater risk of misappropriation.

Cause: Management is not maintaining appropriate supporting documentation with evidence of proper approval for cash disbursements at the Downtown Development Authority.

Recommendation: Supporting documentation with evidence of approval for cash disbursements should be retained by management.

Management Response: Management concurs with this finding. The Downtown Development Authority will maintain supporting documentation with evidence of approval for cash disbursements.

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 18, 2024

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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, 2024

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	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			
Administrative Buildings/ Government Buildings/Facilities			$ 22,927	$ 0	$ 22,927
Police Facilities and Equipment			114,103	29,746	143,849
Fire Facilities and Equipment			25,911	15,798	41,709
Library Facillities and Equipment			2,600	0	2,600
Recreation Facilities and Equipment			102,984	0	102,984
Street Improvements and Equipment			236,256	91,668	327,924
Water and Sewer Facilities and Equipment			434,358	261,199	695,557
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	$ 1,110,921	$ 398,411	$ 1,509,332

* 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, 2024

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			$ 29,655	$ 344	$ 29,999
Capital Improvements to Streets, Sidwalks, and Bridges			10,335	60,785	71,120
Recreation Capital Improvements			30,000	0	30,000
Water System Capital Improvements and Debt Service			115,083	9,010	124,093
	$ 358,400	$ 358,400	$ 185,073	$ 70,139	$ 255,212

* 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, 2024

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	406,685	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	$ 1,831,685	$ 0	$ 0	$ 0