CITY OF SYLVESTER, GEORGIA

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

FOR THE FISCAL YEAR ENDED
June 30, 2024
(***With Independent Auditor's Report Thereon***)

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CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

FINANCIAL SECTION

Hudson & NeSmith, CPAs and Advisors

Member
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants
Private Companies Practice Section

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Sylvester, 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 Sylvester, Georgia (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position 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 Sylvester, Georgia, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Sylvester, 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Sylvester, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Sylvester, 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 on pages 4-16, schedule of changes in net pension liability and related ratios on page 66-67, schedule of contributions on pages 68-72, and budgetary comparison information on pages 73-76 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sylvester, Georgia's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of Special Purpose Local Option Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121 and is not a required part of the financial statements. The accompanying schedule of expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-269.5 and is not a required part of the financial statements. The accompanying Project Cost Schedule and Source and Application of Funds Schedule are also presented for additional analysis and are not a required part of the 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combing and individual nonmajor fund financial statements, schedule of expenditures of Special Purpose Local Option Sales Tax Proceeds, schedule of expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds, the schedule of expenditures of federal awards, Project Cost Schedule, and Source and Application of Funds Schedule 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 February 2, 2026, on our consideration of the City of Sylvester, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Sylvester, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Sylvester, Georgia's internal control over financial reporting and compliance.



Hudson & NeSmith, CPAs
Sylvester, Georgia
February 2, 2026

The City of Sylvester's (the "City") basic financial statements are presented for the fiscal year ended June 30, 2024. The components of the financial statements include the Management's Discussion and Analysis (MD&A), Basic Financial Statements, and Other Required Supplementary Information (RSI). The MD&A, a component of the RSI, introduces the basic financial statements and provides an analytical overview of the City's financial activities. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to also review the financial statements and the notes to the basic financial statements to enhance their understanding of the City's overall financial performance.

FINANCIAL HIGHLIGHTS

For Fiscal Year (FY) 2024, key financial highlights are as follows:

- The City has $49 million in total assets, which represents an increase of $2,890,757 or 6.3% over the prior FY. Of this amount, $39.1 million are capital assets.
- Total liabilities for the City are $17.7 million. Of this amount, $13.8 million represents long-term debt.
- The City's long-term debt realized a decrease of $366,745 or 2.6% as a result of the pay down of several debts, including the 2022 Series Bonds.
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by $32 million. This difference represents the City's Net Position at the fiscal year-end. Of this amount, the unrestricted net position was $1.7 million.
- The City's total net position increased by $808,152 or 2.5% in relation to the prior fiscal year end. Net position of governmental activities increased by $2,504,351 or 14% and the net position of business-type activities decreased by $1,696,199 or 12%.
- The City's governmental funds reported a combined ending fund balance of $3.2 million, representing an increase of $1,590,530 or 9.8% in comparison to the previous fiscal year end. Of this amount, $1,644,577 is designated as unassigned fund balance and is therefore available for spending at the government's discretion.
- For the General Fund, the ending fund balance was $1,853,698, which increased $1,050,158 or 130.7%.
- The business-type activities or enterprise funds closed the fiscal year with operating revenues exceeding operating expenses by $4.7 million, representing an increase of $1,628,662 or 53.6% from prior FY2023.
- The enterprise funds had a total ending cash and cash equivalents balance of $566,556 which was a year-over-year decrease of $920,596 or -61.9%.

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OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The basic financial statements are composed of the government-wide financial statements, the fund financial statements, and the notes to the financial statements. This report also contains other supplementary information following these financial statements, which may be of interest to the reader.

Reporting the City as a Whole
Government-wide Financial Statements

The government-wide financial statements, which include the Statement of Net Position and the Statement of Activities answer the question, "How did we do financially during fiscal year 2024?" These statements report information about the City as a whole. The government-wide financial statements are prepared using the economic resources measurement focus and include all assets and liabilities using the accrual basis of accounting. This is similar to the accounting used by a private sector entity. In addition, this basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is received or paid. Further, the statements provide both long-term and short-term information about the City's overall financial condition. Fiduciary activities, which are resources that are not available to finance the City's operations and are held for the benefit of others, are excluded from government-wide financial statements. Changes in the City's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information regarding how the City's net position changed during the fiscal year is presented in the Statement of Activities. Specifically, from the year-over-year comparison, the reader is able to ascertain if there was an improvement or decline in the City's overall primary government financial performance.

In the Statement of Net Position and the Statement of Activities, the City reports the primary government, which includes the governmental activities as well as the business-type activities. The governmental activities' programs and services reported include general government, public safety, public works, culture and recreation, and community and economic development. The business-type activities' program services include the electric, water and sewer, natural gas, solid waste, telecommunications, and airport systems. The City's component units are also reported in the government-wide financial statements. More detailed information regarding the component units can be found in Note 1, Summary of Significant Accounting Policies, of the Basic Financial Statements.

The government-wide financial statements can be found on pages 18-20 of this report.

Reporting the City's Most Significant Funds
Fund Financial Statements

Fund financial statements, unlike the government-wide financial statements, provide more detailed information regarding the City's funds. The City uses various funds to account for a multitude of financial transactions that are necessary for the successful day-to-day operations of the City. These financial statements assist management in determining if there are financial resources available that could possibly contribute to financing the overall operational needs of the City as well as meet the needs of the various stakeholders to which it is indebted to serve. Fund level financial statements are prepared for both governmental, proprietary or enterprise, and fiduciary funds, providing a detailed short-term view of the City's operations and the services provided. However, the fund financial statements primarily focus on the City's most significant or major governmental and enterprise funds, including its blended component units. In addition, information regarding a government's fiduciary funds and component units that are fiduciary in nature are included in the fund financial statements.

Governmental Funds. The City's financial statements for all governmental funds are presented in accordance with the current financial resource measurement focus and the modified accrual basis of accounting, with the revenues recorded when both measurable and available, and expenditures recorded when the goods or services are received, and the liabilities are incurred. The City's major governmental funds include the General Fund, Special Purpose Local Option Sales Tax (SPLOST) Capital Projects Fund, Transportation Special Purpose Local Option Sales Tax (T-SPLOST) Capital Projects Fund, Designated Grant Special Revenue Fund, and the American Rescue Plan Act Special Revenue Fund. The relationship (or differences) between governmental *activities* reported in the Statement of Net

Position and the Statement of Activities and governmental *funds* is reconciled in the financial statements and can also be found in this referenced section. The governmental fund financial statements can be found on pages 21 through 23 of this report.

Proprietary Funds. Proprietary or enterprise funds' financial statements are presented in accordance to the economic resource measurement focus and accrual basis of accounting. Unlike for the governmental funds' financial statements, revenues are recorded when earned and expenditures are recognized when incurred. The City's major proprietary funds include the Electric Fund, Water and Sewer Fund, Airport Fund, Solid Waste Fund, Telecommunications Fund, and Natural Gas Fund. The proprietary fund financial statements can be found on pages 25 through 29 of this report.

Custodial Funds. In the service of trustee or fiduciary for assets that are held for the benefit of others, the City is responsible for ensuring that the assets reported in the funds are used only for their intended purposes and by those to whom the assets belong. The City excludes these activities from the government-wide financial statements since these assets cannot be used to finance the operations of the City. The fiduciary funds at June 30, 2024 include the Utility Energy Crisis Fund and the Downtown Sylvester Farmer's Market. The associated financial statements for these funds can be found on pages 30 through 31 of this report.

Notes to the Basic Financial Statements

The notes to the financial statements serve as an essential resource in providing additional information that is critical to obtaining a full understanding of the various financial information shared in the government-wide and fund financial statements. Specifically, Note 1 to the Basic Financial Statements provides detailed information regarding the elements of the financial statements, which includes a summary of significant accounting policies that assist the reader in interpreting the information presented.

The Notes to the Basic Financial Statements may be found on pages 34 through 64 of this report.

Required Supplementary Information and Other

Following the Notes to the Basic Financial Statements, on pages 66 through 72, is required supplementary information regarding the City's pension trust fund. Trend data over multiple fiscal years is also provided.

In addition, on pages 73 through 76 is supplementary financial information for the General Fund, Designated Grant Fund, and American Rescue Plan Act Fund which includes budget to actual comparisons of revenues, expenditures, and changes in fund balance.

Other Financial Reporting

Combining and individual statements of non-major special revenue governmental funds are presented, providing a comprehensive review of the financial transactions through the respective year-end. The central non-major special revenue governmental funds, based on the ending fund balance at June 30, 2024, include the following:

- Community Development Block (CDBG) Grant Economic Development Revolving Loan Fund
- Hotel/Motel Tax Fund

The associated combining and individual statements may be found on pages 87 through 92.

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Table 1 below summarizes the major features of the basic financial statements.

Table 1:
Major Features of the Basic Financial Statements

	Government-Wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City Government and any component units	Activities of the City that are not proprietary.	Activities of the City that are operated similar to a private business.
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances	• Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, as well as short-term and long-term	Only assets expected to be consumed and liabilities that are due during the year or soon thereafter; capital assets are not included.	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is paid or received	• Revenues for which cash is received during or soon after the year end. • Expenditures recognized when goods or services have been received and payments are due during the year or soon thereafter.	All revenues and expenses during the year, regardless of when cash is received or paid.

Government-Wide Financial Analysis

Table 2 below presents the City's condensed statement of net position as of June 30, 2024 and 2023, which was derived from the Government-wide Statement of Net Position on page 21.

Table 2
Condensed Statement of Net Position
As of June 30

	Governmental Activities		Business Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current assets	$ 4,182,498	$ 2,296,090	$ 5,773,796	$ 6,025,634	$ 9,956,294	$ 8,321,724
Capital assets - net	20,652,790	19,173,786	18,396,739	18,619,556	39,049,529	37,793,342
Total assets	$ 24,835,288	$ 21,469,876	$ 24,170,535	$ 24,645,190	$ 49,005,823	$ 46,115,066
Deferred outflows of resources	2,446,324	2,819,069	-	-	2,446,324	2,819,069
Liabilities						
Current liabiities	$ 1,006,627	$ 688,985	$ 2,840,488	$ 1,171,158	$ 3,847,115	$ 1,860,143
Long-term liabilities (net)	4,891,381	4,810,340	8,918,455	9,366,241	13,809,836	14,176,581
Total liabilities	$ 5,898,008	$ 5,499,325	$ 11,758,943	$ 10,537,399	$ 17,656,951	$ 16,036,724
Deferred inflows of resources	983,385	893,752	-	-	983,385	893,752
Net Position						
Net Investment in Capital Ass	$ 20,528,114	$ 18,995,932	$ 9,180,248	$ 9,089,728	$ 29,708,362	$ 28,085,660
Restricted	1,127,220	871,874	246,054	356,972	1,373,274	1,228,846
Unrestricted	(1,255,115)	(1,971,938)	2,985,290	4,661,091	1,730,175	2,689,153
Total net assets	$ 20,400,219	$ 17,895,868	$ 12,411,592	$ 14,107,791	$ 32,811,811	$ 32,003,659

As noted earlier, net position serves as a useful indicator of a government's financial health for the respective reporting period end. Overall, for the fiscal year ending June 30, 2024, the City is pleased to report positive balances in the net position for the City as a whole as well as for its separate governmental and business-type activities funds.

As reflected on the chart on the preceding page, for the fiscal year ending June 30, 2024, the City's combined assets and deferred outflows exceeded the combined liabilities and deferred inflows by $32 million. This represents a increase of $808,152 or 2.5% above the prior FY. For governmental activities, the City realized a year-over-year increase of $2,504,351 or 13.9%. Business-type activities realized a year-over-year decrease of $1,696,199 or 12%.

By far the largest portion of the City's total net position reflects its net investment in capital assets (e.g., land, buildings and improvements, infrastructure, machinery, and equipment, etc.), less accumulated depreciation and related debt, which totaled $29 million as of June 30, 2024. The City employs these various capital assets to provide daily services to its citizens; consequently, these assets are not available for future spending. Although the City's investment 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 given that the capital assets themselves cannot be used to liquidate the associated liabilities.

The combined restricted net position for FY 2024 of $1.3 million represents resources that are subject to external restrictions, constitutional provisions, and/or enabling legislation, which govern how the funds can be expended. Representing 4.2% of combined total net position, restricted net position realized an increase of $144,428 or 11.8% over prior the FY.

The final net position component, combined unrestricted net position, was $1,730,175 million for the fiscal year end, which is down $958,978 or 35.7%. From a strictly activities perspective, governmental activities reflect a deficit or negative unrestricted net position of $1.25 million as of June 30, 2024. Business-type activities, however, reflect a positive unrestricted net position of $2.9 million for the identical reporting period.

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Table 3 below presents the City's condensed statement of activities for the fiscal years ended June 30, 2024 and 2023, as derived from the Government-wide Statement of Activities on pages 19 and 20. Over time, increases or decreases in net position measure whether the City's financial position is improving or deteriorating, providing the opportunity to proactively implement the necessary strategic plans to ensure on going sustainable fiscal prosperity.

As reflected below, total revenues for governmental activities and business-type activities were $5.2 million and $16.2 million, respectively. Total expenses for governmental activities and business-type activities were $9.8 million and $12.8 million, respectively. Transfers to the governmental activities from the business-type activities totaled $3.7 million, which is the largest governmental activities revenue source. During FY 2024, the net position of the governmental activities decreased by $888 thousand or -4.7%, and the net position of the business-type activities decreased by $353 thousand or -2.4%. The total net change in net position for fiscal year ending 2024 was a decrease of $1.2 million or -3.7 % from the prior FY 2023.

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Table 3
Condensed Statement of Activities
As of June 30

	Governmental Activities		Business-type Activities		Total	
	2024	**2023**	**2024**	**2023**	**2024**	
Revenues:						
Taxes-Net	$ 2,338,947	$ 2,145,199	$ -	$ -	$ 2,338,947	$ 2,145,199
Charges for Services	241,618	267,897	22,424,452	15,891,280	22,666,070	16,159,177
Fines and Forfeitures	355,333	198,483	-	-	355,333	198,483
Licenses and Permits	-				-	
Capital Grants	2,791,417	2,406,606	584,211		3,375,628	2,406,606
Intergovernmental	-	104,381	-	-	-	104,381
Interest Income	3,270	119	671	86	3,941	205
Gain/Loss on Investments	-	-	-	335,970	-	335,970
Miscellaneous	516,053	109,528	-	-	516,053	109,528
Total Revenues	$ 6,246,638	$ 5,232,213	$ 23,009,334	$ 16,227,336	$ 29,255,972	$ 21,459,549
Expenses:						
General Government	$ 3,266,887	$ 2,659,183	$ -	$ -	$ 3,266,887	$ 2,659,183
Public Safety	4,039,732	4,766,204	-	-	4,039,732	4,766,204
Public Works	1,981,732	1,922,086	-	-	1,981,732	1,922,086
Culture and Recreation	313,814	244,861	-	-	313,814	244,861
Community Development	498,724	249,544	-	-	498,724	249,544
Interest-Long-Term Debt	2,918	4,321	-	-	2,918	4,321
Electric	-	-	12,115,874	7,996,574	12,115,874	7,996,574
Water and Sewer	-	-	3,162,733	1,965,155	3,162,733	1,965,155
Gas	-		1,141,258	1,024,505	1,141,258	1,024,505
Sanitation	-		825,118	1,062,523	825,118	1,062,523
Telecommunication	-		734,142	386,424	734,142	386,424
Airport	-		364,888	420,111	364,888	420,111
Total Expenses:	$ 10,103,807	$ 9,846,199	$ 18,344,013	$ 12,855,292	$ 28,447,820	$ 22,701,491
Increase (decrease) in net position before transfers	(3,857,169)	(4,613,986)	4,665,321	3,372,044	808,152	(1,241,942)
Transfers In (Out)	6,361,520	3,725,601	(6,361,520)	(3,725,601)	-	-
Increase (decrease) net posi	$ 2,504,351	$ (888,385)	$ (1,696,199)	$ (353,557)	$ 808,152	$ (1,241,942)
Net position - beginning	17,895,868	18,784,253	14,107,791	14,461,348	32,003,659	33,245,601
Net position - ending	$ 20,400,219	$ 17,895,868	$ 12,411,592	$ 14,107,791	$ 32,811,811	$ 32,003,659

Governmental Activities - Revenues by Sources						
	FY 2024	Percent of Total Revenue	FY 2023	Percent of Total Revenue	Year-over-Year Dollar Change	Year-over-Year Percent Change
Capital Grants & Contributions	$2,791,417	44.69%	$2,406,606	46.00%	$ 384,811	13.79%
Property Taxes	$1,004,238	16.08%	$ 989,926	18.92%	$ 14,312	1.43%
Local Option Sales Taxes	$ 618,328	9.90%	$ 549,305	10.50%	$ 69,023	11.16%
Other Taxes	$ 716,381	11.47%	$ 564,443	10.79%	$ 151,938	21.21%
Other Revenues	$ 519,323	8.31%	$ 349,655	6.68%	$ 169,668	32.67%
Charges for Services	$ 596,951	9.56%	$ 267,897	5.12%	$ 329,054	55.12%
Operating Grants & Contributions	$ -		$ 104,381	1.99%	$ (104,381)	0.00%
Total Revenue	$6,246,638	100.00%	$5,232,213	100.00%	$ 1,014,425	135.38%

As reflected on the charts on the preceding page and presented above, the City's capital grants and contributions program revenues continue to be the dominant revenue source for governmental activities. For FY 2024, capital grants and contributions program revenues were $2.8 million, which represented 44.69% of total governmental activities revenues. In comparison to the prior FY, this was an increase of $384,811 or 13.79%. Taxes, Net (property taxes, local option sales taxes, and other taxes) is the second largest revenue source for governmental activities with total year-end revenues of $2.3 million. Taxes, Net realized a combined increase of $235,273 or 10.05%. Overall, for FY 2024 governmental activities revenues totaled $6.2 million, which was an increase of $1,014,425 or 135.38% above the prior FY.

Governmental Activities - Expenses by Sources						
	FY 2024	Percent of Total Expenses	FY 2023	Percent of Total Expenses	Year-over-Year Dollar Change	Year-over-Year Percent Change
General Government	$ 3,266,887	32.33%	$2,659,183	27.01%	$ 607,704	18.60%
Public Safety	$ 4,039,732	39.98%	$4,766,204	48.41%	$ (726,472)	-17.98%
Public Works	$ 1,981,732	19.61%	$1,922,086	19.52%	$ 59,646	3.01%
Culture and Recreation	$ 313,814	3.11%	$ 244,861	2.49%	$ 68,953	21.97%
Community & Economic Development	$ 498,724	4.94%	$ 249,544	2.53%	$ 249,180	49.96%
Interest on Long-Term Debt	$ 2,918	0.03%	$ 4,321	0.04%	$ (1,403)	-48.08%
Total Expenses	**$10,103,807**	**100.00%**	**$9,846,199**	**100.00%**	**$ 257,608**	**27.48%**

As reflected on the charts on the preceding page and presented above, the City's general government, public safety, and public works continue to be the dominant expenses for governmental activities. For FY 2024 and FY 2023, the public safety function was where the City's governmental activities' funding was primarily expended. Public safety expenses for FY 2024 were $4.0 million and represented 39.98% of total governmental activities expenses. In comparison to FY 2023, this represented a decrease of $726,472 or 17.98%. Overall, for FY 2024 governmental activities expenses totaled $10.1 million, which was an increase of $257,608 or 27.48% over FY 2023.

Program Expenses and Revenues for Governmental Activities

Table 4 below presents the net costs of governmental activities. As reflected, overall total program revenues for FY 2024 were not sufficient to cover program expenses for governmental activities, as denoted in the net program expenses (revenues) section of the chart. General revenues, predominately taxes, supported the net costs of governmental activities. Program revenues as a percentage of program expenses recognized an increase for governmental activities, increasing from 53.14% to 61.82%, a year-over-year increase of 135.38%.

Table 4: Net Costs of Government Functions
for the Fiscal Year Ended June 30

	2024		2023		2024	2023	2024	2023
	Program Expenses	Less Program Revenues	Program Expenses	Less Program Revenues	Net Program Expenses (Revenue)		Program Expenses as a % of Program Revenue	
General Government	$3,266,887	2,338,947	$2,659,183	$3,580,373	927,940	(921,190)	71.60%	134.64%
Public Safety	4,039,732	355,333	4,766,204	198,483	3,684,399	$4,567,721	8.80%	4.16%
Public Works	1,981,732	2,791,417	1,922,086	1,412,338	(809,685)	509,748	140.86%	73.48%
Culture and Recreation	313,814	381,470	244,861	20,735	(67,656)	224,126	121.56%	8.47%
Community & Economic Development	498,724	376,201	249,544	20,165	122,523	229,379	75.43%	8.08%
Interest on Long-Term Debt	2,918	3,270	4,321	119	(352)	4,202	112.06%	2.75%
Total	$10,103,807	$6,246,638	$9,846,199	$5,232,213	$3,857,169	$4,613,986	61.82%	53.14%

Business -Type Activities- Revenues by Sources						
	FY 2024	Percent of Total Revenue	FY 2023	Percent of Total Revenue	Year-over-Year Dollar Change	Year-over-Year Percent Change
Electric	$17,340,705	77.33%	$11,341,004	69.89%	$ 5,999,701	34.60%
Water and Sewer	$ 2,313,170	10.32%	$ 2,631,803	16.22%	$ (318,633)	-13.77%
Natural Gas	$ 814,159	3.63%	$ 975,994	6.01%	$ (161,835)	-19.88%
Solid Waste	$ 1,192,296	5.32%	$ 1,040,194	6.41%	$ 152,102	12.76%
Telecommunications	$ 652,905	2.91%	$ 206,475	1.27%	$ 446,430	68.38%
Airport	$ 111,217	0.50%	$ 31,866	0.20%	$ 79,351	71.35%
Total Revenue	$22,424,452	100.00%	$16,227,336	100.00%	$ 6,197,116	153.43%

As reflected on the charts presented above, the City's electric fund continues to be the dominant revenue source of the business-type activities or enterprise funds. For FY 2024, the electric fund had total revenues of $17.3 million, which is up from $11.3 million for the previous fiscal year end. This represented an increase of $5.9 million or -34.6%. For FY 2024 and FY 2023, the electric fund revenues represented 77.33% and 69.89%, respectively, of total enterprise funds revenues. Overall, for FY 2024 enterprise funds revenues totaled $22.4 million, which represents an increase of $6.2 million or 153.43% above FY 2023.

Business-Type Activities - Expenses by Sources						
	FY 2024	Percent of Total Expenses	FY 2023	Percent of Total Expenses	Year-over-Year Dollar Change	Year-over-Year Percent Change
Electric	$12,115,874	66.05%	$ 7,996,574	62.20%	$ 4,119,300	34.00%
Water and Sewer	$ 3,162,733	17.24%	$ 1,965,155	15.29%	$ 1,197,578	37.87%
Natural Gas	$ 1,141,258	6.22%	$ 1,024,505	7.97%	$ 116,753	10.23%
Solid Waste	$ 825,118	4.50%	$ 1,062,523	8.27%	$ (237,405)	-28.77%
Telecommunications	$ 734,142	4.00%	$ 386,424	3.01%	$ 347,718	47.36%
Airport	$ 364,888	1.99%	$ 420,111	3.27%	$ (55,223)	-15.13%
Total Expenses	**$18,344,013**	**100.00%**	**$12,855,292**	**100.00%**	**$ 5,488,721**	**85.55%**

As reflected on the charts on the preceding page and presented above, the City's electric and water and sewer expenses are the dominant business-type or enterprise expenses funded for the last two reported fiscal years. For FY 2024, electric expenses totaled $12.1 million, which was an increase of $4,119,300 or 34.0% over FY 2023. For the same period, water and sewer expenses totaled $3.2 million, an increase of $1,197,578 or 37.87% over FY 2023. For FY 2024 electric and water and sewer expenses account for 62.20% and 15.29% respectively, of total business-type expenses. Overall, for FY 2024, business-type or enterprise expenses totaled $18.3 million, an increase of $5.4 million or -85.55% over FY 2023.

Program Expenses and Revenues for Business-type Activities

Table 5 below presents the net income and costs of business-type activities or enterprise expenses. Program revenues generated were more than sufficient to cover program expenses. Overall, program expenses as a percentage of program revenues increased for business-type activities from FY 2023 to FY 2024 from 79.22% to 81.8% a increase of 2.58%.

Table 5: Net Revenue of Business-Type Activities
for the Fiscal Year Ended June 30

	2024		2023		2024	2023	2024	2023
Function/Program	Program Expenses	Less Program Revenues	Program Expenses	Less Program Revenues	Net Program Expenses (Revenue)		Program Expenses as a % of Program Revenue	
Electric	$12,115,874	17,340,705	$7,996,574	$11,341,004	(5,224,831)	(3,344,430)	69.87%	70.51%
Water and Sewer	3,162,733	2,313,170	1,965,155	2,631,803	849,563	(666,648)	136.73%	74.67%
Natural Gas	1,141,258	814,159	1,024,505	975,994	327,099	48,511	140.18%	104.97%
Solid Waste	825,118	1,192,296	1,062,523	1,040,194	(367,178)	22,329	69.20%	102.15%
Telecommunications	734,142	652,905	386,424	206,475	81,237	179,949	112.44%	187.15%
Airport	364,888	111,217	420,111	31866	253,671	388,245	328.09%	1318.37%
Total	$18,344,013	$22,424,452	$12,855,292	$16,227,336	($4,080,439)	($3,372,044)	81.80%	79.22%

BUDGETARY HIGHLIGHTS

Over the course of the fiscal year, the Mayor and Council of the City amended the budget to align with funding needs that occurred throughout the fiscal year. These budget amendments were supplemental appropriations to primarily address operational and capital projects funding shortfalls, which included funding for both routine and non-routine expenditures that occurred in the overall operation of the City. Budget amendments were also prepared to prevent any budget overruns. The variances between the original and final budget, or between the final and actual budget, are not expected to have a significant effect on the City's overall financial liquidity and most of all the level of services provided to the citizens of Sylvester.

Additional information regarding the General Fund budget variances may be found on Note 1.D. Budgets and Budgetary Accounting on pages 43 of the Basic Financial Statements and on the Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual in the Required Supplementary Information (RSI) section on page 73.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2024 totaled $39 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, plant, buildings and improvements, machinery and equipment, vehicles, and infrastructure. In addition, it includes a network of distribution systems (electric, water and sewer, solid waste, telecommunications, and natural gas). The year-over-year changes in capital assets for the City are reflected in the chart below. Overall, for the fiscal year end, capital assets (net of accumulated depreciation) increased $1.3 million or 3.32% in comparison to FY 2023.

Capital Assets	FY 2024[1]	FY 2023[1]	Dollar Difference	Percent Difference
Land	$1,196,774	$1,196,774	0	0%
Construction in progress	10,431,063	9,340,492	1,090,571	10.45%
Plant, buildings, and improvements	16,323,676	16,423,499	(99,823)	-0.61%
Machinery and equipment	315,754	448,487	(132,733)	-42.03%
Vehicles	1,018,916	1,230,299	(211,383)	-20.75%
Infrastructure	9,763,348	9,153,793	609,555	6.24%
Total	**$39,049,531**	**$37,793,344**	**$1,256,187**	**3.22%**

Note[1]: Excludes accumulated depreciation

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Capital assets additions strictly for the City's governmental activities for FY 2024 are as follows:

Governmental Activities

Capital Asset Additions	Amount
Land	$0
Construction in progress	974,172
Total Non-depreciable Assets	$974,172
Plant, buildings, and improvements Machinery	428,276
and equipment	23,603
Vehicles	6,100
Infrastructure	799,132
Total Depreciable Assets	$1,257,111
Total Governmental Activities, Capital Assets Additions	**$2,231,283**

Capital assets additions strictly for the City's business-type activities for FY 2024 are as follows:

Business-Type Activities

Capital Asset Additions	Amount
Land	$0
Construction in progress	116,399
Total Non-depreciable Assets	$116,399
Plant, buildings, and improvements Machinery	-
and equipment	$463,504
Vehicles	-
Infrastructure	-
Total Depreciable Assets	$463,504
Total Business-Type Activities, Capital Assets Additions	**$579,903**

More detailed information on capital assets may be found in Note 7-Capital Assets to the Basic Financial Statements, which can be found on pages 47 and 48.

DEBT ADMINISTRATION

As of June 30, 2024, the City reported total long-term liabilities, exclusive of net pension liability, of $9.1 million. This represented a decrease of $524,672 or 5.4% below FY 2023.

The current portion of the long-term liabilities at fiscal year-end totaled $3.8 million and is comprised of the following short-term debt, which is that debt payable within one year: Leases Payable ($69 thousand), Combined Utility Revenue Bonds, Series 2022, Payable ($127 thousand), and Notes Payable ($308 thousand). The noncurrent portion of the long-term liabilities totaled $13.8 million and is comprised of Leases Payable ($56 thousand), Compensated Absences ($200 thousand), Notes Payable, less current portion ($3.3 million), Combined Utility Revenue Bonds, Series 2022, Payable, less current portion ($5.6 million).

Refer to Note 8-Long-Term Liabilities and Note 9- Leases to the Basic Financial Statements of this report for additional information on the City's long-term liabilities and leases.

ECONOMIC OUTLOOK

The immediate short-term economic outlook for the City of Sylvester remains uncertain, particularly when factoring in the recent industrial losses that may over time adversely impact the City's overall tax base. The growing rate of inflation, which is at a 40-year high, results in an additional layer of fiscal challenges as the cost of capital projects and service delivery continue to rise. Further, the tight labor market has required an increase in salaries as governments compete with the private sector to fill vacant positions. On the bright side, given that the City has an active SPLOST and T-SPLOST, the increased inflation has resulted in an increase in sales tax revenues for governments.

The short-term and long-term effects of the COVID-19 Pandemic remain uncertain as we work to achieve a new level of normalcy as businesses and households continue to adapt to the guidance provided by the Central for Disease Control and Prevention (CDC). The federal stimulus funding, which is scheduled to fully sunset in 2024, has proven to be instrumental in ensuring that governments have the funding needed to work alongside other organizations to identify and address the growing diverse needs of those in our local communities that were heightened by the pandemic, while keeping everyone safe.

The City remains watchful of new fiscal legislation proposed on both the local, state, and federal levels that could possibly impact operations as well as the level of services provided. However, being a small community, one of the lessons learned early on is that when we come together as a community, the City is stronger and better positioned to handle whatever may come our way. We especially drew on this during the pandemic and will continue to do so during these uncertain times.

In spite of the uncertainty, the Mayor, City Manager, City Council, other local elected officials, and staff remain committed to working diligently to keep the economy strong and viable, while operating from a fiscally responsible and efficiency position that continues to move the City of Sylvester forward.

ACKNOWLEDGMENT

Special appreciation is given to the entire staff of the finance department for their hard work and dedication, which made this document possible. A special thank you is also extended to the many persons across the City that assisted with this endeavor.

Thanks is also extended to the certified public accounting firm of Hudson & NeSmith, CPAs for their consummate efforts throughout this process.

Finally, we would also like to thank the Honorable Mayor Harold Proctor, Jr., City Manager Autron Hayes, and the City Council for their leadership, commitment, and contributions to this endeavor.

To the citizens of the City of Sylvester, we thank you for the opportunity and are honored to serve you.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, investors, creditors as well as others with an interest in the finances of the City of Sylvester with a general overview of the fiscal operations for the respective reporting period. Details regarding the City's accountability for the various financial resources that it receives in conducting the day-to-day operations of the City are provided. Please direct questions about this report to:

City of Sylvester
Attn: City Finance Department
101 N Main Street
Sylvester, Georgia 31791

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

BASIC FINANCIAL STATEMENTS

CITY OF SYLVESTER, 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	$ 1,553,179	$ 1,056,735	$ 2,609,914	$ 6,838
Investments	1,045,813	3,308,207	4,354,020	-
Receivables - Net	76,784	872,843	949,627	-
Interfund	226,816	(226,816)	-	-
Intergovernmental Receivable	45,500	-	45,500	-
Miscellaneous Current Assets	1,099,372	659,945	1,759,317	-
Inventory	132,971	77,228	210,199	-
Prepaid Items	2,063	25,654	27,717	-
Total Current Assets	4,182,498	5,773,796	9,956,294	6,838
Noncurrent Assets				
Capital Assets				
Nondepreciable	3,145,110	8,482,726	11,627,836	-
Depreciable-Net	17,507,680	9,914,013	27,421,693	-
Total Noncurrent Assets	20,652,790	18,396,739	39,049,529	-
Total Assets	24,835,288	24,170,535	49,005,823	6,838
Deferred Outflows of Resources				
Pension Plan Activity	2,446,324	-	2,446,324	-
Total Assets and Deferred Outflows	27,281,612	24,170,535	51,452,147	6,838
Liabilities				
Current Liabilities				
Accounts Payable	$ 676,703	$ 515,877	$ 1,192,580	$ -
Accrued Expenses	243,756	1,535,145	1,778,901	-
Miscellaneous Current Liabilities	-	324,194	324,194	-
Deposits	1,448	21,086	22,534	-
Compensated Absences	15,564	8,957	24,521	-
Leases Payable	69,156	-	69,156	-
2022 Series Bonds Payable	-	127,333	127,333	-
Notes Payable	-	307,896	307,896	-
Total Current Liabilities	1,006,627	2,840,488	3,847,115	-
Long-Term Liabilities				
Leases Payable, Less Current Portion	55,520	-	55,520	-
Notes Payable, Less Current Portion	-	3,266,812	3,266,812	-
2022 Series Bonds Payable, Less Current Portion	-	5,591,702	5,591,702	
Net Pension Liability	4,695,781	-	4,695,781	-
Compensated Absences	140,080	59,941	200,021	-
Total Long-Term Liabilities	4,891,381	8,918,455	13,809,836	-
Total Liabilities	5,898,008	11,758,943	17,656,951	-
Deferred Inflows of Resources				
Pension Plan Activity	983,385	-	983,385	-
Deferred Revenues	-	-	-	-
Total Liabilities and Deferred Inflows	6,881,393	11,758,943	18,640,336	-
Net Position				
Net Investment in Capital Assets	20,528,114	9,180,248	29,708,362	-
Restricted for				
Capital Projects	918,561	77,252	995,813	-
Debt Service	-	168,802	168,802	-
Public Welfare	10,403	-	10,403	-
Economic Development	166,784	-	166,784	-
Public Safety	7,775	-	7,775	-
Other	23,697	-	23,697	-
Downtown Development	-	-	-	6,838
Unrestricted	(1,255,115)	2,985,290	1,730,175	-
Total Net Position	$ 20,400,219	$ 12,411,592	$ 32,811,811	$ 6,838

See accompanying notes to the financial statements.

CITY OF SYLVESTER, GEORGIA
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues		
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Governmental Activities				
General Government	$ 3,266,887	$ 241,618	$ -	$ -
Public Safety	4,039,732	355,333	-	-
Public Works	1,981,732	-	-	2,791,417
Culture and Recreation	313,814	-	-	-
Community & Economic Development	498,724	-	-	-
Interest on Long-Term Debt	2,918	-	-	-
Total Governmental Activities	10,103,807	596,951	-	2,791,417
Business-Type Activities				
Electric	12,115,874	17,340,705	-	-
Water and Sewer	3,162,733	2,313,170	-	-
Natural Gas	1,141,258	814,159	-	-
Solid Waste	825,118	1,192,296	-	-
Telecommunications	734,142	652,905	-	-
Airport	364,888	111,217	-	584,211
Total Business-Type Activities	$ 18,344,013	$ 22,424,452	$ -	$ 584,211
Total Primary Government	$ 28,447,820	$ 23,021,403	$ -	$ 3,375,628
Component Unit				
Downtown Development Authority	$ 15,515	$ 14,635	$ -	$ -
General Revenues:				
Property Taxes and Franchise Taxes				
Intangible and Transfer Taxes				
Insurance Premium Taxes				
Sales Taxes				
Alcoholic Beverage Tax				
Business Taxes				
Investment Earnings				
Miscellaneous Revenue				
Transfers - Internal Activities				
Total General Revenues and Transfers				
CHANGE IN NET POSITION				
NET POSITION - JULY 1, 2023				
NET POSITION - JUNE 30, 2024				

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Statement of Activities (Continued)
For the Year Ended June 30, 2024

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
	$ (3,025,269)	$ -	$ (3,025,269)	$ -
	(3,684,399)	-	(3,684,399)	-
	809,685	-	809,685	-
	(313,814)	-	(313,814)	-
	(498,724)		(498,724)	-
	(2,918)	-	(2,918)	-
	(6,715,439)	-	(6,715,439)	-
	-	5,224,831	5,224,831	-
	-	(849,563)	(849,563)	-
	-	(327,099)	(327,099)	-
	-	367,178	367,178	-
	-	(81,237)	(81,237)	-
	-	330,540	330,540	-
	-	4,664,650	4,664,650	-
	(6,715,439)	4,664,650	(2,050,789)	
	-	-	-	(880)
	1,004,238	-	1,004,238	-
	7,961	-	7,961	-
	502,341	-	502,341	-
	618,328	-	618,328	-
	101,211	-	101,211	-
	104,868	-	104,868	-
	3,270	671	3,941	-
	516,053	-	516,053	-
	6,361,520	(6,361,520)	-	-
	9,219,790	(6,360,849)	2,858,941	-
	2,504,351	(1,696,199)	808,152	(880)
	17,895,868	14,107,791	32,003,659	7,718
	$ 20,400,219	$ 12,411,592	$ 32,811,811	$ 6,838

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Balance Sheet
June 30, 2024

	General Fund	SPLOST Capital Projects Fund	Transportation SPLOST Capital Projects Fund	Designated Grant Special Revenue Fund	American Rescue Plan Act Special Revenue Fund	Other Non-Major Governmental Funds	Total
Assets							
Cash	$ 776,344	$ 39,046	$ 270,956	$ 324,408	$ 514	$ 123,733	$ 1,535,001
Restricted Cash	18,178	-	-	-	-	-	18,178
Investments-Certificates of Deposit	1,045,813	-	-	-	-	-	1,045,813
Receivables-Net of Allowance for Uncollectible Accounts	30,036	-	-	-	-	46,748	76,784
Due from Other Funds	344,762	-	491,436	-	-	-	836,198
Due from Other Governments	45,500	-	-	-	-	-	45,500
Inventory	132,971	-	-	-	-	-	132,971
Prepaid Items	2,063	-	-	-	-	-	2,063
Miscellaneous Current Asset	539,096	-	-	540,276	-	20,000	1,099,372
TOTAL ASSETS	$ 2,934,763	$ 39,046	$ 762,392	$ 864,684	$ 514	$ 190,481	$ 4,791,880
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 299,010	$ 94,955	$ 11,129	$ 271,609	$ -	$ -	$ 676,703
Accrued Liabilities	243,756	-	-	-	-	-	243,756
Due to Other Funds	491,436	-	-	117,946	-	-	609,382
Miscellaneous Current Liability	-	-	-	-	-	-	-
Deposits	1,448	-	-	-	-	-	1,448
Total Liabilities	1,035,650	94,955	11,129	389,555	-	-	1,531,289
Deferred Inflows of Resources							
Deferred Revenue - Property Taxes	45,415	-	-	-	-	-	45,415
Deferred Revenue-Other	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	45,415	-	-	-	-	-	45,415
Fund Balances							
Nonspendable	135,034	-	-	-	-	-	135,034
Restricted	18,178	-	751,263	475,129	514	190,481	1,435,565
Unassigned	1,700,486	(55,909)	-	-	-	-	1,644,577
Total Fund Balances	1,853,698	(55,909)	751,263	475,129	514	190,481	3,215,176
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,934,763	$ 39,046	$ 762,392	$ 864,684	$ 514	$ 190,481	$ 4,791,880

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2024

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		$ 3,215,176
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. Those assets consist of:		
Land and Construction in Progress	$ 3,145,110	
Plant, Building, and Improvements	11,067,485	
Machinery and Equipment	2,875,698	
Vehicles	2,884,552	
Infrastructure	11,083,051	
Accumulated Depreciation	(10,403,106)	
		20,652,790
Long-term liabilities are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet.		
Leases	(124,676)	
Compensated Absences	(155,644)	(280,320)
Certain revenues are not available to pay for current period expenditures and therefore are reported deferred inflows of resources in the governmental funds.		45,415
Deferred outflows of resources related to pension plan activity are not due and payable in the current period and therefore, are not reported in the governmental funds.		2,446,324
Deferred inflows of resources related to pension plan activity are not available to pay for current resources and therefore, are not reported in the governmental funds.		(983,385)
Net pension liability is not due and payable in the current period and therefore, is not reported in the governmental funds.		(4,695,781)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 20,400,219

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024

	General Fund	SPLOST Capital Projects Fund	Transportation SPLOST Capital Projects Fund	Designated Grant Fund	American Rescue Plan Act Special Revenue Fund	Other Non-Major Governmental Funds	Total
REVENUES							
Taxes-Net	$ 2,312,756	$ -	$ -	$ -	$ -	$ 26,191	$ 2,338,947
Charges for Services	91,015	-	-	-	-	-	91,015
Fines & Forfeitures	275,112	-	-	-	-	-	275,112
Licenses and Permits	98,103	-	-	-	-	-	98,103
Intergovernmental	205,262	600,198	632,332	1,486,346	-	-	2,924,138
Interest Income	3,263	-	-	-	-	7	3,270
Miscellaneous	516,053	-	-	-	-	-	516,053
Total Revenues	3,501,564	600,198	632,332	1,486,346	-	26,198	6,246,638
EXPENDITURES							
Current							
General Government	3,069,665	-	-	-	-	-	3,069,665
Public Safety	3,313,289	-	-	-	-	-	3,313,289
Public Works	1,785,774	-	-	-	-	-	1,785,774
Culture and Recreation	289,162	-	-	-	-	-	289,162
Community & Economic Development	444,679	-	-	36	25,136	28,417	498,268
Capital Outlay	-	419,514	611,688	974,172	-	-	2,005,374
Debt Service							
Principal	-	-	53,178	-	-	-	53,178
Interest	-	-	2,918	-	-	-	2,918
TOTAL EXPENDITURES	8,902,569	419,514	667,784	974,208	25,136	28,417	11,017,628
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,401,005)	180,684	(35,452)	512,138	(25,136)	(2,219)	(4,770,990)
OTHER FINANCING SOURCES (USES)							
Transfers In	6,708,204	-	261,818	-	-	785	6,970,807
Transfers Out	(257,041)	(307,172)	(27,054)	(18,020)	-	-	(609,287)
TOTAL OTHER FINANCING SOURCES (USES)	6,451,163	(307,172)	234,764	(18,020)	-	785	6,361,520
NET CHANGE IN FUND BALANCES	1,050,158	(126,488)	199,312	494,118	(25,136)	(1,434)	1,590,530
FUND BALANCE - JULY 1, 2023	$ 803,540	$ 70,579	$ 551,951	$ (18,989)	$ 25,650	$ 191,915	$ 1,624,646
FUND BALANCE - JUNE 30, 2024	$ 1,853,698	$ (55,909)	$ 751,263	$ 475,129	$ 514	$ 190,481	$ 3,215,176

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Governmental Funds
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2024

NET CHANGE IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS		$ 1,590,530
Amounts reported for governmental activites in the Statement of Activities are different because		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets aquired in the current period.		2,231,283
Depreciation expense on capital assets is reported in the Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.		(752,279)
Pension expenses reported in the Statement of Activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds		(620,305)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Deferred at June 30, 2024	$ 45,415	
Deferred at June 30, 2023	(45,415)	-
Long-term compensated absences are reported in the Statement of Activities but they do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds.		
Compensated Absences		
Liability at June 30, 2024	(155,644)	
Liability at June 30, 2023	157,588	1,944
The issuance of long-term debt provides current financial resources to Governmental Funds, but increases liabilities in the Statement of Net Position. Repayment of debt is an expenditure in the Governmental Funds, but reduces long-term liabilities in the Statement of Net Position.		
Long-term debt proceeds	-	
Long-term debt payments	53,178	53,178
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 2,504,351

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Net Position
June 30, 2024

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
ASSETS							
Current Assets							
Cash	$ 296,173	$ 204,976	$ 71,955	$ 81,391	$ 67,816	$ 36,083	$ 758,394
Investment - Certificate of Deposit	202,425	184,406	-	-	-	-	386,831
Investments	2,752,574	-	-	-	-	-	2,752,574
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	409,123	132,902	800	154,363	157,654	18,001	872,843
Miscellaneous Current Assets	141,630	-	150,940	316,740	50,635	-	659,945
Restricted Cash	99,571	96,404	-	-	77,252	25,114	298,341
Restricted Certificate of Deposit	-	168,802	-	-	-	-	168,802
Due from Other Funds	44,264	229,375	-	20,000	-	-	293,639
Inventory	77,228	-	-	-	-	-	77,228
Prepaid Items	2,526	21,095	-	-	-	2,033	25,654
Total Current Assets	4,025,514	1,037,960	223,695	572,494	353,357	81,231	6,294,251
Noncurrent Assets							
Capital Assets							
Nondepreciable Capital Assets	-	3,817,134	382,791	19,780	4,260,521	2,500	8,482,726
Depreciable Capital Assets	4,965,306	16,213,490	5,787,041	139,855	491,105	1,196,692	28,793,489
Accumulated Depreciation	(3,650,107)	(11,292,162)	(2,457,764)	(65,166)	(340,543)	(1,073,734)	(18,879,476)
Total Noncurrent Assets	1,315,199	8,738,462	3,712,068	94,469	4,411,083	125,458	18,396,739
TOTAL ASSETS	5,340,713	9,776,422	3,935,763	666,963	4,764,440	206,689	24,690,990

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Net Position (Continued)
June 30, 2024

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
LIABILITIES							
Current Liabilities							
Accounts Payable	$ 118,837	$ 198,108	$ 8,806	$ 151,547	$ 34,853	$ 3,726	$ 515,877
Notes Payable	-	307,896	-	-	-	-	307,896
2022 Series Bonds Payable	-	-	-	-	127,333	-	127,333
Accrued Expenses	296,692	1,111,891	-	-	-	126,562	1,535,145
Miscellaneous Liabilities	-	-	-	-	-	324,194	324,194
Due to Other Funds	427,847	46,768	-	-	29,024	16,816	520,455
Accrued Vacation	6,290	2,362	-	-	-	305	8,957
Customer Deposits	13,514	1,062	-	-	-	6,510	21,086
Total Current Liabilities	863,180	1,668,087	8,806	151,547	191,210	478,113	3,360,943
Long-Term Liabilities							
Notes Payable	-	3,266,812	-	-	-	-	3,266,812
2022 Series Bonds Payable	-	-			5,591,702	-	5,591,702
Accrued Vacation	42,096	15,805	-	-	-	2,040	59,941
Total Long-Term Liabilities	42,096	3,282,617	-	-	5,591,702	2,040	8,918,455
TOTAL LIABILITIES	905,276	4,950,704	8,806	151,547	5,782,912	480,153	12,279,398
DEFERRED INFLOWS OF RESOURCES							
Unearned Revenues	-	-	-	-	-	-	-
NET POSITION							
Net Investment in Capital Assets	1,315,199	5,163,754	3,712,068	94,469	(1,230,700)	125,458	9,180,248
Restricted for Broadband Capital Project	-	-	-	-	77,252	-	77,252
Restricted for Debt Service	-	168,802	-	-	-	-	168,802
Unrestricted	3,120,238	(506,838)	214,889	420,947	134,976	(398,922)	2,985,290
TOTAL NET POSITION	$ 4,435,437	$ 4,825,718	$ 3,926,957	$ 515,416	$ (1,018,472)	$ (273,464)	$ 12,411,592

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
OPERATING REVENUES							
Operations	$ 17,340,705	$ 2,313,170	$ 111,217	$ 1,192,296	$ 652,905	$ 814,159	$ 22,424,452
OPERATING EXPENSES							
Operating Expenses	12,011,964	2,731,517	42,683	815,794	534,986	1,136,510	17,273,454
Depreciation	103,910	356,458	322,205	9,324	6,075	4,748	802,720
TOTAL OPERATING EXPENSES	12,115,874	3,087,975	364,888	825,118	541,061	1,141,258	18,076,174
OPERATING INCOME (LOSS)	5,224,831	(774,805)	(253,671)	367,178	111,844	(327,099)	4,348,278
NON-OPERATING REVENUES (EXPENSES)							
Interest Income	377	276	-	-	-	18	671
Capital Grants	-	-	584,211	-	-	-	584,211
Interest Expense	-	(74,758)	-	-	(193,081)	-	(267,839)
TOTAL NON-OPERATING REVENUES (EXPENSES)	377	(74,482)	584,211	-	(193,081)	18	317,043
Income (Loss) Before Transfers	5,225,208	(849,287)	330,540	367,178	(81,237)	(327,081)	4,665,321
Transfers In	455,200	186,257	117,711	18,804	389,970	82,812	1,250,754
Transfers Out	(6,804,060)	(465,494)	(168,163)	(38,717)	(240)	(135,600)	(7,612,274)
CHANGE IN NET POSITION	(1,123,652)	(1,128,524)	280,088	347,265	308,493	(379,869)	(1,696,199)
NET POSITION - JULY 1, 2023	5,559,089	5,954,242	3,646,869	168,151	(1,326,965)	106,405	14,107,791
NET POSITION - JUNE 30, 2024	$ 4,435,437	$ 4,825,718	$ 3,926,957	$ 515,416	$ (1,018,472)	$ (273,464)	$ 12,411,592

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2024

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash Received from Customers and Others	$ 17,227,405	$ 2,318,341	$ 111,217	$ 859,361	$ 474,504	$ 808,263	$ 21,799,091
Cash Payments to Suppliers and Others	(10,864,061)	(834,699)	(211,458)	(809,578)	(602,411)	(416,827)	(13,739,034)
Cash Paid to Employees	(1,014,457)	(716,953)	-	-	-	(347,429)	(2,078,839)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	5,348,887	766,689	(100,241)	49,783	(127,907)	44,007	5,981,218
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Payments from Other Funds	586,018	199,142	117,711	18,804	389,970	85,797	1,397,442
Payments to Other Funds	(6,804,060)	(465,494)	(168,163)	(38,717)	(240)	(135,600)	(7,612,274)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(6,218,042)	(266,352)	(50,452)	(19,913)	389,730	(49,803)	(6,214,832)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase and Construction of Capital Assets	(101,212)	(116,399)	(362,292)	-	-	-	(579,903)
Capital Grants Received	-	-	584,211		-		584,211
Principal Paid on Capital Debt	-	(301,001)	-	-	(123,121)	-	(424,122)
Interest Paid on Capital Debt	-	(74,758)	-	-	(193,081)	-	(267,839)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(101,212)	(492,158)	221,919	-	(316,202)	-	(687,653)
CASH FLOWS FROM INVESTING ACTIVITIES							
Sale of Investments (net)	1,045,812	-	-	-	-	-	1,045,812
Interest Received	377	276	-	-	-	18	671
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,046,189	276	-	-	-	18	671
Net Increase (Decrease) in Cash and Cash Equivalents	75,822	8,455	71,226	29,870	(54,379)	(5,778)	(920,596)
CASH AND CASH EQUIVALENTS - JULY 1, 2023	522,347	646,133	729	51,521	199,447	66,975	1,487,152
CASH AND CASH EQUIVALENTS - JUNE 30, 2024	$ 598,169	$ 654,588	$ 71,955	$ 81,391	$ 145,068	$ 61,197	$ 566,556
Displayed As:							
Cash	$ 296,173	$ 204,976	$ 71,955	$ 81,391	$ 67,816	$ 36,083	$ 758,394
Investment-Certificate of Deposit	202,425	184,406	-	-	-	-	386,831
Restricted Assets	99,571	265,206	-	-	77,252	25,114	467,143
	$ 598,169	$ 654,588	$ 71,955	$ 81,391	$ 145,068	$ 61,197	$ 1,612,368

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Proprietary Funds
Statement of Cash Flows (Continued)
For the Year End June 30, 2024

	Electric Fund	Water and Sewer Fund	Airport Fund	Solid Waste Fund	Telecommunications Fund	Natural Gas Fund	Total
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities							
Operating Income (Loss)	$ 5,224,831	$ (774,805)	$ (253,671)	$ 367,178	$ 111,844	$ (327,099)	$ 4,348,278
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:							
Depreciation	103,910	356,458	322,205	9,324	6,075	4,748	802,720
(Increase) Decrease in Assets:							
Accounts Receivable and Miscellaneous Current Assets	(110,045)	14,416	(150,940)	(332,935)	(195,191)	(3,701)	(778,396)
Inventory	(53,453)	-	-	-	-	-	(53,453)
Due from Other Funds	-	-	-	-	-	-	-
Prepaid Items	(387)	-	-	-	-	-	(387)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:							
Accounts Payable	(54,807)	77,579	(17,835)	6,216	(50,635)	(22,485)	(61,967)
Accrued Expenses and Other Liabilities	241,246	1,107,364	-	-	-	394,107	1,742,717
Unearned Revenues	-	-	-	-	-	-	-
Customer Deposits	(3,255)	(9,245)	-	-	-	(2,195)	(14,695)
Accrued Vacation	847	(5,078)	-	-	-	632	(3,599)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITES	$ 5,348,887	$ 766,689	$ (100,241)	$ 49,783	$ (127,907)	$ 44,007	$ 5,981,218

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Custodial Funds
Statement of Fiduciary Net Position
June 30, 2024

ASSETS	
Cash	$ 2,297
TOTAL ASSETS	$ 2,297
LIABILITIES	
NET POSITION	
Net Position - Held for Others	2,297
TOTAL NET POSITION	$ 2,297

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Custodial Funds
Statement of Changes in Fiduciary Net Position
June 30, 2024

ADDITIONS	
Private Donations	$ -
Total Additions	-
DEDUCTIONS	
Payments of Fees to Other Agencies	975
Total Deductions	975
Change in Net Position	(975)
NET POSITION - JULY 1, 2023	3,272
NET POSITION - JUNE 30, 2024	$ 2,297

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Component Unit
Statement of Net Position
June 30, 2024

ASSETS	
Cash	$ 6,838
TOTAL ASSETS	$ 6,838
LIABILITIES	
Liabilities	$ -
NET POSITION	
Restricted:	
Downtown Development	$ 6,838
TOTAL NET POSITION	$ 6,838

See accompanying notes to financial statements.

CITY OF SYLVESTER, GEORGIA
Component Unit
Statement of Activities
For the Year Ended June 30, 2024

EXPENSES	
Program Costs	$ 15,515
TOTAL EXPENSES	15,515
REVENUES	
Program Revenues	14,635
Net Program Revenue	(880)
GENERAL REVENUES	
Investment Earnings	-
CHANGE IN NET POSITION	(880)
NET POSITION-JULY 1, 2023	7,718
NET POSITION-JUNE 30, 2024	$ 6,838

See accompanying notes to financial statements.

Incorporated in 1898, under the laws of the State of Georgia, the City of Sylvester, Georgia (the City) is a political subdivision of the State of Georgia. The City is a Council-Manager administered government, with an elected Mayor and four elected councilpersons. The City's major operations include social services, public safety, fire protection, culture-recreation, highways and streets, public works maintenance, general administrative services, and regulation and control of the water, sewer, electricity, gas, sanitation, and telecommunication/broadband services.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental and financial reporting. The City does not follow subsequent private-sector guidance for enterprise funds.

The most significant of the City's accounting policies are described below.

A. REPORTING ENTITY

The reporting entity is comprised of the City of Sylvester (primary government), a component unit and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identifies the financial data of the City's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the City.

Discretely Presented Component Unit:

Sylvester Downtown Development Authority (DDA) – Members of the governing board of the DDA are appointed by the City Council. Also, the DDA is fiscally dependent upon the City. Separate financial statements of the component unit may be obtained from:

Sylvester Downtown Development Authority
P.O. Box 370
Sylvester, GA 31791

Related Organizations:

The City of Sylvester And Worth County Recreation Authority (SWRA) – Members of the governing board of the SWRA are appointed jointly by the City Council and the Worth County governing body. It does not meet any other of the reporting entity criteria. The City provides funding of $100,000 per year to the organization.

The City of Sylvester, Georgia Housing Authority (the Authority) –The Authority was established under federal laws to carry on activities within the city of Sylvester. The City appoints board members at the recommendation of the existing board, but the City's accountability for the Authority does not extend beyond making the appointments. Separate audited financial statements of the Authority may be obtained from:

City of Sylvester Housing Authority
411 N. Jefferson Street
Sylvester, Georgia 31791

The City provides gasoline and security services to the Authority, which are billed to the Authority at an amount that approximates the City's cost of providing those items. This basis for billing has been used by the City consistently over the years to determine the amount of revenues and expenditures arising from quasi-external transactions.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information on all non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. It is the City's policy that interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The primary government and the component unit are presented separately within these financial statements.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Fund Financial Statements – During the year, the City segregates transactions related to certain City functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Funds - 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. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue, and charges for services. All other revenue items are considered to be measurable and available only when cash is received. The City considers taxes as available in the period for which they were levied if they are collected within 60 days of the year end. A 90-day availability period is used for revenue recognition for all other governmental fund revenues.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Intergovernmental revenues are susceptible to accrual based on the compliance, legal, and contractual requirements of the individual programs. There are essentially two types of these revenues. For one type of revenue, monies must be expended for a specific purpose of project and revenues are recognized to the extent of such expenditures. Revenues of this type are deferred for monies received in advance of expenditures and accrued for expenditures in advance of monies received. For the other type of revenues, monies are virtually unrestricted as to the purpose of the expenditure. These resources are recognized as revenues when received, or earlier if susceptible to the accrual criteria.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The City reports the following major governmental funds:

General Fund – The General Fund is the City's primary operating fund. It accounts for all the financial resources of the general government, except those required to be accounted for in another fund.

SPLOST Capital Project Fund – The Special Purpose Local Option Sales Tax Fund is used to account for projects supported by the special purpose local option sales tax including construction of roads, sidewalks, water and sewer system improvements, and construction of municipal buildings. This fund is a capital projects type fund.

T-SPLOST Capital Project Fund – The Transportation Special Purpose Local Option Sales Tax Fund is used to account for projects supported by the transportation special purpose local option sales tax including construction of roads, streets, and bridges as allowed under O.C.G.A. 48-8-260(4). This fund is a capital projects type fund.

Designated Grant Fund – The Designated Grant Fund is used to account for projects supported by miscellaneous grants the City might receive. This fund is a special revenue type fund.

American Rescue Plan Act Fund – The American Rescue Plan Act Fund is used to account exclusively for Local Fiscal Recovery Funds received by the City through the American Rescue Plan (ARP). This fund is a special revenue type fund.

Proprietary Funds – Proprietary funds are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as incurred. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. The Water and Sewer Fund and Natural Gas Fund also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, including capital grants, investments earnings, and interest expense.

The City reports the following major proprietary funds:

Electric Fund – This fund accounts for charges for electric use by City residents and expenses for the maintenance and upgrading of the electric system.

Water and Sewer Fund – This fund accounts for charges for water and sewer use by City residents and expenses for the maintenance and upgrading of the water and sewer system.

Airport Fund – This fund accounts for charges for airport use by private aircraft and expenses for the maintenance and upgrading of the City's municipal airport.

Solid Waste Fund – This fund accounts for charges for garbage and refuse disposal for City residents and expenses for contracting of disposal services.

Telecommunications Fund – This fund accounts for charges for telecommunications use by public and private entities and expenses for the maintenance and upgrading of the City's fiber optic telecommunications system.

Gas Fund – This fund accounts for charges for natural gas use by City residents and expenses for the maintenance and upgrading of the natural gas system.

Fiduciary Funds – The City's fiduciary funds are limited to custodial funds which use the economic resources measurement focus and use the accrual basis of accounting to recognize receivables and payables. Because, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

The City reports the following fiduciary funds:
Utility Energy Crisis Fund – This custodial fund accounts for the intergovernmental payments of utility bills for certain qualified customers.

Downtown Sylvester Farmer's Market – This custodial fund accounts for the operations of the local farmer's market through collection of fees and payments of expenses.

D. BUDGETS AND BUDGETARY ACCOUNTING

As set forth in the City Charter, the City Council adopts an annual budget for the general fund, the special

revenue funds, and the proprietary funds. The annual budget for the general fund, special revenue funds and for the proprietary funds is adopted on a basis consistent with GAAP. Each fund's appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source. Expenditures are budgeted by department which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval. The Council approved supplemental appropriations during the year. Project budgets are adopted for the Capital Project Fund.

E. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the City.

F. CASH AND INVESTMENTS

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposit accounts, amounts with fiscal agents, and investments with an original maturity of three months or less.

Georgia law authorizes the City to invest in the following types of obligations:

- Obligations of the State of Georgia or of other states
- Obligations issued by the U.S. government
- Obligations fully insured or guaranteed by the U.S. government of a government agency
- Obligations of any corporation of the U.S. government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund 1)
- Repurchase agreements
- Obligations of other political subdivisions of the State of Georgia

State statutes require that any deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

Investments are stated at fair value based on quoted market prices. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

Interest on investments is recorded as revenue in the year the interest is earned and is available to pay liabilities in the current period. All interest revenue related to investment activities is recorded in the respective fund holding the investment.

G. RECEIVABLES

All trade and property tax receivables are reported net of all allowance for uncollectible accounts, where applicable. Unbilled utility charges are accrued as receivables and revenue at June 30, 2024. The delinquent taxes receivable account represents the past seven years of uncollected tax levies.

H. INVENTORIES

In the government-wide financial statements, inventories are presented at the lower of cost or net realizable value on a first-in, first out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types when purchased (i.e., the purchases method). For governmental funds, a corresponding amount of fund balance is designated as nonspendable for inventory. Inventories of the proprietary funds are expensed when consumed.

I. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items at both reporting levels using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level for governmental funds a corresponding amount of fund balance is designated as nonspendable for prepaid items.

J. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered, or loans. These receivables and payables are classified as internal balances.

K. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities' column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The City's infrastructure consists of roads, curbs and gutters, sidewalks, bridges, drainage, traffic signals, water and sewer lines, natural gas lines, telecommunication lines and the electric distribution systems. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the proprietary funds is capitalized.

General infrastructure assets acquired prior to July 1, 2003 are not reported in the basic financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to July 1, 2003.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

	Estimated Useful Lives	Capitalization Threshold
Plant, Building, and Improvements	5 – 40 Years	$ 100,000
Machinery and Equipment	5 – 15 Years	$ 10,000
Furniture and Fixtures	5 – 20 Years	$ 10,000
Vehicles	3 – 10 Years	$ 10,000
Infrastructure	40 Years	$ 250,000

At the inception of a lease at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

L. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items, which arise only under a modified accrual basis of accounting, which 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 revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences, claims and unfunded pension benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year.

In the government-wide financial statements and also in the proprietary fund type statements, long term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities. Bond premiums and discounts are amortized using the straight-line method, which approximates the effective interest method, over the related debt repayment period. Unamortized bond discount costs or premiums are offset against or added to bonds payable. Bond issuance costs are expensed when incurred. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. COMPENSATED ABSENCES

It is the policy of the City to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

O. FUND EQUITY

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

Fund Balance – Generally, the fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- *Nonspendable* – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted* – Fund balances are reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- *Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the city council through the adoption of a resolution. The city council also may modify or rescind the commitment.
- *Assigned* – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The intent can be expressed by either the highest level of decision making, or by a body or an official to which the city council has delegated the authority. The city manager has authority to express assignments.
- *Unassigned* – Fund balances are reported as unassigned as the residual amounts which cannot be properly classified in one of the other four categories. Amounts are available for any purpose. Positive amounts are reported only in the general fund.

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

  - Committed
  - Assigned
  - Unassigned

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

- *Net investment in capital assets* – consists of capital assets net accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
- *Restricted net position* – This amount is restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws of regulations of other governments.
- *Unrestricted net position* – This amount is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

P. PROPERTY TAX REVENUES

Property taxes are levied on September 1 and are due on November 20. The City contracts with the Worth County tax office for the billing and collection of its property taxes. Collections of taxes are made throughout the year. Liens may attach to property for unpaid taxes after the due date of November 20.

Q. LEASE REVENUE

The Airport Fund leases its property to an operator under a lease agreement at $400 per month. Due to the lease being less than 12 months, it is considered a short-term lease.

R. PENSIONS

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) and additions to/deductions from GMEBS's fiduciary net position have been determined on the same basis as they are reported by GMEBS. 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 are fair value.

S. POST-EMPLOYMENT HEALTH CARE BENEFITS

Retiree Benefits:
The City provides post-retirement term life insurance to its employees who retire from the City. See Note 15 for additional details.

COBRA Benefits:
Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus a 2% administration fee is paid in full by the insured on or before the fifth (5^{th}) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the City under this program, and no participants were in the program as of June 30, 2024.

T. ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – LEGAL COMPLIANCE - BUDGETS

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or before the last Monday in May of each year, all departments of the City submit requests for appropriation to the city manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

- Before June 15, the proposed budget is presented to the City's council for review. The City's council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the city manager of the revenue estimates must be changed by an affirmative vote of majority of the City's council.

- Prior to July 1, the budget is legally enacted through passage of an ordinance.

Results of operations are presented on the budgetary basis at the legal level of control in the Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual for the General Fund in order to provide a meaningful comparison of actual results with the budget.

NOTE 3 – DEPOSITS AND INVESTMENTS

Total cash and cash equivalents as of June 30, 2024 consisted of the following:

Primary Government Fund Reporting Level		Cash and Cash Equivalents
Governmental Funds - Balance Sheet Cash	$	1,535,001
Governmental Funds - Balance Sheet - Restricted Cash		18,178
Governmental Funds - Balance Sheet - Certificates of Deposit		1,045,813
Proprietary Fund Type Statement of Net Position - Cash		758,394
Proprietary Fund Type Statement of Net Position - Certificate of Deposit		386,831
Proprietary Fund Type Statement of Net Position - Restricted Cash		298,341
Proprietary Fund Type Statement of Net Position - Restricted Certificate of Deposit		168,802
Statement of Fiduciary Assets and Liabilities		3,272
Total	$	4,214,632

Investments

For fiscal year 2024, the City invested in certificates of deposits and obligations of the U.S. Government or its agencies and instrumentalities. All investments in obligations of the U.S. Government are held in an internal investment pool – MEAG Flexible Operating Account.

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

Type of Investment	Rating	Investment Maturities (in Years)				Total Fair Value
		Less than 1	1-5	6-10	More than 10	
Municipal Competitive Trust	Not Rated	$ 1,141,289	$ 1,548,020	$ 246,401	$ 3,902	$ 2,939,612
Bank Certificates of Deposit	Not Rated	1,601,445	-	-	-	1,601,445
Total Investments		$ 2,742,734	$ 1,548,020	$ 246,401	$ 3,902	$ 4,541,057

Credit Risk

The City limits its credit risk by investing the majority of its investments in U.S. government agencies which are rated AAA. The City does not have a formal policy addressing credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from fluctuating interest rates, the City's investment policy has been established to structure the investment portfolio so that securities mature to meet the City's cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity as well as investing operating funds primarily in short-term securities, money market funds, certificates of deposit or similar investment pools.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered.

As of June 30, 2024, all of the City's bank deposits were covered either by FDIC coverage or collateralized with securities held by the City's agent in the City's name. The City does not have a formal policy for custodial credit risk.

The City's U.S. government agency securities have varying maturities as listed above which range from July 2, 2024 through January 1, 2037. The weighted average maturity of the investments is less than 365 days.

Concentration of Credit Risk

The City's investments consisting of amounts 5% or greater of more than one issuer as of June 30, 2024:

Bank Certificates of Deposit	35.27%
Federal Home Loan Bank	61.84%

Given the restriction to the highest rating, the concentration is not considered to be an additional risk to the City.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.
- Level 2 inputs are inputs other than quoted prices in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.
- Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

The City's recurring fair value measurements at June 30, 2024 are classified as follows:

		Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Municipal Competitive Trust	$ 2,939,612	$ -	$ 2,939,612	$ -
Bank Certificates of Deposit	1,601,445	1,601,445	-	-
Total Investments	$ 4,541,057	$ 1,601,445	$ 2,939,612	$ -

NOTE 4 – RECEIVABLES

Receivables at June 30, 2024, for the City's individual major funds and non-major funds in the aggregate, including the related allowance for uncollectible accounts, are as follows:

	General Fund	Non-Major Governmental Funds	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Tele-Communications Fund	Airport Fund	Natural Gas Fund	Total
Receivables									
Taxes	$ 29,551	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 29,551
Accounts	486	-	606,113	166,999	165,538	157,654	800	28,381	1,125,971
Notes	-	46,748	-	-	-	-	-	-	46,748
Other Governments	45,500	-	-	-	-	-	-	-	45,500
Other	-	-	-	-	-	-	-	-	-
Gross Receivables	75,537	46,748	606,113	166,999	165,538	157,654	800	28,381	1,247,770
Less: Allowance for uncollectibles	(1)	-	(196,990)	(34,097)	(11,175)	-	-	(10,380)	(252,643)
Net Receivables	$ 75,536	$ 46,748	$ 409,123	$ 132,902	$ 154,363	$ 157,654	$ 800	$ 18,001	$ 995,127

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the proprietary funds are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

NOTE 5 - INTERNAL BALANCES

The following table includes the interfund receivables and payables on June 30, 2024:

Receivable Fund	Payable Fund	Amount	Due Within One Year
General	Gas	$ 552	$ 552
General	Water and Sewer	46,768	46,768
General	Electric	297,442	297,442
T-SPLOST	General	491,436	491,436
Water and Sewer	Designated Grant	117,946	117,946
Water and Sewer	Electric	110,405	110,405
Water and Sewer	Telecommunications	1,024	1,024
Electric	Gas	16,264	16,264
Electric	Telecommunications	28,000	28,000
Solid Waste	Electric	20,000	20,000
Total		$ 1,129,837	$ 1,129,837

Amounts payable between funds generally arise from the practice of utilizing the general fund as a central bill paying entity. Further, at times during the period, costs may be initially charged to and recorded to one fund and then, as part of the year-end closing process, may be allocated to other funds for capital project grant matching purposes. This process creates interfund balances between funds that are generally settled soon after year-end. The above balances are expected to be settled within one year.

NOTE 6 – RESTRICTED ASSETS

Restricted assets represent resources segregated as required by grant agreements, lease agreements, and policies of the City.

Certain proprietary fund resources are restricted for service of long-term debt and customer deposits. Restricted net position includes the excess of assets over certain liabilities restricted for the debt service on capital assets.

NOTE 7 – CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended June 30, 2024:

Governmental Activities	Balance 7/1/2023	Increases	Decreases	Balance 6/30/2024
Capital assets not being depreciated:				
Land	$ 769,904	$ -	$ -	$ 769,904
Construction in progress	1,401,034	974,172	-	2,375,206
Total capital assets not being depreciated	2,170,938	974,172	-	3,145,110
Capital assets being depreciated:				
Plant, buildings, improvements	10,639,209	428,276	-	11,067,485
Machinery and equipment	2,852,095	23,603	-	2,875,698
Vehicles	2,878,452	6,100	-	2,884,552
Infrastructure	10,283,919	799,132	-	11,083,051
Total capital assets being depreciated	26,653,675	1,257,111	-	27,910,786
Less accumulated depreciation:				
Plant, building, improvements	(4,087,654)	(271,549)	-	(4,359,203)
Machinery and equipment	(2,718,110)	(145,963)	-	(2,864,073)
Vehicles	(1,714,937)	(145,190)	-	(1,860,127)
Infrastructure	(1,130,126)	(189,577)	-	(1,319,703)
Total accumulated depreciation	(9,650,827)	(752,279)	-	(10,403,106)
Net capital assets being depreciated	17,002,848	504,832	-	17,507,680
Total Capital Assets, Net	$ 19,173,786	$ 1,479,004	$ -	$ 20,652,790

Depreciation expense of the General Fund was charged to governmental functions as follows:

General Government	$ 93,782
Public Safety	417,128
Public Works	216,261
Culture and Recreation	24,652
Community and Economic Development	456
Total	$ 752,279

Business-Type Activities	Balance 7/1/2023	Increases	Decreases	Balance 6/30/2024
Capital assets not being depreciated:				
Land	$ 426,870	$ -	$ -	$ 426,870
Construction in progress	7,939,458	116,399	-	8,055,857
Total capital assets not being depreciated	8,366,328	116,399	-	8,482,727
Capital assets being depreciated:				
Plant, buildings, improvements	25,415,030	463,504	-	25,878,534
Machinery and equipment	1,422,930	-	-	1,422,930
Vehicles	1,492,026	-	-	1,492,026
Total capital assets being depreciated	28,329,986	463,504	-	28,793,490
Less accumulated depreciation:				
Plant, buildings, improvements	(15,543,086)	(720,054)	-	(16,263,140)
Machinery and equipment	(1,108,428)	(10,373)	-	(1,118,801)
Vehicles	(1,425,242)	(72,293)	-	(1,497,535)
Total accumulated depreciation	(18,076,756)	(802,720)	-	(18,879,476)
Net capital assets being depreciated	10,253,230	(339,216)	-	9,914,014
Total Capital Assets, Net	$ 18,619,558	$ (222,817)	$ -	$ 18,396,741

NOTE 8 – LONG – TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Lease Agreements	$ 177,854	$ -	$ (53,178)	$ 124,676	$ 69,156
Compensated absences	157,588	235,471	(237,415)	155,644	15,564
Total Governmental Activities	335,442	235,471	(290,593)	280,320	84,720

Compensated absences are liquidated by the General Fund.

Business-Type Activities					
Series 2022 Revenue Bonds - Direct Placement	$ 5,842,155	$ -	$ (123,120)	$ 5,719,035	$ 127,333
Notes Payable	3,875,709	-	(301,001)	3,574,708	307,896
Compensated absences	72,498	174,834	(178,433)	68,899	8,957
Total Business-Type Activities	$ 9,790,362	$ 174,834	$ (602,554)	$ 9,362,642	$ 444,186

Compensated absences are liquidated by the Electric Fund, the Water and Sewer Fund, and the Natural Gas Fund.

Business-Type Activities

NOTES PAYABLE

Georgia Environmental Facilities Authority dated June 27, 2007 for $1,532,885 to be used for improvements to the Isabella water system. The loan is to be repaid in 240 monthly installments of $9,224 including interest at 3.92% beginning November 1, 2010. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $619,920

Georgia Environmental Facilities Authority dated June 27, 2007 for $570,139 to be used for the Isabella water system extension. The loan is to be repaid in 240 Monthly installments of $2,376 with no interest, beginning March 1, 2010. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $161,539

Georgia Environmental Facilities Authority dated October 6, 2011 for $549,000 to be used for water and sewer system improvements. The loan is to be repaid in 240 monthly installments of $3,272 including interest at 3.81%, beginning May 1, 2012. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $265,563

Georgia Environmental Facilities Authority originally dated January 15, 2013 and subsequently modified on June 28, 2017 for amounts up to $1,725,500 to be used for water and sewer system improvements. The loan is to be repaid in 239 monthly installments of $7,233 including interest at 1.82%, beginning July 1, 2017. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $969,697

Georgia Environmental Facilities Authority originally dated November 14, 2014 and subsequently modified on October 26, 2017 for amounts up to $2,245,667 to be used for water system improvements. The loan is to be

repaid in 239 monthly installments of $8,133 including interest at 1.31%, beginning the earlier of October 1, 2018 or the project completion date. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $1,341,753

Georgia Environmental Facilities Authority originally dated March 12, 2021 and subsequently transitioned from a construction loan to a fixed loan on October 1, 2021 for amounts up to $246,487 to be used for water system improvements. The loan is to be repaid in 252 monthly installments of $1,127 including interest at .94%, beginning November 1, 2021. The City has pledged its full faith and credit and revenue-raising power, including its taxing power. Principal balance - $216,236

REVENUE BONDS – DIRECT PLACEMENT

In 2023, the City issued the Combined Utility Revenue Bond, Series 2023 (the "Series 2023 Bond") to provide financing for the City's fiber to the home network project located throughout the City's electric service area center ($5,576,500). The proceeds also provided for working capital associated with operations ($293,500) and the costs of issuance associated with the Series 2023 bond ($130,000).

The Series 2023 Bond was issued as a direct bank loan with The First Bank. The Series 2023 Bond is reported in the telecom fund in the enterprise funds and, under the bond agreement, is payable solely from net revenues derived from the operation of the telecom's broadband system. The Series 2023 Bond carries a fixed interest rate of 3.37% and matures February 15, 2052. The City has pledged future broadband revenues to repay $6,000,000 in principal and $3,543,301 in interest over the life of the Series 2024 Bond. Principal and interest paid for the current year was $318,111. Principal balance - $5,719,036

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

Year Ending June 30	Principal	Interest	Total
2025	$ 435,229	$ 259,258	$ 694,487
2026	446,698	247,789	694,487
2027	458,538	235,949	694,487
2028	470,764	223,723	694,487
2029	483,389	211,098	694,487
2030-2034	1,973,493	884,463	2,857,956
2035-2039	1,702,140	660,985	2,363,125
2040-2044	1,176,879	461,492	1,638,371
2045-2049	1,336,407	254,144	1,590,551
2050-2054	810,206	38,087	848,293
Total	$ 9,293,743	$ 3,476,988	$ 12,770,731

NOTE 9 - LEASES

In 2021, the City entered into a lease agreement for two Freightliner Dump Trucks for use in the City's Public Works department. The term of the lease was for five years at a fixed interest rate of 2.07%. This lease is not renewable, and the titles of the vehicles transfer to the City at the end of the lease term. Amortization of these assets recorded under the lease is included with depreciation expense of the Public Works function of the City.

Annual requirements to amortize long-term lease obligations and related interest are as follows:

Year Ending June 30	Principal	Interest	Total
2025	$ 69,156	$ 2,239	$ 71,395
2026	55,520	576	56,096
Total	$ 124,676	$ 2,815	$ 127,491

NOTE 10 - INTERNAL TRANSFERS

Individual fund transfers for operating purposes and capital projects for the current year were as follows:

	Transfer In	Transfer (Out)
General Fund:		
Gas Fund	$ 118,000	
Airport Fund	1,000	
Electric Fund	6,396,054	
Solid Waste Fund	20,000	
Telecom Fund	240	
Water and Sewer Fund	136,705	
SPLOST Fund	36,205	
Gas Fund		$ (6,474)
Water and Sewer Fund		(47,074)
Electric Fund		(130,456)
Airport Fund		(73,037)
Total General Fund	6,708,204	(257,041)
Special Revenue Funds:		
Designated Grant Fund Fund:		
Electric Fund	-	(18,020)
Hotel/Motel Tax Fund:		
Electric Fund	785	-
Capital Projects Funds:		
SPLOST Fund:		
Electric Fund		(52,618)
Gas Fund		(648)
Telecom Fund		(80,000)
T-SPLOST		(94,655)
General Fund		(36,205)
Water and Sewer Fund		(43,046)
Total SPLOST Fund	-	(307,172)
T-SPLOST Fund:		
Airport Fund	167,163	
SPLOST Fund	94,655	
Airport Fund		(27,054)
Total T-SPLOST Fund	261,818	(27,054)

	Transfer In	Transfer (Out)
Proprietary Fund:		
Water and Sewer Fund:		
General Fund	$ 47,074	
Electric Fund	96,137	
SPLOST Fund	43,046	
General Fund		$ (136,705)
Electric Fund		(229,789)
Gas Fund		(21,000)
Solid Waste Fund		(10,000)
Telecom Fund		(68,000)
Total Water and Sewer Fund	186,257	(465,494)
Electric Fund:		
General Fund	130,456	
Designated Grant Fund	18,020	
Gas Fund	5,600	
Solid Waste Fund	18,717	
SPLOST Fund	52,618	
Water and Sewer Fund	229,789	
Gas Fund		(54,690)
Water and Sewer Fund		(96,137)
Airport Fund		(17,620)
Solid Waste Fund		(8,804)
General Fund		(6,396,054)
Telecom Fund		(229,970)
Hotel/Motel Tax Fund		(785)
Total Electric Fund	455,200	(6,804,060)
Gas Fund:		
Solid Waste Fund		
Water and Sewer Fund	21,000	
General Fund	6,474	
Electric Fund	54,690	
SPLOST Fund	648	
General Fund		(118,000)
Electric Fund		(5,600)
Telecom Fund		(12,000)
Total Gas Fund	82,812	(135,600)
Telecom Fund:		
SPLOST Fund	80,000	
Electric Fund	229,970	
Gas Fund	12,000	
Water and Sewer Fund	68,000	
General Fund		(240)
Total Telecom Fund	389,970	(240)
Solid Waste Fund:		
Electric Fund	8,804	
Water and Sewer Fund	10,000	
General Fund		(20,000)
Electric Fund		(18,717)
Total Solid Waste Fund	18,804	(38,717)
Airport Fund:		
General Fund	73,037	
T-SPLOST Fund	27,054	
Electric Fund	17,620	
General Fund		(1,000)
T-SPLOST Fund		(167,163)
Total Airport Fund	117,711	(168,163)
Total (including amounts from previous page)	$ 8,221,561	$ (8,221,561)

NOTE 11 - CONTINGENT LIABLILITES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. The City records liabilities resulting from claims and legal actions only when they become probable and measurable. No additional accrual or disclosure of these lawsuits is required.

Agreement with the Municipal Electric Authority of Georgia (MEAG) – The City, together with 47 other cities and one county in the State, has entered into Power Sales Contracts dated March 1, 1976 with the Municipal Electric Authority of Georgia (MEAG) under which the City purchases certain power and energy for resale to its electric system customers. Under the contract entitlement, if the City were unable to purchase budgeted power, MEAG would be obligated to make a good faith effort to sell the power elsewhere. If MEAG were unable to sell the power at a price above its cost, the difference would be an obligation of the City. The contracts are agreements to pay the cost of generating power budgeted for the City. The obligation to pay MEAG certain amounts, whether or not power and energy are received, is a general obligation of the City to which its full faith and credit are pledged. If payments under the Power Sales Contracts are not made from revenues of the electric distribution system, the City is required under the contracts to include in its general revenue or appropriation measures sums sufficient together with other available revenues to make such payments. During the fiscal year, the City purchased electric power under these contracts for a total cost of $5,503,642.

On February 22, 1999, the City approved a resolution adopting the provisions of a Municipal Competitive Trust (the Trust) agreement between the City and MEAG. The Trust was created by MEAG in anticipation of future deregulation of the electric industry, which will provide customers with a choice among electric suppliers for their retail electric power supply. This is expected to include customers assigned to electric systems of political subdivisions, which are wholesale power customers of MEAG, such as the City of Sylvester. MEAG expects that after such legislation is effective, market rates for power will result which will likely be lower for some period of time than the costs of power generated by MEAG facilities. The purpose of the Trust is to deposit funds to be invested at the best prudent rates of return and be applied, in accordance with the provisions of the Trust, and to mitigate the change to full competition as a result of anticipated deregulation.

The Trust created two types of accounts that are held by MEAG in the name of the City. The flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. As of June 30, 2024, the balance in this account was $2,752,574. This amount is included in cash and investments in the Electric Fund.

An additional account created was the credit support operating account. The funds in the credit support operating account are restricted for use to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. The balance of this account at June 30, 2024 was $1,817,236. Due to the restrictive nature of this fund, it is not shown in the cash and investments balance for the Electric Fund.

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the fund against liability or loss prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

The City purchases commercial insurance for all other risks of loss other than the workers' compensation covered under the risk pool.

There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the City's insurance coverage during the past three years.

NOTE 13 - JOINT VENTURES

The City has the following joint ventures:

MEAG and MGAG – The City is a participant in the Municipal Electric Authority of Georgia (MEAG) and the Municipal Gas Authority of Georgia (MGAG). Under such arrangements, the City has a contractual obligation to purchase the majority of its electricity and natural gas from the said entities. Because the City does not have any significant control over the budgeting, financing and election of officers and management of MEAG and MGAG, their results of operation and financial position have not been included in the City's financial statements.

Also, the City has not reflected participation under the equity method of accounting. Separate financial statements of each entity may be obtained from:

Municipal Electric Authority of Georgia
1470 Riveredge Parkway, NW
Atlanta, Georgia 30328

Municipal Gas Authority of Georgia
104 Town Park Drive
Kennesaw, Georgia 30144

During the fiscal year ended June 30, 2024, the City purchased $5,503,642 of its electricity from MEAG, with accounts payable of $466,804 to MEAG at June 30, 2024.

During the fiscal year ended June 30, 2024, the City purchased $310,509 of its gas from MGAG, with accounts payable of $20,391 to MGAG at June 30, 2024.

Southwest Georgia Regional Commission – Under Georgia law, the City, in conjunction with other cities and counties in the fourteen county Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (the Commission). Membership in the Commission is required by the official Code of Georgia Annotated (OCGA) Section 50-8-33, which provides for the organizational structure of the Commission. The Commission board membership includes the chief elected official of each county and municipality of the area. The City is required to pay annual dues to the Commission and paid $6,104 in such dues during the year ended June 30, 2024.

OCGA 50-8-39 provides that member governments are liable for any debts or obligations of a Commission. The Commission revenues are sufficient to cover its operating costs and the City does not expect the entity to dissolve in the foreseeable future. The Commission is neither accumulating significant financial resources nor experiencing fiscal stress that may cause an additional financial benefit to or a burden upon the City. Separate financial statements may be obtained from:

Southwest Georgia Regional Commission
181 East Broad Street
Camilla, GA 31730

NOTE 14 – PENSION PLAN

Plan Description

The City, as authorized by the City Council, has a defined benefit pension plan, which provides retirement, disability, and death benefits to plan members and beneficiaries. The City of Sylvester Retirement Plan (the Plan) is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for governments in the municipalities in Georgia. Regulations of the State of Georgia assign the authority to establish and amend the benefit provisions of the plans that participate in GMEBS to the respective employer entities; for the City of Sylvester Retirement Plan that authority rests with the City of Sylvester, Georgia. All full-time employees participate in the Plan upon employment and all elected officials who hold office on or after February 1, 2008, participate in the plan. Benefits vest after 10 years of credited service. City employees can retire at or after age 65 with five years of credited service or after age 50 with 30 years of credited service. There is no maximum employee entry age. The benefit formula is 1.0% - 1.75% of final average earnings up to the amount of covered compensation, plus 1.5% - 2.25% of final average earnings in excess of said covered compensation, multiplied by years of total credited service as an eligible regular employee.

Effective November 22, 2022, the City Manager was granted a benefit formula of 3.0% of final average earnings up to the amount of covered compensation. In addition, the City Manager became eligible for alternative normal retirement with 15 years of service and no minimum age. Elected officials can retire at the earlier of age 65 or 50 with 30 years of service. The monthly normal retirement benefit for elected officials is $40 per month for each year of total credited service as an elected official.

As of June 30, 2024, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	69
Terminated plan members entitled to, but not yet receiving benefits	29
Active plan participants	89
Total	187

Funding Policy

The City's policy is to contribute the actuarially determined amount as recommended by GMEBS. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the 30-year level percentage of payroll amortization of the unfunded actuarial accrued liability or the 10-year level percentage of payroll amortization of the surplus, and 3) the interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The City makes all contributions to the Plan. The City is required to contribute at an actuarially determined rate; the current rate is 18.53% of annual covered payroll. The contribution requirements of plan members and the City are established by and may be amended by the GMEBS Board of Trustees.

At June 30, 2024, the City reported a liability of $4,695,781 for its pension liability. The City's net pension liability was measured as of September 30, 2023, and was determined by an actuarial valuation as of January 1, 2024. The changes in the Net Pension Liability for the year ended September 30, 2023 (the measurement date) were as follows:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balance at June 30, 2023	$ 12,503,805	$ 7,965,951	$ 4,537,854
Changes for the year:			
Service cost	184,204	-	184,204
Interest	905,604	-	905,604
Differences between expected and actual experience	593,374	-	593,374
			-
Contributions - employer	-	473,846	(473,846)
Contributions - employee	-	-	-
Net investment income	-	1,072,558	(1,072,558)
Benefit payments, including refunds of employee contributions	(817,253)	(817,253)	-
			-
Administrative expense	-	(21,149)	21,149
Other	-	-	-
Net changes	865,929	708,002	157,927
Balances at June 30, 2024	$ 13,369,734	$ 8,673,953	$ 4,695,781

Pension Expense

Pension expense for the year ended June 30, 2024		
Service cost	$	184,204
Interest on TPL		905,604
Employee contributions		-
Administrative expense		21,149
Expected return on assets		(574,046)
Expensed portion of current year period differences between expected and actual experience on TPL		148,342
Expensed portion of current year period assumption changes		-
Current year plan changes		-
Expensed portion of current year period differences between projected and actual investment earnings		(99,704)
Current year recognition of deferred inflows and outflows established in prior years		509,359
Total expense	$	1,094,908

Deferred Outflows/Inflows of Resources Related to Pensions as of June 30, 2024

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	$ 314,466	$ -
Demographic	757,348	-
Investment	1,374,510	(983,385)
Assumption change	-	-
Total	$ 2,446,324	$ (983,385)

Amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 355,276
2026	253,728
2027	148,344
2028	-
2029	-

Discount Rate

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

GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the City of Sylvester Retirement Plan. That report may be obtained by writing to:

Georgia Municipal Association
The Burgess Building
201 Pryor Street, SW
Atlanta, GA 30303-3606

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Employer's proportionate share of the net liability	$ 6,304,161	$ 4,695,781	$ 3,354,968

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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of March 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.91%
International equity	20%	7.21%
Domestic fixed income	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
Cash	0%	
	100%	

Actuarial Methods and Assumptions

Valuation Date	January 1, 2024
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies from the bases, with a net effective amortization period of 11 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 the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Inflation Rate	2.25%
Mortality Rates:	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25
Plan termination basis (all lives):	1994 Group Annuity Reserving Unisex Table
Retirement Rates:	
Employees	Earlier of 65 with 5 years of service and 50 with 30 years of service, City Manager with 15 years of service
Officials	Earlier of 65 and 50 with 30 years of service
Retirement age for inactive vested participants	65
Form of Payment	Life annuity
Administrative Expense	$6,500 plus $54 per active and terminated vested participant and $66 per retiree and beneficiary, plus 0.06% of the market value of assets.

Georgia Municipal Employees Benefit System

Summary of Plan Provisions for January 1, 2023 Valuation:

Employer	City of Sylvester
Social Security	Yes
Participant Contributions	Noncontributory
Original Effective date	Employees: 7-1-72 Officials: 6-1-79 (Officials who come into office after 2-1-88 are not eligible. Officials in office on 2-1-88 continue to receive credit for service until the end of their current term)
Master Plan/Adoption Agreement	9/1/2003
Eligibility Requirements	Employees: No waiting period; participation is mandatory on and after 9-1-03 Officials: those who hold office on or after 2-1-08. Elected officials were not eligible after 2-1-88 and before 2-1-08
Normal Retirement Age	Employees: 65+5 or 50+30, City Manager 65+5, 50+30 or 15 years of service Officials: 65 or 50+30
Early Retirement	55+10
Date Indexed	9-1-80 [dynamic break point] (applies to all employees hired on or after 9-1-80 and to those employees hired before 9-1-80 if this break point and 1.5%-2.25% benefit formula would result in a higher benefit than the break point in table and 1.0-1.075% benefit formula) in a higher benefit than the break point in table and 1.0%-1.75% benefit formula)
Benefit Formula	1.0%-1.75% with table (prior to 9-1-80) 1.5%-2.25% with dynamic index break point 3.0% for City Manager
Official's Benefits	$40
Vesting	10 years
Death Benefits	Actuarial Reserve Term vested Auto A death benefit effective 10-1-2016
Disability Minimum	20%
Cost-of-Living	---
Other	In-service distribution effective 4-1-13 for elected officials who remain in service of a normal or alternative normal or retired Participants who return to service as an elected or appointed member of the Governing Authority after normal retirement. With respect for the in-service, the participant must be at least 62 years of age in order to begin drawing retirement benefits. Participants who terminate on or after 10-1-88 and designate their spouse as beneficiary under Plan B at retirement receive unreduced retirement benefits. Spouses' benefits may be reduced depending upon age difference. City Manager in such position on 5-17-21 shall accrue an additional 12 years of service for benefit computation and not for vesting or retirement eligibility.

NOTE 15 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

In addition to the retirement plan described in Note 14, the City provides post-retirement term life insurance to all retirees who retire after June 1, 1999. The benefit is provided in accordance with City of Sylvester ordinances. The post-employment benefit is not part of a qualified plan and accordingly, expenditures for term life insurance premiums are recognized as the premiums are paid. Currently thirteen retirees are eligible for this post-employment benefit. During the year, total expenditures of $3,480 were recognized for post-retirement term life insurance. The premiums are paid to GMEBS. Information pertaining to an actuarial valuation for this benefit is not provided by GMEBS. This post-retirement benefit is considered immaterial to the financial statements.

NOTE 16 - GRANTS FROM OTHER GOVENMENTS

Federal and state governmental units represent an important source of supplementary funding used to finance housing, employment, construction programs, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both Governmental and Proprietary funds. All grant proceeds in the Proprietary Funds are for the purpose of construction activities, or land or easement acquisitions. Accordingly, as per the Governmental Accounting Standards Board, they are recorded as nonoperating revenues. For all funds, a grant receivable is recorded when the City has a right to receive the related grant proceeds.

NOTE 17 - HOTEL-MOTEL TAX

The City has levied a 5% Hotel-Motel tax in accordance with OCGA 48-13-51. The tax was effective October 1, 2000. A summary of the transactions for the year ending June 30, 2024 is as follows:

Hotel-Motel Tax Receipts		$ 26,191
Disbursements to Worth County- Sylvester Chamber of Commerce	49%	12,904
Balance Retained by City	51%	$ 13,287

The City has received a report from the Worth County-Sylvester Chamber of Commerce. Disbursements of the Hotel-Motel tax funds to the Worth County-Sylvester Chamber of Commerce were used for the promotion of tourism as required by the Official Code of Georgia Annotated (OCGA) 48-13-51.

NOTE 18 – RELATED PARTY TRANSACTIONS

The City contracts with a local restaurant for a feeding program for low-income senior citizens of the City. The restaurant is owned by a member of the city council. In the opinion of management, the meal services were the most reasonable and adequate for the needs of the City's feeding program and were conducted at an arm's length. During the year ended June 30, 2024, the City paid the restaurant a total of $12,900 for these services.

NOTE 19 – E-911 SERVICES

The City entered into an agreement with Worth County, Georgia to contract with the County for the provision of E-911 Service to the City by the County in consideration of payment by the City to the County for the salaries of two dispatchers effective July 21, 2008. In exchange for the provision of the E-911 Service, the City shall pay to the County the annual salaries including benefits for two dispatchers; provided that such dispatchers shall at all times be employed by the County. Such annual salaries and benefits shall be in the amount of $35,248 per dispatcher for an annual total of $70,496 with the provision of an annual increase not to exceed the prevailing Consumer Price Index. The City incurred costs of $87,018 for these services for the fiscal year ended June 30, 2024.

NOTE 20 – FUND BALANCE CLASSIFICATIONS

The fund balances presented in the aggregate in the Balance Sheet for Governmental Funds are allocated according to balance classification and fund as follows:

				Special Revenue Funds			
	General Fund	SPLOST Capital Projects Fund	T-SPLOST Capital Projects Fund	CDBG Loan Fund	Designated Grant Fund	Hotel/ Motel Tax Fund	American Rescue Plan Act Fund
Fund Balances							
Nonspendable:							
Inventory	$ 132,971	$ -	$ -	$ -	$ -	$ -	$ -
Prepaid Items	2,063	-	-	-	-	-	-
Total Nonspendable	135,034	-	-	-	-	-	-
Restricted:							
Public Safety	7,775	-	-	-	-	-	-
Public Welfare	10,403	-	-	-	-	-	-
Capital Projects	-	-	751,263	-	475,129	-	514
Economic Development	-	-	-	166,784	-	-	-
Tourism	-	-	-	-	-	23,697	-
Total Restricted	18,178	-	751,263	166,784	475,129	23,697	514
Unassigned	1,700,486	(55,909)	-	-	-	-	-
Total Fund Balances	$ 1,853,698	$ (55,909)	$ 751,263	$ 166,784	$ 475,129	$ 23,697	$ 514

NOTE 21 – FUND BALANCE/NET POSITION DEFICITS

Governmental Funds:		
Capital Project Funds		
SPLOST Capital Projects Fund	$ 55,909	This deficit will be eliminated by future transfers from other funds.
Proprietary Funds		
Telecommunications Fund	$ 1,018,472	This deficit will be eliminated by future user fee revenue.
Natural Gas Fund	$ 273,464	This deficit will be eliminated by future user fee revenue.

NOTE 22 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition of disclosure through February 2, 2026, the date when the financial statements were available to be issued.

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Changes in Net Pension Liability and Related Ratios
June 30, 2024

	Total Pension Liability					
Measurement Date	**Fiscal Year End June 30, 2024**	**Fiscal Year End June 30, 2023**	**Fiscal Year End June 30, 2022**	**Fiscal Year End June 30, 2021**	**Fiscal Year End June 30, 2020**	**Fiscal Year End June 30, 2019**
Total Pension Liability						
Service cost	$ 184,204	$ 204,117	$ 174,459	$ 149,493	$ 132,459	$ 115,251
Interest	905,604	777,613	726,439	693,789	654,083	636,574
Differences between expected and actual experience	593,374	421,534	321,698	105,616	21,107	(166,943)
Changes of assumptions	-	-	-	-	392,229	-
Changes of benefit terms	-	1,148,927	97,546	-	-	173,513
Benefit payments, including refunds of employee contributions	(817,253)	(776,356)	(535,470)	(526,840)	(534,583)	(549,717)
Other	-	-	-	-	-	-
Net change in total pension liability	865,929	1,775,835	784,672	422,058	665,295	208,678
Total pension liability - beginning	12,503,805	10,727,970	9,943,298	9,521,240	8,855,945	8,647,267
Total pension liability - ending (a)	$ 13,369,734	$ 12,503,805	$ 10,727,970	$ 9,943,298	$ 9,521,240	$ 8,855,945
Plan Fiduciary Net Position						
Contributions - employer	$ 473,846	$ 397,301	$ 348,064	$ 309,563	$ 261,839	$ 261,626
Contributions - employee	-	-	-	-	-	-
Net investment income	1,072,558	(1,572,507)	1,972,469	727,160	217,485	717,935
Benefit payments, including refunds of employee contributions	(817,253)	(776,356)	(535,470)	(526,840)	(534,583)	(549,717)
Administrative expenses	(21,149)	(24,458)	(21,605)	(20,225)	(19,514)	(20,832)
Other	-	-	-	-	-	-
Net change in fiduciary net position	708,002	(1,976,020)	1,763,458	489,658	(74,773)	409,012
Plan fiduciary net position - beginning	7,965,951	9,941,971	8,178,513	7,688,855	7,763,628	7,354,616
Plan fiduciary net position - ending (b)	$ 8,673,953	$ 7,965,951	$ 9,941,971	$ 8,178,513	$ 7,688,855	$ 7,763,628
Net pension liability - ending (a) - (b)	$ 4,695,781	$ 4,537,854	$ 785,999	$ 1,764,785	$ 1,832,385	$ 1,092,317
Plan's fiduciary net position as percentage of the total pension liability	64.88%	63.71%	92.67%	82.25%	80.75%	87.67%
Covered payroll	$ 4,170,298	$ 3,579,982	$ 3,710,917	$ 3,609,293	$ 3,176,790	$ 2,979,313
Net pension liability as a percentage of covered-employee payroll	112.60%	126.76%	21.18%	48.90%	57.68%	36.66%

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Changes in Net Pension Liability and Related Ratios
June 30, 2024

	Total Pension Liability			
Measurement Date	Fiscal Year End June 30, 2018	Fiscal Year End June 30, 2017	Fiscal Year End June 30, 2016	Fiscal Year End June 30, 2015
Total Pension Liability				
Service cost	$ 121,554	$ 123,275	$ 127,640	$ 143,056
Interest	600,885	590,322	580,864	581,530
Differences between expected and actual experience	255,414	(100,006)	(140,677)	(245,155)
Changes of assumptions	170,973	-	-	(78,814)
Changes of benefit terms	-	-	-	-
Benefit payments, including refunds of employee contributions	(509,834)	(444,745)	(446,823)	(371,608)
Other	-			
Net change in total pension liability	638,992	168,846	121,004	29,009
Total pension liability - beginning	8,008,275	7,839,429	7,718,425	7,689,416
Total pension liability - ending (a)	$ 8,647,267	$ 8,008,275	$ 7,839,429	$ 7,718,425
Plan Fiduciary Net Position				
Contributions - employer	$ 265,873	$ 287,114	$ 326,057	$ 351,208
Contributions - employee	-	-	-	-
Net investment income	981,834	677,155	74,217	637,350
Benefit payments, including refunds of employee contributions	(509,834)	(444,745)	(446,823)	(371,608)
Administrative expenses	(22,341)	(12,988)	(14,676)	(11,697)
Other	-	-	-	-
Net change in fiduciary net position	715,532	506,536	(61,225)	605,253
Plan fiduciary net position - beginning	6,639,084	6,132,548	6,193,773	5,588,520
Plan fiduciary net position - ending (b)	$ 7,354,616	$ 6,639,084	$ 6,132,548	$ 6,193,773
Net pension liability - ending (a) - (b)	$ 1,292,651	$ 1,369,191	$ 1,706,881	$ 1,524,652
Plan's fiduciary net position as percentage of the total pension liability	85.05%	82.90%	78.23%	80.25%
Covered payroll	$ 2,656,091	$ 2,704,446	$ 2,777,874	$ 2,499,865
Net pension liability as a percentage of covered-employee payroll	48.67%	50.63%	61.45%	60.99%

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Contributions
June 30, 2024

	Fiscal Year End June 30, 2024		Fiscal Year End June 30, 2023	Fiscal Year End June 30, 2022	Fiscal Year End June 30, 2021	Fiscal Year End June 30, 2020	Fiscal Year End June 30, 2019
Actuarially determined contribution	$ -	*	$ 441,303	$ 378,611	$ 347,614	$ 301,953	$ 282,018
Contributions in relation to the actuarially determined contribution	-	*	470,705	315,509	373,227	300,292	258,517
Contribution deficiency (excess)	-	*	(29,402)	63,102	(25,613)	1,661	23,501
Covered payroll	-	*	3,579,982	3,710,917	3,609,293	3,176,790	2,979,313
Contributions as a percentage of covered-employee payroll	-	*	13.15%	8.50%	10.34%	9.45%	8.68%

* 2024 information will be determined after the fiscal year end and will be included in the 2025 valuation report.

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Schedule of Contributions
June 30, 2024

	Fiscal Year End June 30, 2018	Fiscal Year End June 30, 2017	Fiscal Year End June 30, 2016	Fiscal Year End June 30, 2015
Actuarially determined contribution	$ 254,829	$ 269,554	$ 292,967	$ 337,087
Contributions in relation to the actuarially determined contribution	254,829	269,554	292,667	337,087
Contribution deficiency (excess)	-	-	-	-
Covered payroll	2,656,091	2,707,446	2,777,874	2,499,865
Contributions as a percentage of covered-employee payroll	9.59%	9.96%	10.54%	13.48%

Note: Schedules are intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2024

NOTE 1

Significant methods and assumptions used in calculating the actuarially determined calculations are as follows:

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, 2024.

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 11 years
Asset Valuation Method	Sum of actuarial value at beginning of year and 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.

Actuarial Assumptions:

Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	N/A
Mortality Rates:	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25
Plan termination basis	1994 Group Annuity Reserving Unisex Table

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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of March 31, 2023 are summarized in the following table:

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2024

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.91%
International equity	20%	7.21%
Domestic fixed income	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
Cash	0%	
	100%	

Changes of Assumptions

There were no changes in assumptions in the last two fiscal years. Amounts reported for the fiscal year ending in 2021 and later reflect the following assumption changes based on an actuarial study conducted in November and December of 2019:

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct rates under the 2019 OASDI Trustees Report used for intermediate alternative. Previously future mortality improvements were not explicitly projected.
- The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.
- The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.
- Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 30%.

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Retirement Plan
Notes to Schedule of Contributions
June 30, 2024

- Where normal retirement is available at age 60 or 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance
	Original	Final	Actual	with Budget
REVENUES				
Taxes - Net	$ 2,503,000	$ 2,503,000	$ 2,312,756	$ (190,244)
Charges for Services	84,000	84,000	91,015	7,015
Fines & Forfeitures	364,800	364,800	275,112	(89,688)
Intergovernmental	52,500	52,500	205,262	152,762
Licenses and Permits	82,050	82,050	98,103	16,053
Interest Income	1,100	1,100	3,263	2,163
Miscellaneous	66,001	813,832	516,053	(297,779)
TOTAL REVENUES	3,153,451	3,901,282	3,501,564	(399,718)
EXPENDITURES				
Legislative	188,719	204,047	186,114	(17,933)
Judicial Administration	238,786	146,895	146,242	(653)
General Administration	879,292	1,648,121	1,647,361	(760)
Police	1,998,262	2,156,883	2,156,880	(3)
City Manager	400,820	495,394	464,850	(30,544)
Financial Administration	349,626	363,927	336,499	(27,428)
Human Resources	199,764	225,642	223,340	(2,302)
Animal Control	55,200	45,014	44,914	(100)
Cemetery	75,000	48,510	48,510	-
Senior Citizen Center	44,963	35,079	34,828	(251)
Family Connections Program	52,500	26,250	26,250	-
Daisy Gamble Learning Center	22,500	22,500	8,884	(13,616)
HH Woolard Recreation Center	133,120	109,720	96,803	(12,917)
Parks and Recreation	60,400	83,800	73,887	(9,913)
Housing Authority	10,000	10,000	7,760	(2,240)
General Government Maintenance	73,831	70,757	65,259	(5,498)
Fire	1,132,746	1,112,842	1,111,495	(1,347)
Highways and Streets	1,505,227	1,335,724	1,325,312	(10,412)
Storm Water	113,589	171,728	167,380	(4,348)
Maintenance and Shop	283,726	295,357	293,082	(2,275)
Code Enforcement	111,671	92,060	85,723	(6,337)
Planning and Zoning	155,899	155,899	152,566	(3,333)
Economic Development and Assistance	-	1,000	1,000	-
Main Street and Downtown Development	263,220	262,220	197,630	(64,590)
TOTAL EXPENDITURES	8,348,861	9,119,369	8,902,569	(216,800)
Deficiency of Revenue Under Expenditures	(5,195,410)	(5,218,087)	(5,401,005)	(616,518)
OTHER FINANCING SOURCES				
Transfers In from Other Funds	5,195,410	6,506,283	6,708,204	201,921
Transfers Out to Other Funds	-	(1,288,196)	(257,041)	1,031,155
NET CHANGE IN FUND BALANCE	-	-	1,050,158	616,558
FUND BALANCE - JULY 1, 2023	-	4,323,918	803,540	
FUND BALANCE - JUNE 30, 2024	$ -	$ 4,323,918	$ 1,853,698	

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Designated Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Grant Proceeds	$ 2,178,727	$ 2,178,727	$ 1,486,346	$ (692,381)
Contributions	-	-	-	-
TOTAL REVENUES	2,178,727	2,178,727	1,486,346	(692,381)
EXPENDITURES				
Community and Economic Development	-	-	36	36
Capital Outlay	2,178,727	2,178,727	974,172	(1,204,555)
TOTAL EXPENDITURES	2,178,727	2,178,727	974,208	(1,204,519)
Excess of Expenditures Over Revenues	-	-	512,138	512,138
OTHER FINANCING USES				
Transfer In	-	-	-	-
Transfer Out	-	-	(18,020)	(18,020)
NET CHANGE IN FUND BALANCE	-	-	494,118	494,118
FUND BALANCE - JULY 1, 2023			(18,989)	
FUND BALANCE - JUNE 30, 2024			$ 475,129	

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
American Rescue Plan Act Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Grant Proceeds	$ -	$ -	$ -	$ -
Interest - Bank	88	88	-	(88)
TOTAL REVENUES	88	88	-	(88)
EXPENDITURES				
Community and Economic Development	-	-	25,136	25,136
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	25,136	25,136
Excess of Expenditures Over Revenues	88	88	(25,136)	(25,224)
OTHER FINANCING USES				
Transfer Out	-	-	-	-
NET CHANGE IN FUND BALANCE	88	88	(25,136)	(25,224)
FUND BALANCE - JULY 1, 2023			25,650	
FUND BALANCE - JUNE 30, 2024			$ 514	

CITY OF SYLVESTER, GEORGIA
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or before the last Monday in May of each year, all departments of the City submit requests for appropriation to the city manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

- Before June 15, the proposed budget is presented to the City's council for review. The City's council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the city manager of the revenue estimates must be changed by an affirmative vote of the majority of the City's council.

- Prior to July 1, the budget is legally enacted through passage of an ordinance.

Results of operations are presented on the budgetary basis at the legal level of control in the Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual for the General Fund in order to provide a meaningful comparison of actual results with the budget.

As set forth in the City Charter, the City Council adopts an annual budget for the general fund, the special revenue funds, and the proprietary funds. The annual budget for the general fund, special revenue funds and for the proprietary funds is adopted on a basis consistent with GAAP. Each fund's appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source. Expenditures are budgeted by department which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval. The Council approved supplemental appropriations during the year. Project budgets are adopted for the Capital Project Fund.

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF SYLVESTER, GEORGIA
General Fund
Balance Sheet
June 30, 2024

ASSETS	
Assets	
Cash	$ 776,344
Restricted Cash	18,178
Investment-Certificates of Deposit	1,045,813
Receivables	
Property Taxes	29,551
Due From Other Governments	45,500
Account	485
Due from Other Funds	344,762
Inventory, at Cost	132,971
Prepaid Items	2,063
Miscellaneous Current Asset	539,096
TOTAL ASSETS	$ 2,934,763
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
Liabilities	
Accounts Payable	$ 299,010
Accrued Payroll Taxes and Withholdings	243,756
Due to Other Funds	491,436
Deposits	1,448
Total Liabilities	1,035,650
Deferred Inflows of Resources	
Deferred Revenue - property taxes	45,415
Fund Balance	
Nonspendable:	
Inventory	132,971
Prepaid Items	2,063
Restricted:	
Public Safety	7,775
Public Welfare	10,403
Unassigned	1,700,486
Total Fund Balance	1,853,698
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,934,763

CITY OF SYLVESTER, GEORGIA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			
	Original	Final	Actual	Variance with Budget
REVENUES (SCHEDULE 1)				
Taxes - Net	$ 2,503,000	$ 2,503,000	$ 2,312,756	$ (190,244)
Charges for Services	84,000	84,000	91,015	7,015
Fines & Forfeitures	364,800	364,800	275,112	(89,688)
Intergovernmental	52,500	52,500	205,262	152,762
Licenses and Permits	82,050	82,050	98,103	16,053
Interest Income	1,100	1,100	3,263	2,163
Miscellaneous	66,001	813,832	516,053	(297,779)
TOTAL REVENUES	3,153,451	3,901,282	3,501,564	(399,718)
EXPENDITURES (SCHEDULE 2)				
Legislative	188,719	204,047	186,114	(17,933)
Judicial Administration	238,786	146,895	146,242	(653)
General Administration	879,292	1,648,121	1,647,361	(760)
Police	1,998,262	2,156,883	2,156,880	(3)
City Manager	400,820	495,394	464,850	(30,544)
Financial Administration	349,626	363,927	336,499	(27,428)
Human Resources	199,764	225,642	223,340	(2,302)
Animal Control	55,200	45,014	44,914	(100)
Cemetery	75,000	48,510	48,510	-
Senior Citizen Center	44,963	35,079	34,828	(251)
Family Connections Program	52,500	26,250	26,250	-
Daisy Gamble Learning Center	22,500	22,500	8,884	(13,616)
HH Woolard Recreation Center	133,120	109,720	96,803	(12,917)
Parks and Recreation	60,400	83,800	73,887	(9,913)
Housing Authority	10,000	10,000	7,760	(2,240)
General Government Maintenance	73,831	70,757	65,259	(5,498)
Fire	1,132,746	1,112,842	1,111,495	(1,347)
Highways and Streets	1,505,227	1,335,724	1,325,312	(10,412)
Storm Water	113,589	171,728	167,380	(4,348)
Maintenance and Shop	283,726	295,357	293,082	(2,275)
Code Enforcement	111,671	92,060	85,723	(6,337)
Planning and Zoning	155,899	155,899	152,566	(3,333)
Economic Development and Assistance	-	1,000	1,000	-
Main Street and Downtown Development	263,220	262,220	197,630	(64,590)
TOTAL EXPENDITURES	8,348,861	9,119,369	8,902,569	(216,800)
Deficiency of Revenue Under Expenditures	(5,195,410)	(5,218,087)	(5,401,005)	(616,518)
OTHER FINANCING SOURCES				
Transfers In from Other Funds	5,195,410	6,506,283	6,708,204	201,921
Transfers Out to Other Funds	-	(1,288,196)	(257,041)	1,031,155
NET CHANGE IN FUND BALANCE	-	-	1,050,158	616,558
FUND BALANCE - JULY 1, 2023	-	4,323,918	803,540	
FUND BALANCE - JUNE 30, 2024	$ -	$ 4,323,918	$ 1,853,698	

CITY OF SYLVESTER, GEORGIA
General Fund
Revenues-Budget and Actual
For the Year Ended June 30, 2024

SCHEDULE 1	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Ad Valorem Taxes	$ 1,178,000	$ 1,178,000	$ 944,119	$ (233,881)
Alcoholic Beverage Tax	100,000	100,000	101,211	1,211
Business and Occupation Tax	35,000	35,000	46,950	11,950
Charges for Services	84,000	84,000	91,015	7,015
Financial Institution Tax	25,000	25,000	31,727	6,727
Fines and Forfeitures	364,800	364,800	275,112	(89,688)
Franchise Tax	68,500	68,500	60,119	(8,381)
Insurance Premium Tax	530,000	530,000	502,341	(27,659)
Intangible and Transfer Tax	16,500	16,500	7,961	(8,539)
Interest Income	1,100	1,100	3,263	2,163
Intergovernmental	52,500	52,500	205,262	152,762
Licenses and Permits	82,050	82,050	98,103	16,053
Miscellaneous	66,001	813,832	516,053	(297,779)
Sales Tax-Local Option	550,000	550,000	618,328	68,328
TOTAL REVENUES	$ 3,153,451	$ 3,901,282	$ 3,501,564	$ (399,718)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual
For the Year Ended June 30, 2024

SCHEDULE 2

EXPENDITURES	Budget Original	Budget Final	Actual	Variance with Budget
LEGISLATIVE				
Personnel Services & Employee Benefits	$ 113,819	$ 129,147	$ 129,147	$ -
Purchased/Contracted Services	56,400	56,400	52,742	(3,658)
Supplies	18,500	18,500	4,225	(14,275)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Legislative	188,719	204,047	186,114	(17,933)
JUDICIAL ADMINISTRATION				
Personnel Services & Employee Benefits	137,786	115,096	114,443	(653)
Purchased/Contracted Services	101,000	31,799	31,799	-
Supplies	-	-	-	-
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Judicial Administration	238,786	146,895	146,242	(653)
GENERAL ADMINISTRATION				
Personnel Services & Employee Benefits	106,392	194,124	194,124	-
Purchased/Contracted Services	424,900	996,644	996,644	-
Supplies	52,000	258,430	258,430	-
Capital Outlays	40,000	2,923	2,923	-
Other Costs	256,000	196,000	195,240	(760)
Total General Administration	879,292	1,648,121	1,647,361	(760)
POLICE				
Personnel Services & Employee Benefits	1,614,872	1,727,364	1,727,364	-
Purchased/Contracted Services	194,790	174,791	174,790	(1)
Supplies	109,600	61,747	61,746	(1)
Capital Outlays	-	6,534	6,533	(1)
Other Costs	79,000	186,447	186,447	-
Total Police	1,998,262	2,156,883	2,156,880	(3)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
CITY MANAGER				
Personnel Services & Employee Benefits	$ 331,320	$ 420,067	$ 420,067	$ -
Purchased/Contracted Services	36,500	42,327	42,327	-
Supplies	33,000	33,000	2,456	(30,544)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total City Manager	400,820	495,394	464,850	(30,544)
FINANCIAL ADMINISTRATION				
Personnel Services & Employee Benefits	280,426	294,727	294,727	-
Purchased/Contracted Services	62,000	62,000	39,189	(22,811)
Supplies	7,200	7,200	2,583	(4,617)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Financial Administration	349,626	363,927	336,499	(27,428)
HUMAN RESOURCES				
Personnel Services & Employee Benefits	183,564	208,006	208,006	-
Purchased/Contracted Services	12,600	14,036	14,035	(1)
Supplies	3,600	3,600	1,299	(2,301)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Human Resources	199,764	225,642	223,340	(2,302)
ANIMAL CONTROL				
Personnel Services & Employee Benefits	-	-	-	-
Purchased/Contracted Services	55,200	45,014	44,914	(100)
Supplies	-	-	-	-
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Animal Control	55,200	45,014	44,914	(100)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
CEMETERY				
Personnel Services & Employee Benefits	$ -	$ -	$ -	$ -
Purchased/Contracted Services	75,000	48,510	48,510	-
Supplies	-	-	-	-
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Cemetery	75,000	48,510	48,510	-
SENIOR CITIZEN CENTER				
Personnel Services & Employee Benefits	4,713	6,905	6,905	-
Purchased/Contracted Services	20,000	15,821	15,821	-
Supplies	20,250	12,353	12,102	(251)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Senior Citizen Center	44,963	35,079	34,828	(251)
FAMILY CONNECTIONS PROGRAM				
Personnel Services & Employee Benefits	-	-	-	-
Purchased/Contracted Services	52,500	26,250	26,250	-
Supplies	-	-	-	-
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Family Connections Program	52,500	26,250	26,250	-
DAISY GAMBLE LEARNING CENTER				
Personnel Services & Employee Benefits	-	-	-	-
Purchased/Contracted Services	19,500	19,500	7,956	(11,544)
Supplies	3,000	3,000	928	(2,072)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Daisy Gamble Learning Center	22,500	22,500	8,884	(13,616)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
HH WOOLARD RECREATION CENTER				
Personnel Services & Employee Benefits	$ 104,020	$ 80,620	$ 74,319	$ (6,301)
Purchased/Contracted Services	21,000	21,000	20,265	(735)
Supplies	8,100	8,100	2,219	(5,881)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total HH Woolard Recreation Center	133,120	109,720	96,803	(12,917)
PARKS AND RECREATION				
Personnel Services & Employee Benefits	-	-	-	-
Purchased/Contracted Services	45,200	45,474	45,474	-
Supplies	5,200	4,926	14	(4,912)
Capital Outlays	5,000	28,400	28,399	(1)
Other Costs	5,000	5,000	-	(5,000)
Total Parks and Recreation	60,400	83,800	73,887	(9,913)
HOUSING AUTHORITY				
Personnel Services & Employee Benefits	-	-	-	-
Purchased/Contracted Services	-	-	-	-
Supplies	10,000	10,000	7,760	(2,240)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Housing Authority	10,000	10,000	7,760	(2,240)
GENERAL GOVERNMENT MAINTENANCE				
Personnel Services & Employee Benefits	67,231	64,157	64,156	(1)
Purchased/Contracted Services	1,000	1,000	429	(571)
Supplies	5,600	5,600	674	(4,926)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total General Government Maintenance	73,831	70,757	65,259	(5,498)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
FIRE				
Personnel Services & Employee Benefits	$ 955,446	$ 1,001,122	$ 1,001,121	$ (1)
Purchased/Contracted Services	131,300	98,104	98,104	-
Supplies	36,000	13,616	12,270	(1,346)
Capital Outlays	10,000	-	-	-
Other Costs	-	-	-	-
Total Fire	1,132,746	1,112,842	1,111,495	(1,347)
HIGHWAYS AND STREETS				
Personnel Services & Employee Benefits	839,200	670,828	666,618	(4,210)
Purchased/Contracted Services	362,600	468,564	468,563	(1)
Supplies	129,000	189,385	189,385	-
Capital Outlays	5,000	5,000	746	(4,254)
Other Costs	-	746	-	(746)
Debt Service	169,427	1,201	-	(1,201)
Total Highways and Streets	1,505,227	1,335,724	1,325,312	(10,412)
STORM WATER				
Personnel Services & Employee Benefits	62,739	137,686	137,685	(1)
Purchased/Contracted Services	28,850	24,277	24,277	-
Supplies	22,000	9,765	5,418	(4,347)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Storm Water	113,589	171,728	167,380	(4,348)
MAINTENANCE AND SHOP				
Personnel Services & Employee Benefits	210,726	217,988	217,987	(1)
Purchased/Contracted Services	53,700	60,555	60,554	(1)
Supplies	19,300	16,814	14,541	(2,273)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Maintenance and Shop	283,726	295,357	293,082	(2,275)

CITY OF SYLVESTER, GEORGIA
General Fund
Expenditures-Budget and Actual (Continued)
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
CODE ENFORCEMENT				
Personnel Services & Employee Benefits	$ 58,871	$ 62,760	$ 62,760	$ -
Purchased/Contracted Services	46,500	23,000	21,947	(1,053)
Supplies	6,300	6,300	1,016	(5,284)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Code Enforcement	111,671	92,060	85,723	(6,337)
PLANNING AND ZONING				
Personnel Services & Employee Benefits	121,389	131,982	131,982	-
Purchased/Contracted Services	31,310	20,717	19,554	(1,163)
Supplies	3,200	3,200	1,030	(2,170)
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Planning and Zoning	155,899	155,899	152,566	(3,333)
ECONOMIC DEVELOPMENT AND ASSISTANCE				
Personnel Services & Employee Benefits	-	-	-	-
Purchased/Contracted Services	-	974	974	-
Supplies	-	26	26	-
Capital Outlays	-	-	-	-
Other Costs	-	-	-	-
Total Economic Development and Assistance	-	1,000	1,000	-
MAIN STREET AND DOWNTOWN DEVELOPMENT				
Personnel Services & Employee Benefits	95,420	95,420	88,400	(7,020)
Purchased/Contracted Services	84,700	84,700	63,035	(21,665)
Supplies	83,100	70,100	34,195	(35,905)
Capital Outlays	-	-	-	-
Other Costs	-	12,000	12,000	-
Total Main Street and Downtown Development	263,220	262,220	197,630	(64,590)
TOTAL EXPENDITURES	8,348,861	9,119,369	8,902,569	(216,800)

CITY OF SYLVESTER, GEORGIA
Non-major Governmental Funds
Combining Balance Sheet
June 30, 2024

	SPECIAL REVENUE FUNDS		
	CDBG Loan Fund	Hotel/ Motel Tax Fund	Total
ASSETS			
Cash	$ 120,036	$ 3,697	$ 123,733
Taxes Receivable	-	-	-
Loan Receivable	46,748	-	46,748
Miscellaneous Current Asset	-	20,000	20,000
TOTAL ASSETS	$ 166,784	$ 23,697	$ 190,481
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts Payable	$ -	$ -	$ -
Due to Other Funds	-	-	-
Total Liabilities	-	-	-
Deferred Inflows of Resources			
None	-	-	-
Fund Balances			
Restricted:			
Economic Development	166,784	-	166,784
Tourism	-	23,697	23,697
Capital Projects	-	-	-
Total Fund Balances	166,784	23,697	190,481
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 166,784	$ 23,697	$ 190,481

CITY OF SYLVESTER, GEORGIA
Non-major Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
June 30, 2024

	SPECIAL REVENUE FUNDS		
	CDBG Loan Fund	Hotel/ Motel Tax Fund	Total
REVENUES			
Grant Proceeds	$ -	$ -	$ -
Intergovernmental	-	-	-
Contributions	-	-	-
Interest Income	7	-	7
Hotel/Motel Taxes	-	26,191	26,191
TOTAL REVENUES	7	26,191	26,198
EXPENDITURES			
Culture and Recreation	-	-	-
Community and Economic Development	15,513	12,904	28,417
Capital Outlay	-	-	-
TOTAL EXPENDITURES	15,513	12,904	28,417
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,506)	13,287	(2,219)
OTHER FINANCING USES			
Transfer In (Out)	-	785	785
NET CHANGE IN FUND BALANCE	(15,506)	14,072	(1,434)
FUND BALANCE - JULY 1, 2023	182,290	9,625	191,915
FUND BALANCE - JUNE 30, 2024	$ 166,784	$ 23,697	$ 190,481

CITY OF SYLVESTER, GEORGIA
CDBG Economic Development Revolving Loan Fund
Balance Sheet
June 30, 2024

ASSETS		
Cash	$	120,036
Loan Receivable		46,748
TOTAL ASSETS	$	166,784
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable		-
Fund Balance		
Restricted:		
Economic Development		166,784
TOTAL LIABILITIES AND FUND BALANCE	$	166,784

CITY OF SYLVESTER, GEORGIA
CDBG Economic Development Revolving Loan Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Interest on Loan Receivable	$ 12,000	$ 12,000	$ -	$ (12,000)
Interest-Bank	1,200	1,200	7	(1,193)
TOTAL REVENUES	13,200	13,200	7	(13,193)
EXPENDITURES				
Loan Servicing Fees	-	-	-	-
Contingency	13,200	13,200	15,513	2,313
TOTAL EXPENDITURES	13,200	13,200	15,513	2,313
Excess of Revenues Over Expenditures	-	-	(15,506)	(15,506)
NET CHANGE IN FUND BALANCE	-	-	(15,506)	(15,506)
FUND BALANCE - JULY 1, 2023			182,290	
FUND BALANCE - JUNE 30, 2024			$ 166,784	

CITY OF SYLVESTER, GEORGIA
Hotel/Motel Tax Fund
Balance Sheet
June 30, 2024

ASSETS		
Cash	$	3,697
Miscellaneous Current Asset		20,000
TOTAL ASSETS	$	23,697
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable		-
Fund Balance		
Restricted:		
Tourism		23,697
TOTAL LIABILITIES AND FUND BALANCE	$	23,697

CITY OF SYLVESTER, GEORGIA
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Hotel/Motel Taxes	$ 12,500	$ 12,500	$ 26,191	$ 13,691
TOTAL REVENUES	12,500	12,500	26,191	13,691
EXPENDITURES				
Chamber of Commerce Allocation	12,500	12,500	12,904	404
TOTAL EXPENDITURES	12,500	12,500	12,904	404
Excess of Revenues Over Expenditures	-	-	13,287	13,287
OTHER FINANCING USES				
Transfer In (Out)	-	-	785	785
NET CHANGE IN FUND BALANCE	-	-	14,072	14,072
FUND BALANCE - JULY 1, 2023			9,625	
FUND BALANCE - JUNE 30, 2024			$ 23,697	

CITY OF SYLVESTER, GEORGIA
Designated Grant Fund
Balance Sheet
June 30, 2024

ASSETS		
Cash	$	324,408
Miscellaneous Current Asset		540,276
TOTAL ASSETS	$	864,684
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	271,609
Due to Other Funds		117,946
Miscellaneous Current Liability		-
TOTAL LIABILITIES		389,555
Fund Balance		
Unassigned		-
Restricted:		
Capital Projects		475,129
TOTAL LIABILITIES AND FUND BALANCE	$	864,684

CITY OF SYLVESTER, GEORGIA
Designated Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 2,178,727	$ 2,178,727	$ 1,486,346	$ (692,381)
Contributions	-	-	-	-
TOTAL REVENUES	2,178,727	2,178,727	1,486,346	(692,381)
EXPENDITURES				
Community and Economic Development	-	-	36	36
Capital Outlay	2,178,727	2,178,727	974,172	(1,204,555)
TOTAL EXPENDITURES	2,178,727	2,178,727	974,208	(1,204,519)
Excess of Expenditures Over Revenues	-	-	512,138	512,138
OTHER FINANCING USES				
Transfer In	-	-	-	-
Transfer Out	-	-	(18,020)	(18,020)
NET CHANGE IN FUND BALANCE	-	-	494,118	494,118
FUND BALANCE - JULY 1, 2023			(18,989)	
FUND BALANCE - JUNE 30, 2024			$ 475,129	

CITY OF SYLVESTER, GEORGIA
American Rescue Plan Act Fund
Balance Sheet
June 30, 2024

ASSETS		
Cash	$	514
Due from Other Funds		-
TOTAL ASSETS	$	514
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	-
Due to Other Funds		-
TOTAL LIABILITIES		-
Fund Balance		
Restricted:		
Capital Projects		514
TOTAL LIABILITIES AND FUND BALANCE	$	514

CITY OF SYLVESTER, GEORGIA
American Rescue Plan Act Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Grant Proceeds	$ -	$ -	$ -	$ -
Interest - Bank	88	88	-	(88)
TOTAL REVENUES	88	88	-	(88)
EXPENDITURES				
Community and Economic Development	-	-	25,136	25,136
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	25,136	25,136
Excess of Expenditures Over Revenues	88	88	(25,136)	(25,224)
OTHER FINANCING USES				
Transfer Out	-	-	-	-
NET CHANGE IN FUND BALANCE	88	88	(25,136)	(25,224)
FUND BALANCE - JULY 1, 2023			25,650	
FUND BALANCE - JUNE 30, 2024			$ 514	

CITY OF SYLVESTER, GEORGIA
Transportation SPLOST Capital Projects Fund
Balance Sheet
June 30, 2024

ASSETS		
Cash	$	270,956
Due from Other Funds		491,436
TOTAL ASSETS	$	762,392
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	11,129
Due to Other Funds		-
Fund Balance		
Restricted:		
Capital Projects		751,263
TOTAL LIABILITIES AND FUND BALANCE	$	762,392

CITY OF SYLVESTER, GEORGIA
Transportation SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 494,311	$ 494,311	$ 632,332	$ 138,021
Interest - Bank	-	-	-	-
TOTAL REVENUES	494,311	494,311	632,332	138,021
EXPENDITURES				
Capital Outlay	12,000	12,000	611,688	599,688
Debt Service:				
Principal	-	-	53,178	53,178
Interest	-	-	2,918	2,918
TOTAL EXPENDITURES	12,000	12,000	667,784	655,784
Excess of Expenditures Over Revenues	482,311	482,311	(35,452)	(517,763)
OTHER FINANCING USES				
Transfer In	-	-	261,818	261,818
Transfer Out	(482,311)	(482,311)	(27,054)	455,257
NET CHANGE IN FUND BALANCE	-	-	199,312	199,312
FUND BALANCE - JULY 1, 2023			551,951	
FUND BALANCE - JUNE 30, 2024			$ 751,263	

CITY OF SYLVESTER, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
June 30, 2024

ASSETS		
Cash	$	39,046
Due from Other Funds		-
TOTAL ASSETS	$	39,046
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	$	94,955
Due to Other Funds		-
Fund Balance		
Restricted:		
Capital Projects		(55,909)
TOTAL LIABILITIES AND FUND BALANCE	$	39,046

CITY OF SYLVESTER, GEORGIA
SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
For the Year Ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Budget
REVENUES				
Intergovernmental	$ 682,543	$ 682,543	$ 600,198	$ (82,345)
Interest - Bank	-	-	-	-
TOTAL REVENUES	682,543	682,543	600,198	(82,345)
EXPENDITURES				
Capital Outlay	694,600	694,600	419,514	(275,086)
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	694,600	694,600	419,514	-
Excess of Expenditures Over Revenues	(12,057)	(12,057)	180,684	(82,345)
OTHER FINANCING USES				
Transfer In	12,057	12,057	-	(12,057)
Transfer Out	-	-	(307,172)	(307,172)
NET CHANGE IN FUND BALANCE	-	-	(126,488)	(401,574)
FUND BALANCE - JULY 1, 2023			70,579	
FUND BALANCE - JUNE 30, 2024			$ (55,909)	

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Net Position
June 30, 2024

ASSETS		
Current Assets		
Cash	$	296,173
Investment-Certificate of Deposit		202,425
Investment		2,752,574
Restricted Assets		
Cash-Customer Deposits		99,571
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		409,123
Inventory		77,228
Prepaid Items		2,526
Due from Other Funds		44,264
Miscellaneous Current Asset		141,630
Total Current Assets		4,025,514
Noncurrent Assets		
Capital Assets		
Electric System		3,839,100
Machinery and Equipment		161,975
Vehicles		964,231
Accumulated Depreciation		(3,650,107)
Total Noncurrent Assets		1,315,199
TOTAL ASSETS		5,340,713
LIABILITIES		
Current Liabilities		
Accounts Payable		118,837
Accrued Expenses		296,692
Liabilities Payable from Restricted Assets-Customer Deposits		13,514
Due to Other Funds		427,847
Accrued Vacation		6,290
Total Current Liabilities		863,180
Long-Term Liabilities		
Accrued Vacation		42,096
Total Long-Term Liabilities		42,096
TOTAL LIABILITIES		905,276
Investment in Capital Assets		1,315,199
Unrestricted		3,120,238
TOTAL NET POSITION	$	4,435,437

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

OPERATING REVENUES	
Electric Sales	$ 17,066,989
Penalties	113,397
Service Fees	74,950
Miscellaneous	1,192
Pole Rental	84,177
TOTAL OPERATING REVENUES	17,340,705
OPERATING EXPENSES	
Personnel Services	816,317
Employee Medical Insurance	117,164
Retirement Fund Contribution	81,823
Purchases - Electricity	7,977,664
Clerical and Administrative	1,924,282
Communications	482,445
Insurance - General	44,551
Marketing	42,226
Miscellaneous	20,458
Motor Fuels	13,078
Professional Fees	41,511
Repairs and Maintenance-Equipment	23,058
Repairs and Maintenance-System	155,992
Supplies-General	13,863
Supplies-System	134,417
Technical Support	59,629
Telephone and Utilities	49,632
Travel and Training	3,661
Uniforms	10,193
Depreciation	103,910
TOTAL OPERATING EXPENSES	12,115,874
OPERATING INCOME	5,224,831

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position (Continued)
For the Year Ended June 30, 2024

NON-OPERATING REVENUES (EXPENSES)	
Interest Income	$ 377
TOTAL NON-OPERATING REVENUES (EXPENSES)	377
Income Before Transfers	5,225,208
Transfers In	455,200
Transfers Out	(6,804,060)
CHANGE IN NET POSITION	(1,123,652)
NET POSITION - JULY 1, 2023	5,559,089
NET POSITION - JUNE 30, 2024	$ 4,435,437

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 17,227,405
Cash Payments to Suppliers	(10,864,061)
Cash Payments to Employees	(1,014,457)
NET CASH PROVIDED BY OPERATING ACTIVITIES	5,348,887
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	586,018
Payments to Other Funds	(6,804,060)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(6,218,042)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	(101,212)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	377
Sale of Investments (net)	1,045,812
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,046,189
Net Increase (Decrease) in Cash and Cash Equivalents	75,822
CASH AND CASH EQUIVALENTS-JULY 1, 2023	522,347
CASH AND CASH EQUIVALENTS-JUNE 30, 2024	$ 598,169
Displayed As:	
Cash	$ 296,173
Investment-Certificate of Deposit	202,425
Restricted Assets	99,571
	$ 598,169

CITY OF SYLVESTER, GEORGIA
Electric Fund
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2024

Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$ 5,224,831
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	103,910
(Increase) Decrease in Assets:	
Accounts Receivable	(110,045)
Prepaid Items	(387)
Inventory	(53,453)
Increase (Decrease) in Liabilities:	
Accounts Payable	(54,807)
Accrued Expenses	241,246
Accrued Vacation	847
Customer Deposits	(3,255)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 5,348,887

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Net Position
June 30, 2024

ASSETS		
Current Assets		
Cash	$	204,976
Investment-Certificate of Deposit		184,406
Restricted Assets		
Cash-Customer Deposits		96,404
Investment-Certificate of Deposit-GEFA		168,802
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		132,902
Prepaid Items		21,095
Due from Other Funds		229,375
Total Current Assets		1,037,960
Noncurrent Assets		
Capital Assets		
Land		21,800
Buildings		365,283
Water and Sewer System		14,615,266
Machinery and Equipment		951,155
Vehicles		281,786
Construction in Progress		3,795,334
Accumulated Depreciation		(11,292,162)
Total Noncurrent Assets		8,738,462
TOTAL ASSETS		9,776,422
LIABILITIES		
Current Liabilities		
Accounts Payable		198,108
Notes Payable		307,896
Accrued Expenses		1,111,891
Liabilities Payable from Restricted Assets-Customer Deposits		1,062
Due to Other Funds		46,768
Accrued Vacation		2,362
Total Current Liabilities		1,668,087
Long-Term Liabilities		
Accrued Vacation		15,805
Notes Payable		3,266,812
Total Long-Term Liabilities		3,282,617
TOTAL LIABILITIES		4,950,704
Net Investment in Capital Assets		5,163,754
Restricted for Debt Service		168,802
Unrestricted		(506,838)
TOTAL NET POSITION	$	4,825,718

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

OPERATING REVENUES	
Water Revenue	$ 1,255,984
Sewer Revenue	1,005,431
Other Revenue	26,951
Penalties	24,804
TOTAL OPERATING REVENUES	2,313,170
OPERATING EXPENSES	
Water (Schedule 1)	1,619,625
Sewer (Schedule 2)	1,111,892
Depreciation	356,458
TOTAL OPERATING EXPENSES	3,087,975
OPERATING INCOME (LOSS)	(774,805)
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	276
Interest Expense	(74,758)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(74,482)
Income Before Transfers	(849,287)
Transfers In	186,257
Transfers Out	(465,494)
CHANGE IN NET POSITION	(1,128,524)
NET POSITION-JULY 1, 2023	5,954,242
NET POSITION-JUNE 30, 2024	$ 4,825,718

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 2,318,341
Cash Payments to Suppliers	(834,699)
Cash Payment to Employees	(716,953)
NET CASH PROVIDED BY OPERATING ACTIVITIES	766,689
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	199,142
Payments to Other Funds	(465,494)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(266,352)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases and Construction of Capital Assets	(116,399)
Principal Paid on Capital Debt	(301,001)
Interest Paid on Capital Debt	(74,758)
Proceeds from Long Term Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(492,158)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	276
NET CASH PROVIDED BY OPERATING ACTIVITIES	276
Net Increase (Decrease) in Cash and Cash Equivalents	8,455
CASH AND CASH EQUIVALENT-JULY 1, 2023	646,133
CASH AND CASH EQUIVALENT-JUNE 30, 2024	$ 654,588
Displayed As:	
Cash	$ 204,976
Investment-Certificate of Deposit	184,406
Restricted Assets	265,206
	$ 654,588

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2024

Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	$ (774,805)
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	356,458
(Increase) Decrease in Assets:	
Accounts Receivable	14,416
Prepaid Items	-
Increase (Decrease) in Liabilities:	
Accounts Payable	77,579
Accrued Expenses	1,107,364
Accrued Vacation	(5,078)
Customer Deposits	(9,245)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 766,689

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Water Operating Expenses – Schedule 1
For the Year Ended June 30, 2024

Water Operating Expenses

Personnel Services	$ 300,033
Employee Medical Insurance	44,144
Retirement Fund Contribution	38,130
Advertising	697
Clerical and Administrative	903,676
Dues and Memberships	954
Insurance	41,432
Lab Fees	23,237
Motor fuels	4,234
Repairs and Maintenance-Equipment	10,386
Repairs and Maintenance-System	108,926
Supplies-General	7,363
Supplies- System	72,538
Telephone and Utilities	54,619
Travel and Training	1,660
Uniforms	7,596
Total Operating Expenses	$ 1,619,625

CITY OF SYLVESTER, GEORGIA
Water and Sewer Fund
Sewer Operating Expenses – Schedule 2
For the Year Ended June 30, 2024

Sewer Operating Expenses

Personnel Services	$ 269,712
Employee Medical Insurance	38,741
Retirement Fund Contribution	21,115
Advertising	826
Clerical and Administrative	44,326
Dues and Memberships	-
Insurance	44,699
Lab Fees	50,471
Motor fuels	8,650
Repairs and Maintenance-Equipment	14,192
Repairs and Maintenance-System	547,014
Supplies-General	2,030
Supplies- System	1,441
Telephone and Utilities	67,273
Travel and Training	-
Uniforms	1,402
Total Operating Expenses	$ 1,111,892

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Net Position
June 30, 2024

ASSETS	
Current Assets	
Cash	$ 71,955
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	800
Miscellaneous Current Asset	150,940
Total Current Assets	223,695
Noncurrent Assets	
Capital Assets	
Land	382,791
Land Improvements	5,781,001
Equipment	6,040
Construction in Progress	-
Accumulated Depreciation	(2,457,764)
Total Noncurrent Assets	3,712,068
TOTAL ASSETS	3,935,763
LIABILITIES	
Current Liabilities	
Miscellaneous Liabilities	-
Accounts Payable	8,806
TOTAL LIABILITIES	8,806
NET POSITION	
Investment in Capital Assets	3,712,068
Unrestricted	214,889
TOTAL NET POSITION	$ 3,926,957

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

OPERATING REVENUES	
Rent	$ 4,800
Other Revenues	106,417
TOTAL OPERATING REVENUES	111,217
OPERATING EXPENSES	
Clerical and Administrative	-
Dues and Membership	400
Insurance	3,773
Repairs and Maintenance	36,606
Utilities	1,787
Miscellaneous	117
Depreciation	322,205
TOTAL OPERATING EXPENSES	364,888
OPERATING LOSS	(253,671)
NON-OPERATING REVENUES	
Capital Grants	584,211
Income (Loss) Before Transfers	330,540
Transfers In	117,711
Transfers Out	(168,163)
CHANGE IN NET POSITION	280,088
NET POSITION-JULY 1, 2023	3,646,869
NET POSITION-JUNE 30, 2024	$ 3,926,957

CITY OF SYLVESTER, GEORGIA
Airport Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 4,800
Cash Received from Others	106,417
Cash Payments to Others	(150,940)
Cash Payments to Suppliers	(60,518)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(100,241)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	117,711
Payments to Other Funds	(168,163)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(50,452)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase and Construction of Capital Assets	(362,292)
Capital Grants Received	584,211
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	221,919
CASH FLOWS FROM INVESTING ACTIVITIES	-
Net Increase (Decrease) in Cash and Cash Equivalents	71,226
CASH AND CASH EQUIVALENTS - JULY 1, 2023	729
CASH AND CASH EQUIVALENTS - JUNE 30, 2024	$ 71,955
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Loss	(253,671)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	322,205
(Increase) Decrease in Assets:	
Miscellaneous Current Asset	(150,940)
Increase (Decrease) in Liabilities:	
Unearned Revenues	-
Accounts Payable and Miscellaneous Liabilities	(17,835)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (100,241)

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Net Position
June 30, 2024

ASSETS	
Current Assets	
Cash	$ 81,391
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	154,363
Miscellaneous Current Asset	316,740
Due from Other Funds	20,000
Total Current Assets	572,494
Noncurrent Assets	
Capital Assets	
Land	19,780
Vehicles	139,855
Accumulated Depreciation	(65,166)
Total Noncurrent Assets	94,469
TOTAL ASSETS	666,963
LIABILITIES	
Current Liabilities	
Accounts Payable	151,547
Notes Payable	-
Due to Other Funds	-
Total Current Liabilities	151,547
Long-Term Liabilities	
Notes Payable	-
Total Long-Term Liabilities	-
TOTAL LIABILITIES	151,547
NET POSITION	
Net Investment in Capital Assets	94,469
Unrestricted	420,947
TOTAL NET POSITION	$ 515,416

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

OPERATING REVENUES	
Refuse Collection Fees	$ 954,903
Landfill Collection Fees	135,614
Other Revenues	88,121
Penalties	13,658
TOTAL OPERATING REVENUES	1,192,296
OPERATING EXPENSES	
Refuse Disposal Fees	600,788
Landfill Fees	209,361
Miscellaneous	5,645
Depreciation	9,324
TOTAL OPERATING EXPENSES	825,118
OPERATING INCOME	367,178
Income Before Transfers	367,178
Transfers In	18,804
Transfers Out	(38,717)
CHANGE IN NET POSITION	347,265
NET POSITION-JULY 1, 2023	168,151
NET POSITION-JUNE 30, 2024	$ 515,416

CITY OF SYLVESTER, GEORGIA
Solid Waste Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 859,361
Cash Payments to Suppliers	(809,578)
Cash Payments to Employee	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	49,783
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	18,804
Payments to Other Funds	(38,717)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(19,913)
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES	
Purchase of Capital Assets	-
Principal Paid on Long Term Debt	-
Interest Paid on Long Term Debt	-
Proceeds from Long Term Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	-
NET CASH USED BY INVESTING ACTIVITIES	-
Net Increase in Cash and Cash Equivalents	29,870
CASH AND CASH EQUIVALENTS - JULY 1, 2023	51,521
CASH AND CASH EQUIVALENTS - JUNE 30, 2024	$ 81,391
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	367,178
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	9,324
(Increase) Decrease in Assets:	
Accounts Receivable and Miscellaneous Current Assets	(332,935)
Increase (Decrease) in Liabilities	
Accounts Payable	6,216
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 49,783

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Net Position
June 30, 2024

ASSETS		
Current Assets		
Cash	$	67,816
Restricted Assets		
Cash-Bond Proceeds Restricted for Broadband Project		77,252
Accounts Receivable (Net of Allowance for Uncollectible Accounts)		157,654
Miscellaneous Current Asset		50,635
Total Current Assets		353,357
Noncurrent Assets		
Capital Assets		
Construction in Progress		4,260,521
Fiber Optics System		381,861
Machinery and Equipment		106,184
Vehicles		3,060
Accumulated Depreciation		(340,543)
Total Noncurrent Assets		4,411,083
TOTAL ASSETS		4,764,440
LIABILITIES		
Current Liabilities		
Accounts Payable		34,853
2022 Series Bonds Payable - Current Portion		127,333
Due to Other Funds		29,024
Total Current Liabilities		191,210
Long-Term Liabilities		
2022 Series Bonds Payable		5,591,702
Total Long-Term Liabilities		5,591,702
TOTAL LIABILITIES		5,782,912
Net Investment in Capital Assets		(1,230,700)
Restricted for Broadband Capital Project		77,252
Unrestricted		134,976
TOTAL NET POSITION	$	(1,018,472)

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

OPERATING REVENUES	
Telecom and Internet Charges	$ 652,665
Penalties	240
TOTAL OPERATING REVENUES	652,905
OPERATING EXPENSES	
Advertising	1,115
Internet Fees	101,243
Supplies - System	38,453
Licenses - System	116,674
Clerical and Administrative	4,667
Professional Services	269,655
Miscellaneous	1
Repairs and Maintenance - Equipment	405
Telephone and Utilities	2,773
Depreciation	6,075
TOTAL OPERATING EXPENSES	541,061
OPERATING INCOME	111,844
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	-
Interest Expense	(193,081)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(193,081)
Income (Loss) Before Transfers	(81,237)
Transfers In	389,970
Transfers Out	(240)
CHANGE IN NET POSITION	308,493
NET POSITION-JULY 1, 2023	(1,326,965)
NET POSITION-JUNE 30, 2024	$ (1,018,472)

CITY OF SYLVESTER, GEORGIA
Telecommunications Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 474,504
Cash Payments to Suppliers	(602,411)
NET CASH FROM OPERATING ACTIVITIES	(127,907)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	389,970
Payments to Other Funds	(240)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	389,730
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES	
Purchase and Construction of Capital Assets	-
Principal Paid on 2022 Series Bonds Payable	(123,121)
Interest Paid on 2022 Series Bonds Payable	(193,081)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(316,202)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	-
Net Increase in Cash and Cash Equivalents	(54,379)
CASH AND CASH EQUIVALENTS - JULY 1, 2023	199,447
CASH AND CASH EQUIVALENTS - JUNE 30, 2024	$ 145,068
Displayed As:	
Cash	$ 67,816
Restricted Assets	77,252
	$ 145,068
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities	
Operating Income (Loss)	111,844
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	6,075
(Increase) Decrease in Assets:	
Accounts Receivable	(127,766)
Miscellaneous Current Asset	(67,425)
Increase (Decrease) in Liabilities	
Accounts Payable and Miscellaneous Liabilities	(50,635)
NET CASH USED BY OPERATING ACTIVITIES	$ (127,907)

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Net Position
June 30, 2024

ASSETS	
Current Assets	
Cash	$ 36,083
Restricted Assets	
Cash-Customer Deposits	25,114
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	18,001
Due from Other Funds	-
Prepaid Items	2,033
Total Current Assets	81,231
Noncurrent Assets	
Capital Assets	
Land	2,500
Natural Gas System	896,021
Machinery and Equipment	197,577
Vehicles	103,094
Accumulated Depreciation	(1,073,734)
Total Noncurrent Assets	125,458
TOTAL ASSETS	206,689
LIABILITIES	
Current Liabilities	
Accounts Payable	3,726
Due to Other Funds	16,816
Accrued Expenses	126,562
Miscellaneous Current Liability	324,194
Liabilities Payable from Restricted Assets-Customer Deposits	6,510
Accrued Vacation	305
Total Current Liabilities	478,113
Long-Term Liabilities	
Accrued Vacation	2,040
Total Long-Term Liabilities	2,040
TOTAL LIABILITIES	480,153
NET POSITION	
Net Investment in Capital Assets	125,458
Unrestricted	(398,922)
TOTAL NET POSITION	$ (273,464)

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

OPERATING REVENUES		
Gas Sales	$	780,423
Penalties		33,736
TOTAL OPERATING REVENUES		814,159
OPERATING EXPENSES		
Purchases-Natural Gas		588,583
Personnel Services		305,867
Employee Medical Insurance		18,402
Retirement Fund Contribution		23,792
Advertising		19,207
Clerical and Administrative		39,348
Dues and Membership		16,514
Insurance - General		44,551
Motor Fuels		2,985
Professional Fees		16,708
Repairs and Maintenance - Equipment		5,854
Repairs and Maintenance - System		33,169
Supplies - General		2,750
Supplies - System		12,593
Telephone and Utilities		885
Travel and Training		2,776
Uniforms		2,526
Depreciation		4,748
TOTAL OPERATING EXPENSES		1,141,258
OPERATING INCOME (LOSS)		(327,099)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income		18
Income (Loss) Before Transfers		(327,081)
Transfers In		82,812
Transfers Out		(135,600)
CHANGE IN NET POSITION		(379,869)
NET POSITION - JULY 1, 2023		106,405
NET POSITION - JUNE 30, 2024	$	(273,464)

CITY OF SYLVESTER, GEORGIA
Natural Gas Fund
Statement of Cash Flows
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	$ 808,263
Cash Payments to Suppliers	(416,827)
Cash Payments to Employee	(347,429)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	44,007
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from Other Funds	85,797
Payments to Other Funds	(135,600)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(49,803)
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES	
Principal Paid on Long Term Debt	-
Proceeds from Long Term Debt	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	18
NET CASH PROVIDED BY INVESTING ACTIVITIES	18
Net Increase (Decrease) in Cash and Cash Equivalents	(5,778)
CASH AND CASH EQUIVALENTS - JULY 1, 2023	66,975
CASH AND CASH EQUIVALENTS - JUNE 30, 2024	$ 61,197
Displayed As:	
Cash	$ 36,083
Restricted Assets	25,114
	$ 61,197
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities	
Operating Income (Loss)	(327,099)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	4,748
(Increase) Decrease in Assets:	
Accounts Receivable	(3,701)
Prepaid Items	-
Increase (Decrease) in Liabilities	
Accounts Payable	(22,485)
Accrued Expenses and Other Liabilities	394,107
Customer Deposits	(2,195)
Accrued Vacation	632
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 44,007

CITY OF SYLVESTER, GEORGIA
Custodial Funds
Combining Statement of Fiduciary Net Position
For the Fiscal Year Ended June 30, 2024

	Utility Energy Crisis	Downtown Sylvester Farmer's Market	Total
ASSETS			
Cash	$ -	$ 2,297	$ 2,297
TOTAL ASSETS	$ -	$ 2,297	$ 2,297
LIABILITIES			
NET POSITION			
Net Position - Held for Others	-	2,297	2,297
TOTAL NET POSITION	$ -	$ 2,297	$ 2,297

CITY OF SYLVESTER, GEORGIA
Custodial Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2024

	Utility Energy Crisis	Downtown Sylvester Farmer's Market	Total
ADDITIONS			
Private Donations	$ -	$ -	$ -
Total Additions	-	-	-
DEDUCTIONS			
Payments of Fees to Other Agencies	861	114	975
Total Deductions	861	114	975
Change in Net Position	(861)	(114)	(975)
NET POSITION - JULY 1, 2023	861	2,411	3,272
NET POSITION - JUNE 30, 2024	$ -	$ 2,297	$ 2,297

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF SYLVESTER, GEORGIA
Schedule of Projects Constructed
With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2024

2016 Referendum

Category	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Total	% Complete as of 6/30/2024
Roads, bridges, sidewalks and associated capital equipment	$ 537,015	$ 527,056	$ 527,056	$ -	$ 527,056	100%
City Hall renovations and associated capital equipment	950,000	-	-	-	-	
Water and sewer improvements and associated capital equipment	250,000	182,574	182,574	-	182,574	100%
Parks and recreation improvements and associated capital equipment	50,000	221,792	221,792	-	221,792	100%
Depot improvements and parking lot	100,000	25,782	25,782	-	25,782	100%
Holly School Gym	100,000	-	-	-	-	
Public safety building and associated capital equipment (1)	1,010,000	652,432	652,432	-	652,432	100%
TOTAL	$ 2,997,015	$ 1,609,636	$ 1,609,636	$ -	$ 1,609,636	

(1) The City has incurred expenditures for debt service payments on a public safety project as follows:

Prior Years	$ 1,581,352
Current Year	-
	$ 1,581,352

CITY OF SYLVESTER, GEORGIA
Schedule of Projects Constructed
With Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2024

2021 Referendum

Category	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Total	% Complete as of 6/30/2024
Roads, Bridges, Sidewalk, Curb and Stormwater Projects	$ 500,000	$ 500,000	$ 140,712	$ 230,502	$ 371,214	74%
Purchase of Technology Systems and Software Upgrades and Improvement Projects	950,000	950,000	-	41,452	41,452	4%
Water, Sewer, Gas, Electric, and Telecom System Projects, and Capital Equipment	250,000	250,000	162,361	82,500	244,861	98%
City Facilities and Grounds Improvements, Furniture and Projects	50,000	50,000	31,000	6,320	37,320	75%
Parks, Cultural, Recreation and Leisure Facilities, and Associated Capital Equipment	50,000	618,490	556,433	58,740	615,173	99%
Public Safety Capital Equipment	100,000	100,000	29,250	-	29,250	29%
Public Works Capital Equipment	100,000	100,000	-	-	-	0%
Holly School Gym and Grounds	100,000	100,000	-	-	-	0%
Police Department Building Debt Service	568,490	-	-	-	-	
TOTAL	$ 2,668,490	$ 2,668,490	$ 919,756	$ 419,514	$ 1,339,270	

Note: The variance between the total expenditures per the Schedule of Projects Constructed and the Schedule of Revenues, Expenditures, and Changes in Fund Balance was related to operating transfers out of the SPLOST Fund.

CITY OF SYLVESTER, GEORGIA
Schedule of Projects Constructed
With Transportation Special Purpose Local Option Sales Tax Proceeds
For the Year Ended June 30, 2024

2019 Referendum

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Years	Expenditures Total	% Complete as of 6/30/2024
Road, Street, Bridge Purposes as allowed under O.C.G.A 48-8-260(4)	$ 2,711,300	$ 2,711,300	$ 1,525,555	$ 667,784	$ 2,193,339	80.9%
Total	$ 2,711,300	$ 2,711,300	$ 1,525,555	$ 667,784	$ 2,193,339	

Note: The variance between the total expenditures per the Schedule of Projects Constructed and the Schedule of Revenues, Expenditures, and Changes in Fund Balance was related to operating transfers out of the TSPLOST Fund.

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Project Cost Schedule
18p-x-159-2-6093
For the Year Ended June 30, 2024

Program Activity	Activity Number	Latest Approved Budget CDBG Funds	Accumulative Expenditures To Date CDBG Funds	Accumulative Expenditures To Date Other Funds	Grant Total Expenditures To Date
Water Improvements	P-03J-01	$ 705,000	$ 624,275	$ -	$ 624,275
Engineering	T-03J-00	-	-	36,174	36,174
General Administration	A-21A-00	45,000	45,000	5,000	50,000
Total		$ 750,000	$ 669,275	$ 41,174	$ 710,449

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
18p-x-159-2-6093
For the Year Ended June 30, 2024
(Cumulative)

Total Program Year 2018 CDBG Funds Allocated to Recipient	$	750,000
Less: Deobligations		-
Net Program Year 2018 Funds Allocated to Recipient		750,000
Less: Total Program Year 2018 Funds Drawn Down by Recipient	$	669,275
Funds Still Available from Program Year 2018 Resources	$	80,725
Total Program Year 2018 CDBG Funds Drawn and Received by Recipient	$	669,275
Local Matches and Other Receipts		41,174
Total Receipts Available for Program Year 2018 Costs		710,449
Less: Funds Applied and Expended to Program Year 2018 Costs		710,449
Total Program Year 2018 Funds Held by Recipient	$	-

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Project Cost Schedule
21p-x-159-2-6231
For the Year Ended June 30, 2024

Program Activity	Activity Number	Latest Approved Budget CDBG Funds	Accumulative Expenditures To Date CDBG Funds	Accumulative Expenditures To Date Other Funds	Grant Total Expenditures To Date
Water Improvements	P-03J-01	$ 582,580	$ 554,303	$ 80,000	$ 634,303
Engineering	T-03J-00	59,510	59,510	20,000	79,510
General Administration	A-21A-00	40,965	35,965	10,000	45,965
Total		$ 683,055	$ 649,778	$ 110,000	$ 759,778

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
21p-x-159-2-6231
For the Year Ended June 30, 2024
(Cumulative)

Total Program Year 2021 CDBG Funds Allocated to Recipient	$	683,055
Less: Deobligations		-
Net Program Year 2021 Funds Allocated to Recipient		683,055
Less: Total Program Year 2021 Funds Drawn Down by Recipient	$	649,778
Funds Still Available from Program Year 2021 Resources	$	33,277
Total Program Year 2021 CDBG Funds Drawn and Received by Recipient	$	649,778
Local Matches and Other Receipts		110,000
Total Receipts Available for Program Year 2021 Costs		759,778
Less: Funds Applied and Expended to Program Year 2021 Costs		759,778
Total Program Year 2021 Funds Held by Recipient	$	-

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Project Cost Schedule
MITINF-2-008
For the Year Ended June 30, 2024

Program Activity	Activity Number	Latest Approved Budget CDBG Funds	Accumulative Expenditures To Date CDBG Funds	Accumulative Expenditures To Date Other Funds	Grant Total Expenditures To Date
Water Improvements	P-03J-01	$ 1,000,000	$ 931,898	$ -	$ 931,898
Engineering	T-03J-00	-	19,314	-	19,314
General Administration	A-21A-00	65,672	45,000	18,912	63,912
Total		$ 1,065,672	$ 996,212	$ 18,912	$ 1,015,124

CITY OF SYLVESTER, GEORGIA
Community Development Block Grant
Source & Application of Funds Schedule
MITINF-2-008
For the Year Ended June 30, 2024
(Cumulative)

Total Program Year 2022 CDBG Funds Allocated to Recipient	$	1,065,672
Less: Deobligations		-
Net Program Year 2022 Funds Allocated to Recipient		1,065,672
Less: Total Program Year 2022 Funds Drawn Down by Recipient	$	996,212
Funds Still Available from Program Year 2022 Resources	$	69,460
Total Program Year 2022 CDBG Funds Drawn and Received by Recipient	$	996,212
Local Matches and Other Receipts		18,912
Total Receipts Available for Program Year 2022 Costs		1,015,124
Less: Funds Applied and Expended to Program Year 2022 Costs		1,015,124
Total Program Year 2022 Funds Held by Recipient	$	-

CITY OF SYLVESTER, GEORGIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SINGLE AUDIT SECTION

CITY OF SYLVESTER, GEORGIA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Housing and Urban Development:			
Pass-Through Georgia Department of Community Affairs:			
Community Development Block Grants	14.228	21P-X-159-2-6231	$ 576,107
Community Development Block Grants	14.228	MITINF-2-008	961,898
Total U.S. Department of Housing and Urban Development			1,538,005
Total Expenditures of Federal Awards			$ 1,538,005

See auditor's report.

CITY OF SYLVESTER, GEORGIA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditure of federal awards (the "Schedule") includes the federal grant activity of the City under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal* Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts (if any) shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in the prior year.

NOTE 3 – INDIRECT COST RATE

The City is not reimbursed for indirect costs under any of its federal awards and does not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance or any other indirect cost rate.

See auditor's report.

Hudson & NeSmith, CPAs and Advisors

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Private Companies Practice Section

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

To the Honorable Mayor and Members of the City Council
City of Sylvester, 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 City of Sylvester, 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 Sylvester, Georgia's basic financial statements and have issued our report thereon dated February 2, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Sylvester, 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 the City of Sylvester, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sylvester, 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control that we consider to be significant deficiencies. We consider the deficiencies (Item 2024-01, 2024-02, and 2024-03) described in the accompany schedule of findings and questioned costs to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Sylvester, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2024-04, 2024-05, 2024-06, 2024-07, and 2024-08.

City of Sylvester, Georgia's Response to Findings

The City of Sylvester, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Sylvester, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Hudson & NeSmith, CPAs
Sylvester, Georgia
February 2, 2026

Hudson & NeSmith, CPAs and Advisors

Member
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Georgia Society of Certified Public Accountants
Private Companies Practice Section

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Sylvester, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Sylvester, Georgia's major federal programs for the year ended June 30, 2024. The City of Sylvester, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Sylvester, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Sylvester, Georgia and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Sylvester, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Sylvester, Georgia's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Sylvester, Georgia's compliance based on our audit. Reasonable assurance is a high level of assurance but not absolute assurance and therefore

is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Sylvester, Georgia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Sylvester, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Sylvester, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Sylvester, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hudson & NeSmith, CPAs

Hudson & NeSmith, CPAs
Sylvester, Georgia
February 2, 2026

CITY OF SYLVESTER, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the City of Sylvester, Georgia.

2. No material weaknesses relating to the audit of the financial statements are reported in the *Report on Internal Control over Financial Reporting and On Compliance Based on An Audit of Financial Statements Performed in Accordance with Government Auditing Standards.*

3. Three significant deficiencies relating to the audit of the financial statements is reported in the *Report on Internal Control over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards.*

4. Five instances of noncompliance material to the financial statements were disclosed during the audit.

5. No significant deficiencies relating to the audit of the major federal award programs were reported in the *Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.*

6. The auditor's report on compliance for all the major federal award programs for the City of Sylvester, Georgia expresses an unmodified opinion on all major federal programs.

7. No audit findings that are required to be reported in accordance with 2 CFR § 200.516(a) of the Uniform Guidance are reported in this Schedule.

8. The programs tested as major programs include:

   U.S. Department of Housing and Urban Development:
   Community Development Block Grant (Federal Assistance Listing Number 14.228)

9. The threshold used for distinguishing between Type A and B programs was $750,000.

10. The City of Sylvester, Georgia did not qualify as a low-risk auditee.

CITY OF SYLVESTER, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

SECTION II-FINANCIAL STATEMENT FINDINGS

1. **Deficiency in Internal Control Structure**

2024-01 Lack of Segregation of Duties

Prior Period and Current Period Condition

Condition and Criteria – The City does not have proper segregation of duties in certain departments of the City that collect and disburse funds. Segregation of duties is a key internal control whereby the authorization, custody, record keeping, and reconciling duties are separated among several persons. A proper segregation of duties does not exist between handling cash receipts and disbursements, access to accounts receivable and accounts payable detail, access to the general ledger, and reconciliation of the bank accounts. Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Cause – A proper segregation of duties was not in place in some offices that handle receipting and disbursing of cash that provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business. This was caused by the limited number of personnel required to perform these duties.

Effect – The failure to segregate out the accounting duties among multiple persons presents the opportunity for misappropriation of assets, mainly cash.

Recommendation – The duties of recording, distribution, reconciliation of cash accounts and other operational functions should be segregated between employees and accounting records reviewed by responsible officials on a regular basis.

Management's Response – The City concurs with the recommendation. Management and City Council Members do review monthly financial information. Management has also put in place cash handling procedures to segregate these duties to the extent possible. City management will work to continually improve and implement as many procedures as possible to improve internal controls in this area.

2024-02 Delay in Preparation of Timely Bank Reconciliations

Current Period Condition

Condition and Criteria – Bank reconciliations were not performed accurately and balanced to monthly financial statements and bank statements. Bank reconciliations were performed several months after the current fiscal year. Based on best business practices, bank accounts should be reconciled no later than the end of the following month in order to reconcile cash per the general ledger to cash per the bank statement.

Cause – Upon review of the bank reconciliations for all twelve months of the period under audit, no reconciliation was performed timely which caused inaccurate reporting of cash balances for internal reporting purposes.

Effect – The cash balances reported in the monthly financial statements for internal reporting purposes may not agree with the bank reconciliation and, therefore, management may not have accurate bank balances.

Recommendation – Bank statements should be reconciled monthly.

Management's Response – The City concurs with the recommendation. A financial consulting firm was hired subsequent to the fiscal year under audit to assist with bank reconciliations and monthly close outs.

SECTION II-FINANCIAL STATEMENT FINDINGS *cont.*

2024-03 Interfund Transfers

Current Period Condition

Condition and Criteria – Interfund transfers were conducted throughout the year for supplement funding of operating cash shortfalls of the various funds, and for balancing receipt collections for utility services collected on behalf of multiple utility funds for customer payment convenience. Because of the complexity of the transferring of funds, untimely reconciliation and balancing of transfers in and out of funds can cause unbalanced transfers (in total).

Cause – Upon review of the general ledger, transfers made during the year were not timely balanced and reconciled between funds which caused out-of-balance transfers (in total).

Effect – Interfund transfers in and transfers out that are not properly balanced can cause inaccurate financial reports and ineffective budgeting for operating shortfalls.

Recommendation – Interfund transfers should be balanced daily amongst all funds.

Management's Response – The City concurs with the recommendation. A financial consulting firm was hired subsequent to the fiscal year under audit to assist with monthly reporting and general ledger reconciliations.

2. Compliance

2024-04 Law Section – O.C.G.A. 48-8-269.5

Prior Period and Current Period Condition

Condition and Criteria – The City transferred Transportation Local Option Sales Tax (TSPLOST) funds into its Airport Fund checking accounts in multiple months of the June 30, 2024 fiscal year due to a lack of understanding of the requirements of the Official Code of Georgia regarding prevention of the commingling of TPLOST funds with non TSPLOST funds. The Official Code of Georgia (48-8-269.5) requires proceeds from TSPLOST revenues be kept in a separate account from other funds of the City.

Cause – The City deposited TSPLOST funds into the Airport Fund bank accounts.

Effect – Commingling of TSPLOST revenues with non-TSPLOST revenues violates the state code and allows for the potential of funds to be expended on items not approved under the TSPLOST voter referendum.

Recommendation - All TSPLOST funds should be maintained in a separate bank account from non-TSPLOST funds and should only be used for voter-approved capital projects as outlined in the TSPLOST referendum.

Management's Response - The City concurs with the finding. The City will reimburse the TSPLOST Fund from the Airport Fund in the next fiscal year.

2024-05 Law Section – O.C.G.A. 48-8-121

Prior Period and Current Period Condition

Condition and Criteria – The City transferred Special Purpose Local Option Sales Tax (SPLOST) funds from the SPLOST Capital Project Fund bank account into its T-SPLOST Fund, Electric Fund, Gas Fund, Telecom Fund, Water and Sewer Fund, and General Fund bank accounts in multiple months of the June 30, 2024 fiscal year for interfund lending purposes. The Official Code of Georgia (48- 8-121) requires proceeds from SPLOST revenue be kept in a separate account from other funds of the City. Also, with regards to the State of Georgia Attorney General's Official Opinion 2007-5, a county may not borrow from Special Purpose Local Option Sales Tax (SPLOST) proceeds to fund expenditures other than voter-approved county capital projects authorized in the SPLOST statutes. While this official opinion does not address Georgia cities receiving SPLOST proceeds, the spirit of the opinion should apply to cities as well.

Cause – The City deposited SPLOST funds with non-SPLOST funds in order to supplement cash flow shortfalls in its T-SPLOST Fund, Electric Fund, Gas Fund, Telecom Fund, Water and Sewer Fund, and General Fund bank accounts.

Effect – Commingling of SPLOST revenues with non-SPLOST revenues violates the state code and allows for the potential of funds to be expended on items not approved under the SPLOST voter referendum.

Recommendation - All SPLOST funds should be maintained in a separate bank account from non-SPLOST funds and should not be used for borrowing purposes to fund expenditures other than voter-approved capital projects as outlined in the SPLOST referendum.

Management's Response - The City concurs with the finding. The City will reimburse the SPLOST Fund from the T-SPLOST Fund, Electric Fund, Gas Fund, Telecom Fund, Water and Sewer Fund, and General Fund in the next fiscal year.

2024-06 Law Section – O.C.G.A. 48-8-269.5

Current Period Condition

Condition and Criteria – The City lent Transportation Special Purpose Local Option Sales Tax (T-SPLOST) funds from the T-SPLOST Capital Project Fund bank account to its General Fund bank accounts during multiple months of the June 30, 2024 fiscal year for interfund lending purposes. The Official Code of Georgia (48- 8-269.5) requires proceeds from T-SPLOST revenue be kept in a separate account from other funds of the City. Also, with regards to the State of Georgia Attorney General's Official Opinion 2007-5, a county may not borrow from Special Purpose Local Option Sales Tax (SPLOST) proceeds to fund expenditures other than voter-approved county capital projects authorized in the SPLOST statutes. While this official opinion does not address Georgia cities receiving T-SPLOST proceeds, the spirit of the opinion should apply to cities as well.

Cause – The City deposited T-SPLOST funds with non-T-SPLOST funds in order to supplement cash flow shortfalls in its General Fund bank account.

Effect – Commingling of T-SPLOST revenues with non-T-SPLOST revenues violates the state code and allows for the potential of funds to be expended on items not approved under the T-SPLOST voter referendum.

Recommendation - All T-SPLOST funds should be maintained in a separate bank account from non-T-SPLOST funds and should not be used for borrowing purposes to fund expenditures other than voter-approved capital projects as outlined in the T-SPLOST referendum.

Management's Response - The City concurs with the finding. The City will reimburse the T-SPLOST Fund from the General Fund in the next fiscal year.

2024-07 Uniform Guidance 2 CFR 200.512

Current Period Condition

Condition and Criteria – The City did not complete its audit within nine months after its year end for the fiscal year ended June 30, 2024. Therefore, it did not submit its Form SF-FAC and Single Audit reporting package by the required deadline. According to the Uniform Guidance 2 CFR 200.512, the audit, the data collection form, and the reporting package must be submitted within 30 calendar days after the auditee receives the auditor's report(s) or nine months after the end of the audit period (whichever is earlier).

Cause – Due to key staff turnover in the finance department, the annual financial statement audit was delayed and not completed within nine months after year end for its fiscal year ended June 30, 2024.

Effect – Delays in audit submissions to grantors and the Federal Audit Clearinghouse could cause delays or denials from grant funding sources which may cause negative cash flow issues for the grant programs that the City administers.

Recommendation - The annual audit and required Single Audit submission package should be completed within the required timeframe of the City's grantors and adhere to the Uniform Guidance's submission requirements.

Management's Response - The City concurs with the finding. The City has recently hired additional finance department personnel to complete the annual close out of its books so that the annual audit can be completed in a timely manner.

2024-08 Law Section – O.C.G.A. 36-81-7

Current Period Condition

Condition and Criteria – The City did not complete its audit within 180 days after its year end for the fiscal year ended June 30, 2024. Therefore, it did not submit its annual audit report to the Georgia Department of Audits by the required deadline. According to the O.C.G.A. 36-81-7, each annual audit report of a local unit of government shall be completed and a copy of the report forwarded to the state auditor within 180 days after the close of the unit's fiscal year.

Cause – Due to key staff turnover in the finance department, the annual financial statement audit was delayed and not completed within 180 days after year end for its fiscal year ended June 30, 2024.

Effect – Delays in audit could cause the City to lose funding from state grant funds. As noted in O.C.G.A 36-81-7, no state agency shall make or transmit any state grant funds to any local government which has failed to provide all the audits required by law within the preceding five years.

Recommendation - The annual audit should be completed within the required timeframe of the O.C.G.A. 36-81-7 submission requirements.

Management's Response - The City concurs with the finding. The City has recently hired additional finance department personnel to complete the annual close out of its books so that the annual audit can be completed in a timely manner.

CITY OF SYLVESTER, GEORGIA
Schedule of Prior Audit Findings
For the Year Ended June 30, 2024

2023-01 Segregation of Duties (*Government Auditing Standards Finding*)

Condition and Criteria – Segregation of duties is a key internal control whereby the authorization, custody, record keeping, and reconciling duties are separated among several persons. There is not appropriate segregation of duties between recording, distribution, and reconciliation of cash accounts and other operational functions in certain departments and component unit.

Recommendation – Segregation of duties should be implemented to the extent practical and accounting records reviewed by responsible officials on a regular basis.

Current Status – This was a repeat finding in the current year.

2023-02 Law Section – O.C.G.A. 48-8-269.5 (*Government Auditing Standards Finding*)

Condition and Criteria – The City deposited Transportation Local Option Sales Tax (TSPLOST) funds into its General Fund checking account in multiple months of the June 30, 2021 fiscal year due to a lack of understanding of the requirements of the Official Code of Georgia regarding prevention of the commingling of TPLOST funds with non TSPLOST funds. The Official Code of Georgia (48-8-269.5) requires proceeds from TSPLOST revenues be kept in a separate account from other funds of the City.

Recommendation - All TSPLOST funds should be maintained in a separate bank account from non-TSPLOST funds and should not be used for borrowing purposes to fund expenditures other than voter-approved capital projects as outlined in the TSPLOST referendum.

Current Status – This was a repeat finding in the current year.

2023-03 Law Section – O.C.G.A. 48-8-121 (*Government Auditing Standards Finding*)

Condition and Criteria – The City transferred Special Purpose Local Option Sales Tax (SPLOST) funds from the SPLOST Capital Project Fund bank account into its Electric Fund bank account in multiple months of the June 30, 2021 fiscal year for interfund lending purposes. The Official Code of Georgia (48- 8-121) requires proceeds from SPLOST revenue be kept in a separate account from other funds of the City. Also, with regards to the State of Georgia Attorney General's Official Opinion 2007-5, a county may not borrow from Special Purpose Local Option Sales Tax (SPLOST) proceeds to fund expenditures other than voter-approved county capital projects authorized in the SPLOST statutes. While this official opinion does not address Georgia cities receiving SPLOST proceeds, the spirit of the opinion should apply to cities as well.

Recommendation - All SPLOST funds should be maintained in a separate bank account from non-SPLOST funds and should not be used for borrowing purposes to fund expenditures other than voter-approved capital projects as outlined in the SPLOST referendum.

Current Status – This was a repeat finding in the current year.

City of Sylvester
Georgia
Est.1898
Home of the "Peanut Capital of the World"

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101 N Main Street
Sylvester, GA 31791
Telephone: 229-776-8505

February 2, 2026

Georgia Department of Audits and Accounts
Atlanta, Georgia 30334-8400

Re: Compliance Section - Financial Statement Finding audit report year ending 6/30/2024.

2024-01 Segregation of Duties

We agree with the auditor's comments as to segregation of duties. The small staff prevents this at present; however, we will continue to work to improve the situation.

2024-02 Delay in Preparation of Timely Bank Reconciliations

We agree with the auditor's comments as to the delay in preparation of timely bank reconciliations. After the 6-30-2024 year end, an external financial consulting firm was hired to assist with monthly closeouts and monthly bank reconciliations.

2024-03 Interfund Transfers

We agree with the auditor's comments as to the untimely reconciliation and daily balancing of interfund transfers. After the 6-30-2024 year end, an external financial consulting firm was hired to assist with monthly closeouts and interfund reconciliations.

2024-04 Depositing of T-SPLOST revenues into the Airport Fund Checking Account

We agree with the auditor's comments as to the violation of O.C.G.A. 48-8-269.5. The City will reimburse the T-SPLOST Fund from the Airport Fund for T-SPLOST revenues that were incorrectly deposited into the Airport Fund bank account. Staff has been instructed to deposit T-SPLOST revenues directly into the T-SPLOST bank account.

2024-05 Interfund Transfers of SPLOST proceeds to the T-SPLOST Fund, Electric Fund, Gas Fund, Telecom Fund, Water and Sewer Fund, and General Fund

We agree with the auditor's comments as to the violation of O.C.G.A. 48-8-121. The City reimbursed the SPLOST Fund from the T-SPLOST Fund, Electric Fund, Gas Fund, Telecom Fund, Water and Sewer Fund, and General Fund shortly after the fiscal year end. The City will use other methods for funding cash flow shortfalls and not use SPLOST funds due to the restrictive nature of these funds.

2024-06 Interfund Lending of T-SPLOST proceeds to the General Fund

We agree with the auditor's comments as to the violation of O.C.G.A. 48-8-269.5. The City reimbursed the T-SPLOST Fund from the General Fund shortly after the fiscal year end. The City will use other methods for funding cash flow shortfalls and not use T-SPLOST funds due to the restrictive nature of these funds.

2024-07 Late Submission of Audited Financial Statements to the Federal Audit Clearinghouse

We agree with the auditor's comments as to the violation of the Uniform Guidance 2 CFR 200.512 due to the late submission of audited financial statements to the Federal Audit Clearinghouse. After the 6-30-2024 year end, an external financial consulting firm was hired to assist with monthly closeouts and the annual audit so that the annual audit can be completed in a timely manner.

2024-07 Late Submission of Audited Financial Statements to the Georgia Department of Audits

We agree with the auditor's comments as to the violation of the O.C.G.A 36-81-7 due to the late submission of audited financial statements to the Georgia Department of Audits. After the 6-30-2024 year end, an external financial consulting firm was hired to assist with monthly closeouts and the annual audit so that the annual audit can be completed in a timely manner.