City of Whigham
Georgia

Financial Statements

For the Fiscal Year Ended
August 31, 2024

CITY OF WHIGHAM, GEORGIA
For The Fiscal Year Ended August 31, 2024
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Perry L. Henry, LLC

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Whigham, Georgia as of and for the fiscal year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Whigham, Georgia as of August 31, 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards).* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 33-35 and the pension schedules on pages 36-38 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 City of Whigham, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedules of special purpose local option sales tax proceeds, and the schedules of transportation special purpose local option sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to

prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedules of special purpose local option sales tax proceeds, and the schedules of transportation special purpose local option sales tax proceeds 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 March 10, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Perry L. Henry, LLC

Perry L. Henry, LLC
Bainbridge, Georgia
March 10, 2024

CITY OF WHIGHAM, GEORGIA
STATEMENT OF NET POSITION
AUGUST 31, 2024

ASSETS	Governmental Activities	Business-Type Activities	Total
Cash on hand and in banks	$ 569,352	$ 685,451	$ 1,254,803
Receivables (net, where applicable, of allowances for uncollectible):			
Taxes	35,427	-	35,427
Accounts	-	118,403	118,403
Prepaid expenses	11,368	8,222	19,590
Restricted assets - cash	214,585	62,218	276,803
Land and construction in progress	85,604	18,600	104,204
Other capital assets, net of depreciation	813,827	472,788	1,286,615
Right to use leased assets, net of amortization	1,670	-	1,670
Total Assets	1,731,833	1,365,682	3,097,515
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension	48,599	26,122	74,721
Total of Deferred Outflows of Resources	48,599	26,122	74,721
LIABILITIES			
Accounts payable	6,945	51,644	58,589
Intergovernmental payable	18,707	-	18,707
Accrued liabilities	1,605	6,428	8,033
Customer deposits	-	69,702	69,702
Long-term liabilities:			
Portion due and payable within one year:			
Lease payables	1,676	-	1,676
Notes	19,874	-	19,874
Portion due and payable after one year:			
Notes	240,126	-	240,126
Net pension liability	76,507	41,123	117,630
Total Liabilities	365,440	168,897	534,337
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pension	10,067	5,411	15,478
Total Deferred Inflows of Resources	10,067	5,411	15,478
NET POSITION			
Net investment in capital assets	639,425	491,388	1,130,813
Restricted for:			
Capital projects	123,765	-	123,765
Unrestricted	641,735	726,108	1,367,843
Total Net Position	$ 1,404,925	$ 1,217,496	$ 2,622,421

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

CITY OF WHIGHAM, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

Functions/Programs	Expenses	Program Revenues: Fees, Fines, and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total
Governmental:							
General government	$ 293,475	$ 7,323	$ 15,676	$ 133,053	$ (137,423)	$ -	$ (137,423)
Public safety	399,456	12,059	-	-	(387,397)	-	(387,397)
Public works	62,328	-	-	-	(62,328)	-	(62,328)
Interest on long-term debt	7	-	-	-	(7)	-	(7)
Total governmental activities	755,266	19,382	15,676	133,053	(587,155)	-	(587,155)
Business-Type:							
Water	139,182	123,607	-	-		(15,575)	(15,575)
Light	692,126	1,030,579	-	-		338,453	338,453
Sanitation	62,163	74,955	-	-		12,792	12,792
Total business-type activities	893,471	1,229,141	-	-		335,670	335,670
Totals	$ 1,648,737	$ 1,248,523	$ 15,676	$ 133,053	(587,155)	335,670	(251,485)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					75,718	-	75,718
Sales and use taxes					58,643	-	58,643
Alcoholic beverages taxes					15,646	-	15,646
Business taxes					1,038	-	1,038
Franchise taxes					4,372	-	4,372
Insurance premium tax					37,610	-	37,610
Other taxes					1,829	-	1,829
Investment earnings					4,025	-	4,025
Miscellaneous					35,412	-	35,412
Transfers					264,008	(264,008)	-
Total general revenues and transfers					498,301	(264,008)	234,293
Change in net position					(88,854)	71,662	(17,192)
Net position - beginning					1,493,779	1,145,834	2,639,613
Net position - ending					$ 1,404,925	$ 1,217,496	$ 2,622,421

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

CITY OF WHIGHAM, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2024

	General Fund	SPLOST 2020 Capital Projects Fund	TSPLOST Capital Projects Fund	Total Governmental Funds
ASSETS				
Assets:				
Cash on hand and in banks	$ 569,352	$ -	$ -	$ 569,352
Receivables	13,103	-	-	13,103
Due from other funds	113,143	-	-	113,143
Cash - restricted	-	124,623	89,962	214,585
Intergovernmental receivable	-	11,878	10,445	22,323
Total Assets	$ 695,598	$ 136,501	$ 100,407	$ 932,506
LIABILITIES, DEFERRED INFLOWS, & FUND BALANCES				
Liabilities:				
Accounts payable	$ 6,945	$ -	$ -	$ 6,945
Intergovernmental payable	18,707	-	-	18,707
Other accrued expenses	1,605	-	-	1,605
Due to other funds	-	71,818	41,325	113,143
Total Liabilities	27,257	71,818	41,325	140,400
Deferred Inflow of Resources:				
Unavailable revenue	2,342	-	-	2,342
Total Deferred Inflows of Resources	2,342	-	-	2,342
Fund Balances:				
Restricted for:				
Capital projects	-	64,683	59,082	123,765
Unassigned	665,999	-	-	665,999
Total Fund Balances (deficit)	665,999	64,683	59,082	789,764
Total Liabilities, Deferred Inflows, & Fund Balances	$ 695,598	$ 136,501	$ 100,407	$ 932,506

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

CITY OF WHIGHAM, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AUGUST 31, 2024

Total *fund* balances for governmental funds		$ 789,764
Total *net position* reported for governmental activities in the Statement of Net Position is different because:		
Capital assets and right-to-use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land and construction in progress	85,604	
RTU lease assets	6,680	
Other capital assets	1,685,045	
Total capital assets	1,777,329	
Accumulated depreciation & amortization	(876,228)	
Total Assets - net	901,101	901,101
Some of the City's revenues have been received and deferred under the modified accrual basis of accounting. These revenues are recognized under the accrual basis of accounting.		2,342
Governmental funds recognize expenditures for insurance using the purchases method. However, the Statement of Activities uses the accrual method and, thus, only the amount of insurance benefits are recognized as expense when it is consumed. The unconsumed portion is recorded as an asset.		11,368
Deferred Inflows - Pension		(10,067)
Deferred Outflows - Pension		48,599
Net Pension Liability		(76,507)
Long-term liabilities, including notes and lease payables, are not due and payable in the current period and therefore are not reported in the funds.		(261,668)
Total net position of governmental activities		$ 1,404,932

CITY OF WHIGHAM, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

	General Fund	SPLOST 2020 Capital Projects Fund	TSPLOST Capital Projects Fund	Total Governmental Funds
REVENUES				
Taxes	$ 195,398	$ -	$ -	$ 195,398
Licenses & permits	4,738	-	-	4,738
Fines & forfeitures	12,046	-	-	12,046
Intergovernmental	15,176	69,960	63,092	148,228
Charges for services	2,598	-	-	2,598
Investment income	3,844	153	28	4,025
Miscellaneous	30,412	-	-	30,412
Total Revenues	264,212	70,113	63,120	397,445
EXPENDITURES				
Current Operating:				
General government	254,456	-	-	254,456
Public safety	352,161	-	-	352,161
Public works	16,855	-	-	16,855
Capital Outlay:				
General government	230,414	-	-	230,414
Public safety	7,500	-	-	7,500
Public works	-	10,341	-	10,341
Debt Service:				
Principal	1,672	-	-	1,672
Interest	7	-	-	7
Total Expenditures	863,065	10,341	-	873,406
Excess (Deficiency) of Revenues Over (Under) Expenditures	(598,853)	59,772	63,120	(475,961)
Other Financing Sources (Uses)				
Proceeds from loans	260,000	-	-	260,000
Transfers in	328,341	-	-	328,341
Transfers (out)	-	(64,333)	-	(64,333)
Total Other Financing Sources (Uses)	588,341	(64,333)	-	524,008
Net Change in Fund Balance	(5,012)	(4,561)	63,120	53,547
Fund Balance - Beginning of Year	671,011	69,244	(4,038)	736,217
Fund Balance - End of Year	$ 665,999	$ 64,683	$ 59,082	$ 789,764

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

CITY OF WHIGHAM, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

Net change in fund balances - total governmental funds	$	53,547
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation & amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.		128,635
Note and lease payments are reported as expenditures in the governmental funds, but reduces the liability in the Statement of Net Position.		1,672
Governmental funds defer all tax revenues not collected within 60 days of year-end. However, the Statement of Activities uses the accrual method and, thus, the entire amount is recognized as revenue, regardless of the collection date.		(543)
Governmental funds report notes and lease proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of capital lease principal as an expenditure. In contrast, the Statement of Activities reports this as a reduction of liabilities on the Statement of Net Position.		(260,000)
Governmental funds recognize expenditures for insurance using the purchases method. However, the Statement of Activities uses the consumption method and, thus, only the amount of insurance benefits consumed are recognized.		(343)
Change in NPO, deferred inflows, and deferred outflows		(11,815)
Change in net position of governmental activities	$	(88,847)

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

CITY OF WHIGHAM, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2024

	Business-Type Activities - Enterprise Funds			
Assets	**Water**	**Light**	**Sanitation**	**Total**
Current assets:				
Cash on hand and in banks	$ -	$ 685,451	$ -	$ 685,451
Accounts receivable (net of allowance for doubtful accounts)	9,933	102,751	5,719	118,403
Prepaid insurance	2,901	3,004	2,317	8,222
Restricted assets:				
Cash - customer deposits	-	62,218	-	62,218
Noncurrent assets:				
Land and construction in progress	-	18,600	-	18,600
Other capital assets, net of depreciation	349,005	123,783	-	472,788
Total Assets	361,839	995,807	8,036	1,365,682
Deferred outflows of resources				
Deferred outflows of resources-pension	4,890	21,232	-	26,122
Total Deferred outflows of resources	4,890	21,232	-	26,122
Liabilities				
Current liabilities:				
Accounts payable	1,590	44,984	5,070	51,644
Sales tax payable	-	6,428	-	6,428
Current liabilities payable from restricted assets:				
Customer deposits	7,484	62,218	-	69,702
Noncurrent liabilities:				
Net pension liability	7,698	33,425	-	41,123
Total Liabilities	16,772	147,055	5,070	168,897
Deferred inflows of resources				
Deferred inflows of resources-pension	1,013	4,398	-	5,411
Total Deferred inflows of resources	1,013	4,398	-	5,411
Net position				
Net investment in capital assets	349,005	142,383	-	491,388
Unrestricted	(61)	723,203	2,966	726,108
Total Net position	$ 348,944	$ 865,586	$ 2,966	$ 1,217,496

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

CITY OF WHIGHAM, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water	**Light**	**Sanitation**	**Total**
Operating Revenues				
Charges for services	$ 123,607	$ 1,030,579	$ 74,955	$ 1,229,141
Total operating revenues	123,607	1,030,579	74,955	1,229,141
Operating Expenses				
Salaries and benefits	53,503	189,430	-	242,933
Services and supplies	45,648	485,395	62,163	593,206
Depreciation	40,031	17,301	-	57,332
Total operating expenses	139,182	692,126	62,163	893,471
Operating income (loss)	(15,575)	338,453	12,792	335,670
Income (loss) before transfers	(15,575)	338,453	12,792	335,670
Transfers in (out)	(24,742)	(227,072)	(12,194)	(264,008)
Change in net position	(40,317)	111,381	598	71,662
Net position - beginning of year	389,261	754,205	2,368	1,145,834
Net position - end of year	$ 348,944	$ 865,586	$ 2,966	$ 1,217,496

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

CITY OF WHIGHAM, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water	**Light**	**Sanitation**	**Total**
Cash Flows From Operating Activities				
Cash received from customers	$ 124,569	$ 1,041,721	$ 74,246	$ 1,240,536
Cash payments to suppliers for goods and services	(46,324)	(479,531)	(62,052)	(587,907)
Cash payments to employees for services	(53,503)	(189,430)	-	(242,933)
Net cash provided by operating activities	24,742	372,760	12,194	409,696
Cash Flows From Non-Capital Financing Activities				
Transfer in (out)	(24,742)	(162,739)	(12,194)	(199,675)
Net cash provided (used) by non-capital financing activities	(24,742)	(162,739)	(12,194)	(199,675)
Cash Flows From Capital & Related Financing Activities				
Acquisition and construction of capital assets	-	(94,500)	-	(94,500)
Transfer in - SPLOST Fund	-	(64,333)	-	(64,333)
Net cash provided (used) for capital & related financing activities	-	(158,833)	-	(158,833)
Net increase (decrease) in cash & cash equivalents	-	51,188	-	51,188
Cash & cash equivalents at beg. of year	-	696,481	-	696,481
Cash & cash equivalents at end of year	$ -	$ 747,669	$ -	$ 747,669

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

CITY OF WHIGHAM, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

	Business-Type Activities - Enterprise Funds			
	Water	**Light**	**Sanitation**	**Total**
Reconciliation of Operating Income To Net Cash Provided by Operating Activities: Operating Income (loss)	$ (15,575)	$ 338,453	$ 12,792	$ 335,670
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation	40,031	17,301	-	57,332
Change in assets & liabilities:				
(Increase) decrease in accounts receivable	521	10,893	897	12,311
(Increase) decrease in prepaid items	441	249	(1,606)	(916)
Increase (decrease) in accounts payable	49	(1,609)	111	(1,449)
Increase (decrease) in customer deposits	-	(252)	-	(252)
Increase (decrease) in sales taxes payable	-	(657)	-	(657)
Increase (decrease) in accrued expenses	(725)	8,382	-	7,657
Net cash provided by operating activities	$ 24,742	$ 372,760	$ 12,194	$ 409,696

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Whigham, Georgia, was incorporated under the provisions of the Basic Charter Act, of the Laws of 1953 of the State of Georgia, page 2413, as amended. The City's Charter was last amended by an act of the Georgia General Assembly on March 29, 1984 (House Bill No. 1612, Act 1189). The City operates under a Mayor-Council form of Government and provides the following services as authorized by its Charter: public safety (police), streets, sanitation, public improvements, water, electricity, and general administrative services.

The financial statements of the City consist only of the funds of the City. The City has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

The accounting policies of the City of Whigham, Georgia conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

A. PRINCIPLES DETERMINING SCOPE OF REPORTING ENTITY

Section 2100 of the standards published by the Governmental Accounting Standards Board (GASB) defines the reporting entity as the primary government and all its component units, if any. According to GASB-14, the identification of a financial reporting entity is based on the concept of financial accountability. GASB-14 defines a primary government as a government that:

(1) Has a separately elected governing body;
(2) Is legally separate;
(3) Is fiscally independent of other state and local governments.

For financial reporting purposes, in accordance with the criteria in GASB Standards, the City includes all funds, agencies, boards, commissions, and authorities that are within its primary government. A component unit is a legally separate organization for which elected officials of a primary government are financially accountable. There are three sets of criteria that the City evaluates to determine whether a potential component unit will be included in the reporting entity of the City of Whigham. They are (1) financial accountability; (2) financial accountability as a result of fiscal dependency; and, (3) misleading to exclude the component unit.

The City of Whigham, Georgia has also entered into an agreement with Grady County, Georgia and the City of Cairo, Georgia to help fund a joint development authority. The Joint Development Authority has a total of seven board members. The City appoints only one member to the Joint Development Authority Board. Since the City does not appoint a voting majority to the Joint Development Authority Board the financial statements do not report the financial activities of the Joint Development Authority.

Fire protection service is provided by an independently organized volunteer group. All expenditures paid by the City have been recognized in the General Fund and the City's share of general capital assets has been capitalized.

There are no other entities which have been excluded from the City's reporting entity.

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Joint Ventures

The City of Whigham, in conjunction with cities and counties in the fourteen (14) county Southwest Georgia area are members of the Southwest Georgia Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-32 provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The City paid annual dues in the amount of $451 to the RC for the year ended August 31, 2024. The RC Council membership is defined in State Law O.C.G.A. Section 50-8-34 and specifies that the chief elected official of the county and municipal governing authority be a member of the Council.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-32) defines RCs as "public agencies and instrumentalities of their members." Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources. (O.C.G.A. 50-8-39)

Separate Financial Statements may be obtained from:
Southwest Georgia Regional Commission
P.O. Box 346, 30 West Broad Street
Camilla, Georgia 31730-0346

Sanitary Landfill

The County entered an agreement with the City of Cairo, Georgia and the City of Whigham, Georgia on February 10, 1992 to deposit solid waste in the sanitary landfill operated by the City of Cairo. The agreement provides that each party will equitably share in the cost of the operation of the landfill. The agreement also provides that the City of Cairo will establish a sinking fund to meet future capital needs or expenditures that may be required to comply with local, state, or federal laws (i.e., ground water monitoring costs and other post closure costs). Should the City of Cairo incur any unexpected cost or additional requirements associated with post closure in excess of sinking/reserve funds retained, each party will make a contribution toward the additional costs in the percentage that shall equal the percentage of the total waste deposited at the landfill by the parties over the term of this agreement. The City of Whigham and Grady County shall not be required to make contributions toward additional costs that are due solely to the negligent act or intentional wrongful act of the City of Cairo in the administration of the landfill.

Each year, the City of Cairo provides to the City of Whigham and Grady County information regarding operation of the landfill during the previous year. If it is determined that the funds collected do not meet the cost of the operation of the landfill and sinking/reserve fund requirements, each party makes a contribution toward the deficit in a percentage that equals the percentage of the total waste deposited at the landfill by the parties. If it is determined that the funds collected exceed the cost of operation of the landfill, the excess is transferred to the sinking/reserve fund and each party is given credit in an amount based upon the percentage of waste deposited at the landfill by the parties toward any future deficit. Any excess that is accumulated over the term of the agreement is considered to be jointly owned by all parties based on the percentage of waste deposited at the landfill over the term of the agreement and will be disbursed at such time as there are no required costs to monitor the landfill. Separate financial statements are not prepared or issued by the sanitary landfill joint venture.

B. BASIS OF PRESENTATION

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the

City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations have not been made in the funds. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

The City reports the following major governmental funds:

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

SPLOST 2020 Capital Projects Fund – This is a capital projects fund established to account for all Special Purpose Local Option Sales Tax revenues as well as the specifically identified projects for which the SPLOST tax was established.

TSPLOST Capital Projects Fund – This is a capital projects fund established to account for all Transportation Special Purpose Local Option Sales Tax revenues as well as the specifically identified projects for which the TSPLOST tax was established.

The City reports the following major enterprise funds:

Water Fund – This fund accounts for the operation and maintenance of the City's water facilities.

Light Fund – This fund accounts for the operation and maintenance of the City's electrical facilities.

Sanitation Fund – This fund accounts for the operation and maintenance of the City's sanitation facilities.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-wide and Proprietary Fund Financial Statements – The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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.

All business-type activities and proprietary funds of the City follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

D. CAPITAL ASSETS

Capital assets, which include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond one year are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Buildings, except those that are an ancillary part of a network of infrastructure assets, will not be considered infrastructure assets. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at

their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The standard capitalization thresholds for capitalizing assets for each major class of assets established by the Whigham City Council are detailed below:

Class of Asset	Capitalization Threshold	Control Threshold
Land/Land Improvements	Capitalize All	All
Building/Building Improvements	$ 2,500	$ 500
Facilities and Other Improvements	2,500	500
Infrastructure	50,000	50,000
Equipment	2,500	500
Furniture	2,500	500
Vehicles, Boats, and Aircraft	2,500	500
Software (developed or purchased)	2,500	500
Library Books/Materials (collections)	Capitalize All	All
Works of Art/Historical Treasures	Capitalize All	All
Leasehold Improvements	2,500	500

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during the construction phase of capital assets of business-type activities, net of related interest earned, is included as part of the capitalized value of the assets constructed. There were not any constructed projects with capitalized interest in the business-type activities for the year ended August 31, 2024.

Capital assets are depreciated over their estimated useful lives unless they are inexhaustible. Inexhaustible assets such as land improvements are not depreciated.

Depreciation is reported in the government-wide Statement of Activities and in the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position.

Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Assets Class	Estimated Useful Lives
Buildings/Building Improvements	20-50 years
Facilities and Other Improvements	10-60 years
Infrastructure	20 years
Equipment	3-20 years
Furniture & Fixtures	7 years
Vehicles	6-12 years
RTU Leased Assets - Equipment	3-20 years

LEASES

The determination of whether an arrangement is a lease is made at the lease's inception. Under GASB Statement No. 87, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right-to-use lease assets and the related lease liabilities are recorded on the statement of financial position.

The City recognizes right-to-use lessee asset and related lease liability at the commencement of the lease term unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The right-to-use lease asset is measured at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The City reduces the lease liability as payments are made and recognize interest on the lease liability. The City amortizes the right-to-use lease asset over the shorter of the lease term or the useful life of the underlying asset.

E. INVENTORIES AND PREPAID ITEMS

The City records the cost as an expense or expenditure at the time supplies are purchased. Since supplies are purchased as needed in operations, no inventory account is maintained. The cost of unexpended supplies, if any, is not material to the financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and proprietary fund financial statements. In the governmental fund statements those prepaids are recognized when purchased.

Prepaid expenses of the City consist of insurance expenses. The City had prepaid insurance expenses totaling $19,590 that will be expensed in the subsequent year.

F. COMPENSATED ABSENCES

Employees with less than 10 years of service may accumulate up to 120 hours. Employees with 10 through 20 years of service may accumulate up to 160 hours. Employees with 21 years or more can accumulate up to 200 hours. Leave in excess of the maximum will be forfeited. Employees may be paid up to 40 hours leave in lieu of vacation time the first pay period in December. A maximum of 360 hours sick leave may be accumulated; however, employees are not paid for the accumulated sick leave upon retirement or other termination. Traditionally, the unused vacation days paid in December have never been material to the financial statements. The City does not consider the potential liability material.

G. CASH AND CASH EQUIVALENTS

Cash shown on the balance sheet includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. This definition of cash and cash equivalents is used in the preparation of the Statement of Cash Flows for proprietary fund types.

H. PROPERTY TAXES

For fiscal year ending August 31, 2024, property taxes were levied on September 13, 2023, and were due and payable at that time. All unpaid taxes levied on September 13, 2023, became delinquent after December 20, 2023, and interest began accruing December 20, 2023.

Property tax revenues are recognized in the fiscal period for which they are levied and when they become available. Property tax revenues are considered available when collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period.

I. 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 in the governmental funds by the City. In encumbrance accounting, encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

There were no material purchase orders, contracts, or other commitments at year-end which should have been encumbered.

J. BUDGETS AND BUDGETARY ACCOUNTING

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

1. Prior to July 1, the Mayor submits to the City Council a proposed operating budget for the fiscal year beginning the following September 1. The operating budget includes proposed expenditures and the means of financing them.

2. At least two weeks subsequent to the Council's review of the proposed budget, a public hearing is held to discuss the budget.

3. Prior to September 1, the City Council reviews and adopts the budget.

The City of Whigham adopted a budget for the fiscal year ended August 31, 2024. Budget amounts were originally adopted by the City Council on August 8, 2023.

There were no encumbrances outstanding at year-end.

The City of Whigham adopts budgets for its General Fund, special revenue funds, and all proprietary type funds (enterprise funds). Budget for the General Fund is adopted on a cash basis and is not consistent with generally accepted accounting principles. The enterprise fund budgets are “fixed” budgets and are adopted for administrative and management purposes. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The legal level of budgetary control is at the department level.

The City has also adopted project budgets for the Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax as approved by voters through the referendums. These project budgets were prepared for the project’s life rather than the current fiscal year. Project appropriations for these budgets do not lapse at the end of each fiscal year but rather at the conclusion of the project.

K. INVESTMENTS

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair values. Certificates of deposits are classified as cash.

L. RESTRICTED ASSETS

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Certain resources set aside for the payment of bond debt and customer deposits are classified as restricted assets on the balance sheet because their use is limited.

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

- *Nonspendable* – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- *Restricted* – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

- *Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. 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. Through resolution, the City Council has authorized the City's finance committee or the City's finance director to assign fund balances.

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

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

- Committed
- Assigned
- Unassigned

Net Position – Net position represents the difference between assets and liabilities. Net position – net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction, or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted.

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

NOTE 2 - LONG-TERM OBLIGATIONS

Governmental Activities

Notes Payable

The City entered into a note on December 19, 2023, with Capital City Bank for purchase of property for $260,000 bearing interest at 5.84%. At August 31, 2024, the balance of the note outstanding was $260,000.

Year Ending	Principal	Interest	Totals
2025	$ 19,874	$ 15,184	$ 35,058
2026	21,035	14,023	35,058
2027	22,263	12,795	35,058
2028	23,564	11,494	35,058
2029	24,940	10,118	35,058
2030	148,324	26,970	175,294
Totals	$ 260,000	$ 90,584	$ 350,584

Lease Payable

The City has entered into two copier lease agreements for four years. As of August 31, 2024 in accordance with GABS Statement No. 87 - Leases, the Right-To-Use Lease asset estimated future liabilities was $1,676.

Year Ending	Principal	Interest	Totals
2025	$ 1,676	$ 2	$ 1,678
Totals	$ 1,676	$ 2	$ 1,678

Long-term Obligation Activity

Changes in long-term obligations for the year ended August 31, 2024 are as follows:

	Beginning of Year	Increases	Decreases	End of Year	Due within One Year
Governmental activities:					
Notes Payable	$ -	$ 260,000	$ -	$ 260,000	$ 19,874
Lease Payable	3,348	-	1,672	1,676	1,676
Total all long-term debt	$ 3,348	$ 260,000	$ 1,672	$ 261,676	$ 21,550

NOTE 3 – CAPITAL ASSETS

Capital asset activities for the fiscal year ended August 31, 2024 are as follows:

Governmental Activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	$ 52,081	$ 16,934	$ -	$ 69,015
Land under roads	16,589	-	-	16,589
Total capital assets not being depreciated	68,670	16,934	-	85,604
Capital assets being depreciated & amortized:				
Automobiles	169,919	7,500	-	177,419
Buildings & improvements	544,336	213,480	-	757,816
Infrastructure	226,018	-	-	226,018
Machinery & equipment	523,792	-	-	523,792
Right-to-use lease equipment	6,680	-	-	6,680
Total capital assets being depreciated & amortized	1,470,745	220,980	-	1,691,725
Less accumulated depreciation for:				
Automobiles	157,405	9,003	-	166,408
Buildings & improvements	305,978	22,876	-	328,854
Infrastructure	15,441	11,301	-	26,742
Machinery & equipment	284,785	64,429	-	349,214
Total accumulated depreciation	763,609	107,609	-	871,218
Less accumulated amortization for:				
Right-to-use lease equipment	3,340	1,670	-	5,010
Total accumulated amortization	3,340	1,670	-	5,010
Total accumulated depreciation & amortization	766,949	109,279	-	876,228
Governmental activities capital assets, net	$ 772,466	$ 128,635	$ -	$ 901,101

Depreciation and amortization expense was charged to the governmental functions as follows:

General Government	$ 24,087
Public Safety	38,033
Public Works	47,159
Total governmental depreciation & amortization expense:	$ 109,279

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Business-type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 18,600	$ -	$ -	$ 18,600
Total capital assets not being depreciated	18,600	-	-	18,600
Capital assets being depreciated:				
Facilities & other improvements	1,536,158	-	-	1,536,158
Machinery & equipment	104,698	94,500	-	199,198
Automobile equipment	235,404	-	-	235,404
Total capital assets being depreciated:	1,876,260	94,500	-	1,970,760
Less accumulated depreciation for:				
Facilities & other improvements	1,153,305	37,352	-	1,190,657
Machinery & equipment	70,362	11,566	-	81,928
Automobile equipment	216,973	8,414	-	225,387
Total accumulated depreciation	1,440,640	57,332	-	1,497,972
Business-type activities capital assets being depreciated, net	435,620	57,332	-	472,788
Business-type activities capital assets, net	$ 454,220	$ 57,332	$ -	$ 491,388

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NOTE 4 - DEPOSITS AND INVESTMENTS

The City's deposits at year-end were entirely covered by federal depository insurance or collateral held by the City's custodial bank in the City's name or held by a third party bank in the City's name. Statutes authorize the City to invest in obligations of this state or other states, obligations issued by the U.S. government, obligations fully insured or guaranteed by the U.S. government or by a government agency of the U.S., obligations of any corporation of the U.S. government, prime bankers acceptances, the Local Government Investment Pool established by state law, repurchase agreements, and obligations of other political subdivisions of the State of Georgia. Investments are reported at fair value. All certificates of deposit owned by the City of Whigham are classified as cash.

The City had no custodial credit risk as of August 31, 2024 because all deposits and investments are either FDIC insured or collateralized with securities held by the City's custodial bank in the City's name or held by a third party bank in the City's name.

NOTE 5 - CONTINGENT LIABILITIES

At year-end, to the best of the City's knowledge there was no pending or threatened litigation against the City of Whigham, Georgia and there were no unasserted claims or assessments.

NOTE 6 - CONDENSED FINANCIAL STATEMENTS - ENTERPRISE FUNDS

Condensed Statement of Net Position

Description	Water Fund	Light Fund	Sanitation Fund	Total
Assets				
Current	$ 12,834	$ 853,424	$ 8,036	$ 874,294
Capital	349,005	142,383	-	491,388
Total Assets	361,839	995,807	8,036	1,365,682
Deferred Outflows of Resources	4,890	21,232	-	26,122
Liabilities				
Current	9,074	113,630	5,070	127,774
Non-Current	7,698	33,425	-	41,123
Total Liabilities	16,772	147,055	5,070	168,897
Deferred Inflows of Resources	1,013	4,398	-	5,411
Net Position				
Net Investment in Capital Assets	349,005	142,383	-	491,388
Unrestricted	(61)	723,203	2,966	726,108
Total Net Position	$ 348,944	$ 865,586	$ 2,966	$ 1,217,496

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Condensed Statement of Revenues, Expenses and Change in Net Position

Description	Water Fund	Light Fund	Sanitation Fund	Total
Operating Revenues				
Charges for Services	$ 123,607	$ 1,030,579	$ 74,955	$ 1,229,141
Total Operating Revenues	123,607	1,030,579	74,955	1,229,141
Operating Expenses (excluding depreciation)	99,151	674,825	62,163	836,139
Depreciation	40,031	17,301	-	57,332
Total Operating Expenses	139,182	692,126	62,163	893,471
Operating Income (Loss)	(15,575)	338,453	12,792	335,670
Transfers In (Out)	(24,742)	(227,072)	(12,194)	(264,008)
Changes in Net Position	(40,317)	111,381	598	71,662
Beginning Net Position	389,261	754,205	2,368	1,145,834
Ending Net Position	$ 348,944	$ 865,586	$ 2,966	$ 1,217,496

Condensed Statement of Cash Flows

Description	Water Fund	Light Fund	Sanitation Fund	Total
Net cash provided (used) by operating activities	$ 24,742	$ 372,760	$ 12,194	$ 409,696
Net cash provided (used) by non-capital financing activities	(24,742)	(162,739)	(12,194)	(199,675)
Net cash provided (used) by capital and related financing activities	-	(158,833)	-	(158,833)
Net increase (decrease) in cash & cash equivalents	-	51,188	-	51,188
Beginning cash & cash equivalents	-	696,481	-	696,481
Ending cash & cash equivalents	$ -	$ 747,669	$ -	$ 747,669

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NOTE 7 - PENSION PLAN

Plan Description. The City contributes to the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple employer public retirement system that acts as a common investment and administrative agent for cities, counties, authorities and agencies in the State of Georgia. The plan is also a defined benefit plan. Regular, full-time employees who work at least 30 hours per week may participate in the plan with no waiting period. Normal retirement age is 65, provided the employee has at least 5 years of credited service. Early retirement is permitted between ages 55 and 65 provided the employee has at least 10 years of credited service. City employees who retire at or after normal retirement age with ten years of credited service are entitled to an annual retirement benefit payable for life. The monthly benefit is determined by first calculating the employee's average monthly earnings from the consecutive 5-year period prior to retirement in which earnings are the highest. The sum of 1% of the average monthly earnings which are less than or equal to the amount for covered compensation for the employee's year of birth and 1.75% of average monthly earnings in excess of the covered compensation is multiplied by the number of years of credited service at retirement age to calculate the dollar value of the monthly retirement benefit.

Also, the pension plan provides for retirement and death benefits. These benefit provisions and all other requirements are established by state statute and City ordinance obligations to contribute are established by Council resolutions; amendments to the plan must also be authorized by resolution of the Council. Employees are not required to contribute to the plan. The Georgia Municipal Employees Benefits System issues a publicly available financial report, which may be obtained by contacting The Burgess Building in Atlanta, Georgia.

The assumptions and methods used to value the Plan were approved in December 2019 by the Board based on an experience study for the period January 1, 2015 through June 30, 2019 conducted in November and December of 2019. In our opinion, the assumptions are reasonably related to the experience of and the expectations of the Plan.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

Contribution. Employees make no contributions to the plan. The City is required to contribute the amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. The City's actuarially determined contribution rate for the fiscal year ending August 31, 2024 was $23,935, or 6.36% of covered employee payroll.

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Net Investment Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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 allocation as of March 31, 2023 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	45.00%	6.91%
International equity	20.00%	7.21%
Domestic fixed income	20.00%	1.61%
Real estate	10.00%	3.61%
Global fixed income	5.00%	1.67%
Cash	0.00%	
Total	100.00%	

Rate of Return: 7.375% On-going basis, based on long-term expected rate of return on pension plan investments.

Plan termination basis: 4.28% (30-year Treasury Securities Rate as of August 2023, published in September 2023; 3.13% last year).

Valuation Date: The actuarially determined contribution was determined as of January 1, 2024, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending August 31, 2025.

The actuarial assumptions used in the current valuation, as of January 1, 2024 are:

Net Investment Rate of Return	7.375%	
Projected Salary Increases	2.25%	plus service based merit increases
Cost of Living Adjustments	0.00%	

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

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Net Pension Liability. The components of the net pension liability of participating entities were as follows:

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2022*	$ 533,196	$ 406,470	$ 126,726
Change for the year:			-
Service Cost	8,239	-	8,239
Interest	39,338	-	39,338
Difference between expected and actual expenses	13,955	-	13,955
Employer Contributions	-	18,648	(18,648)
Employee Contributions	-	-	-
Net Investment Income	-	54,888	(54,888)
Benefit Payments	(16,083)	(16,083)	-
Administrative Expense	-	(2,908)	2,908
Other Changes	-	-	-
Net Changes	45,449	54,545	(9,096)
Balance at September 30, 2023**	$ 578,645	$ 461,015	$ 117,630

** Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2023 are used to measure TPL as of September 30, 2022. The balances as of September 30, 2022 constitute measurements of the NPL for the fiscal year ending August 31, 2023.*

***Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2024 are used to measure TPL as of September 30, 2023. The balances as of September 30, 2023 constitute measurements of the NPL for the fiscal year ending August 31, 2024.*

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

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
	$ 199,045	$ 117,630	$ 50,442

Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions

Pension expense for the year ended August 31, 2024

Service Cost	$ 8,239
Interest on TPL	39,338
Employee contributions	-
Administrative cost	2,908
Expected return on assets	(29,965)
Expensed portion of current year period differences between expected and actual experience in TPL	2,325
Expensed portion of current year period assumption change	-
Current year plan changes	-
Expensed portion of current year period differences between projected and actual investment earnings	(4,983)
Current year recognition of deferred inflows and outflows established in prior years	20,263
Total Expense	$ 38,125

At Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 52,096	$ (12,018)
Changes in assumptions	570	(3,460)
Net difference between projected and actual earnings on pension plan investments	22,055	-
Total	$ 74,721	$ (15,478)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending August 31:	
2025	$ 14,174
2026	15,796
2027	25,651
2028	1,296
2029	2,326
2030 and Thereafter	-
Total	$ 59,243

Table of Plan Coverage as of Valuation Date

	For Valuation as of		
	January 1, 2024	January 1, 2023	Change from Prior Year
Category			
Active participants in valuation			
Number of employees	8	7	14.3%
Number of elected officials	0	0	N/A
Average age	41.8	42.0	N/A
Average service	10.4	10.9	N/A
Total valuation payroll	$370,863	$285,797	29.8%
Average valuation payroll	46,358	40,828	13.5%
Account balances	N/A	N/A	N/A
Total active vested participants	3	3	0.0%
Vested terminated participants	3	3	0.0%
Retired participants			
Number in pay status	1	1	0.0%
Average age	60.0	59.0	N/A
Average monthly benefit	$1,340	$1,340	0.0%
Disabled participants			
Number in pay status	0	0	N/A
Average age	0.0	0.0	N/A
Average monthly benefit	$0	$0	N/A
Beneficiaries	0	0	N/A

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NOTE 8 - RESTRICTED ASSETS

Restricted Assets consist of cash in bank accounts and receivables for the following purposes:

Assets:	SPLOST 2020 CPF	TSPLOST CPF	Enterprise Funds	Total
Special Purpose Local Option Sales Tax- Cash	$ 124,623	$ -	$ -	$ 124,623
Transportation Special Purpose Local Option Sales Tax- Cash	-	89,962	-	89,962
Utility Deposits	-	-	62,218	62,218
Total	$ 124,623	$ 89,962	$ 62,218	$ 276,803

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Agreement with Municipal Electric Authority of Georgia

On June 1, 1999, the City became a beneficiary of the Municipal Competitive Trust (the "Trust"). 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 restructuring is expected to affect customers assigned to electrical systems of political subdivisions, which are wholesale customers of MEAG, such as the City of Whigham. MEAG's expectation, after such legislation is effective, is that market rates for power will be significantly lower than the costs of power generated by MEAG facilities. The purpose of the Trust is to provide a means for MEAG and its wholesale customers who elect to become beneficiaries of the Trust to mitigate the change to full competition as a result of anticipated deregulation.

The Trust creates an account for the City of Whigham, within which up to five (5) subaccounts may be created by the Beneficiary. The City of Whigham has created and participates in the following subaccounts:

Credit Support Operating Trust Account. This subaccount may be funded from the funds allocated to the Beneficiary's account in MEAG's Rate Stabilization Reserve Fund or the Beneficiary's Discretionary Reserve with MEAG, or from other available funds. Prior to the Actual Deregulation Date (12/31/2018), these funds may only be withdrawn to mitigate wholesale cost or rate increases. The balance in the Credit Support Operating Trust Account at August 31, 2024 was $0.

Flexible Operating Account. This subaccount may be funded from contributions by a Beneficiary from any funds it has available for such purposes. While the City has the right to withdraw these funds at its discretion, no funds were withdrawn from this account during the year ended August 31, 2024. The balance in the Flexible Operating Trust Account at August 31, 2024 was $434,522 and has been recorded as an asset of the City.

Reserve Funded Debt Trust Account. This subaccount may be funded from contributions by MEAG from any funds it has available for such purposes. The City has no right to withdraw these funds unless MEAG consents in writing. In the event that MEAG consents to the withdrawal, the withdrawn funds shall be applied to the outstanding balance of the Beneficiary's current Monthly Billings on account of its entitlement or obligation share(s) under its Power Sales Contract of MEAG's annual Project Generation Fixed Charges. After December 31, 2025, the City may have any remaining funds in this

subaccount applied to its obligations for debt service, if any, or dispersed to the City if its obligations for debt service are fulfilled. As of August 31, 2024, the balance in the Reserve Funded Debt Trust Account was $249,286.

At August 31, 2024, MEAG's outstanding principal portion of the debt was $1,860,607,504. The City of Whigham's guarantee varies by individual projects undertaken by the Authority and the principal portion was $1,291,905 at August 31, 2024.

NOTE 10 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters, for which the City carries commercial insurance. The basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary. The City has not compiled a record of the claims paid up to the applicable deductible for the prior or current fiscal year.

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NOTE 11 - INTERFUND BALANCES AND ACTIVITIES

Transfers to/from funds at August 31, 2024 consisted of the following:

	Transfer In		
Transfer Out	General Fund	Light Fund	Total
Light Fund	$ 291,405	-	$ 291,405
Water Fund	24,742	-	24,742
Sanitation Fund	12,194	-	12,194
SPLOST	-	64,333	64,333
Total	$ 328,341	$ 64,333	$ 392,674

Transfers between the major enterprise funds and the General Fund were for operating purposes.

$64,333 was transferred from SPLOST 2020 to the Water Fund for qualified expenditures.

Interfund Receivables and Payables

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

Due to/from other funds:

	Interfund Receivable (Due From)	Interfund Payable (Due To)
Governmental Funds		
General Fund	$ 113,143	$ -
SPLOST 2020 Capital Projects Fund	-	71,818
TSPLOST Capital Projects Fund	-	41,325
Totals	$ 113,143	$ 113,143

The general fund loaned $71,818 to the SPLOST fund to cover cash short-fall on capital expenditures. These funds will be repaid as sufficient funds are received.	$	71,818
The general fund paid $50 to open a checking account for TSPLOST capital projects fund.	$	50
The general fund purchased $41,275 on qualified capital expenditures. These funds will be repaid by the TSPLOST fund.	$	41,275

NOTE 12 - SPECIAL PURPOSE LOCAL OPTION SALES TAX REFERENDUM

On November 5, 2019, a referendum was held to determine whether to impose a 1% Special Purpose Local Option Sales Tax in Grady County, Georgia. This referendum was passed with part of the revenue collected being designated for the City of Whigham as detailed on the “Schedule of Special Purpose Local Option Sales Taxes” as listed in the Table of Contents. The tax period for this referendum is not to exceed six (6) years.

NOTE 13 – TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX REFERENDUM

On February 18, 2020 a referendum was held to determine whether to impose a 1% Transportation Special Purpose Local Option Sales Tax in Grady County, Georgia. This referendum was passed with part of the revenue collected being designated for the City of Whigham as detailed on the "Schedule of Transportation Special Purpose Local Option Sales Taxes" as listed in the Table of Contents. The tax period for this referendum is not to exceed five (5) years.

NOTE 14 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Section 1200.112 and 2300.106L of GASB Standards requires that material violations of finance-related and contractual provisions be disclosed. The City was in violation of the following State statute during the year ending August 31, 2024:

Law Section - O.C.G.A. 36-81-3 & 36-81-5

The City exceeded its budget at the "legal level of control" in the following department(s):

Department	Fund	Balance Over Budget
Financial Administration	General	$ 67,580
Police	General	$ 14,901

NOTE 15 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 10, 2024, which is the date these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WHIGHAM, GEORGIA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive (Negative)
REVENUES				
Taxes	$ 173,436	$ 173,436	$ 196,017	$ 22,581
Licenses & Permits	3,740	3,740	4,738	998
Fines, Forfeitures & Penalties	15,039	15,039	12,046	(2,993)
Intergovernmental	-	-	15,176	15,176
Charges for Services	3,800	3,800	2,598	(1,202)
Investment Income	42	42	3,844	3,802
Miscellaneous	144,298	144,298	30,412	(113,886)
Total Revenues	340,355	340,355	264,831	(75,524)
EXPENDITURES				
General Government				
Financial Administration Department	233,820	233,820	301,400	(67,580)
Total General Government	233,820	233,820	301,400	(67,580)
Public Safety				
Police Department	310,262	310,262	325,163	(14,901)
Fire Department	31,650	31,650	30,910	740
Total Public Safety	341,912	341,912	356,073	(14,161)
Public Works				
Street Department	17,550	17,550	16,264	1,286
Total Public Works	17,550	17,550	16,264	1,286
Culture and Recreation				
Recreation Department	5,000	5,000	-	5,000
Total Recreation	5,000	5,000	-	5,000
Total Expenditures - All Departments	598,282	598,282	673,737	(75,455)
Excess (deficiency) of revenues over expenditures	$ (257,927)	$ (257,927)	$ (408,906)	$ (150,979)

Budgetary Comparison Reporting

In accordance with Governmental Accounting Standards Board Statement Number 34 (GASB 34), paragraph 131 the City has presented the budgetary comparison schedule using the same format, terminology, and classifications as the budget document. Additionally, the City has presented in Note A to the budgetary comparison schedule information that reconciles budgetary information to generally accepted accounting principles (GAAP) information. The City has explained in Note A the basis differences in accordance with GASB, 34 paragraph 131.

CITY OF WHIGHAM, GEORGIA
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

Note A - Explanation of Differences between Revenues, Expenditures and Other Financing Sources (Uses) for Budgetary Funds on a Budgetary Basis and Governmental Funds on a GAAP Basis

Financial Statements:	General Fund
Revenues	
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	$ 264,831
Adjustments:	
The City budgets revenues on the cash basis of accounting rather than the modified accrual basis of accounting.	(619)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 264,212
Expenditures	
Actual amounts (budgetary basis) "expenditures" from the budgetary comparison schedules	$ 673,737
Adjustments:	
The City budgets expenditures on the cash basis of accounting rather than the modified accrual basis of accounting.	189,328
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 863,065

Note B to Required Supplementary Information

Budget and Budgetary Accounting

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

1. Prior to July 1, the Mayor submits to the City Council a proposed operating budget for the fiscal year beginning the following September 1. The operating budget includes proposed expenditures and the means of financing them.

2. At least two weeks subsequent to the Council's review of the proposed budget, a public hearing is held to discuss the budget.

3. Prior to September 1, the City Council reviews and adopts the budget.

The City of Whigham adopted a budget for the fiscal year ended August 31, 2024. Budget amounts were originally adopted by the City Council on August 8, 2023.

There were no encumbrances outstanding at year-end.

The City of Whigham adopts budgets for its General Fund, special revenue funds, and all proprietary type funds (enterprise funds). Budget for the General Fund is adopted on a cash basis and is not consistent with generally accepted accounting principles. The enterprise fund budgets are “fixed” budgets and are adopted for administrative and management purposes. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The legal level of budgetary control is at the department level.

The City has also adopted project budgets for the Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax as approved by voters through the referendums. These project budgets were prepared for the projects life rather than the current fiscal year. Project appropriations for these budgets do not lapse at the end of each fiscal year but rather at the conclusion of the project.

City of Whigham, Georgia
Required Supplementary Information - Pension Plan
August 31, 2024

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service cost	$ 8,239	$ 6,356	$ 8,708	$ 8,957	$ 7,288	$ 6,517	$ 7,929	$ 7,073	$ 10,886	$ 11,860
Interest	39,338	35,935	32,365	29,258	26,948	23,731	24,464	21,836	17,057	14,559
Differerences between expected and actual experience	13,955	18,043	18,408	4,829	10,879	13,455	(40,062)	5,002	33,725	9,122
Changes of assumption	-	-	-	-	(7,785)	-	1,896	-	-	(3,316)
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(16,083)	(16,083)	(1,341)	-	(3,166)	-	-	-	-	-
Net change in total pension liability	45,449	44,251	58,140	43,044	34,164	43,703	(5,773)	33,911	61,668	32,225
Total Pension Liability as of beginning	533,196	488,945	430,805	387,761	353,597	309,894	315,667	281,756	220,088	187,863
Total Pension Liability as of ending (a)	$ 578,645	$ 533,196	$ 488,945	$ 430,805	$ 387,761	$ 353,597	$ 309,894	$ 315,667	$ 281,756	$ 220,088
Employer contributions	$ 18,648	$ 19,728	$ 16,904	$ 17,090	$ 15,438	$ 16,958	$ 16,116	$ 17,491	$ 16,854	$ 15,687
Employee contributions (including buyback)	-	-	-	-	-	-	-	-	-	-
Net investment income	54,888	(79,917)	93,112	33,199	9,660	27,614	34,881	21,728	1,354	16,466
Benefit payments, including refunds of employer contributions	(16,083)	(16,083)	(1,341)	-	(3,166)	-	-	-	-	-
Administrative expense	(2,908)	(3,034)	(3,354)	(2,972)	(2,937)	(3,219)	(3,525)	(1,704)	(1,950)	(1,610)
Other	-	-	-	-	-	-	-	-	-	-
Net Change in fiduciary net position	54,545	(79,306)	105,321	47,317	18,995	41,353	47,472	37,515	16,258	30,543
Plan fiduciary net position - beginning	406,470	485,776	380,455	333,138	314,143	272,790	225,318	187,803	171,545	141,002
Plan fiduciary net position - ending (b)	$ 461,015	$ 406,470	$ 485,776	$ 380,455	$ 333,138	$ 314,143	$ 272,790	$ 225,318	$ 187,803	$ 171,545
Net Pension Liability - ending: (a)-(b)	$ 117,630	$ 126,726	$ 3,169	$ 50,350	$ 54,623	$ 39,454	$ 37,104	$ 90,349	$ 93,953	$ 48,543
Plan's fiduciary net position as a percentage of the total pension liability	79.67%	76.23%	99.35%	88.31%	85.91%	88.84%	88.03%	71.38%	66.65%	77.94%
Covered-employee payroll	$ 370,863	$ 285,797	$ 214,842	$ 332,370	$ 332,370	$ 276,413	$ 232,689	$ 255,019	$ 240,064	$ 255,236
Net pension liability as a percentage of covered-employee payroll	31.72%	44.34%	1.48%	15.15%	16.43%	14.27%	15.95%	35.43%	39.14%	19.02%

Note: This schedule will present 10 year of information once the data is available.

City of Whigham, Georgia
Required Supplementary Information - Pension Plan
August 31, 2024

SCHEDULE OF CONTRIBUTIONS

	2024	2023	2022	2021	2020	2019	2018	
Actuarially determined contribution	--*	$ 16,965	$ 19,728	$ 18,441	$ 16,967	$ 15,299	$ 17,109	
Contributions in relation to the actuarially determined contribution	--*	15,551	19,728	18,441	16,967	16,725	15,683	**
Contribution deficiency (excess)	--*	1,414	-	-	-	(1,426)	1,426	
Covered-employee payroll	--*	$ 285,797	$ 214,842	$ 332,370	$ 332,370	$ 276,413	$ 232,689	***
Contributions as a percentage of covered-employee payroll	--*	5.44%	9.18%	5.55%	5.10%	6.05%	6.74%	

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

** Contributions are recorded based on date of receipt into the GMEBS trust. Minor timing issues in receipt of monthly payments are not indicative of non-compliance with GMEBS funding policy. A plan is in compliance with the GMEBS funding policy if it pays either the dollar amount or the percentage of employee-covered payroll of the actuarially determined contributions.

*** 2023 covered payroll is based on data collected as of September 30, 2022 for the 2023 actuarial valuation.

City of Whigham, Georgia
Required Supplementary Information - Pension Plan
August 31, 2024

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date	The actuarially determined contribution was determined as of January 1, 2024 with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending August 31, 2025.

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 16 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
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
Retirement Age	
age 66-71	25%
72 and over	100%
Mortality	Pri-2012

STATE REPORTING REQUIREMENTS

CITY OF WHIGHAM, GEORGIA
SCHEDULE OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

November 5, 2019 Ref.

Project	Original Estimated Cost	Current Estimated Cost	Expenditure			Estimated Percentage of Completion
			Prior Year	Current Year	Total	
Streets and Sidewalks	$ 242,000	$ 242,000	$ 298,669	$ 10,341	$ 309,010	
Utility Distribution and Equipment	75,000	75,000	-	64,333	64,333	
Public Safety	25,000	25,000	2,105	-	2,105	
Total	$ 342,000	$ 342,000	$ 300,774	$ 74,674	$ 375,448	109.78%

CITY OF WHIGHAM, GEORGIA
SCHEDULE OF TRANSPORTATION SPECIAL
PURPOSE LOCAL OPTION SALES TAX
FOR THE FISCAL YEAR ENDED AUGUST 31, 2024

February 18, 2020 Ref.

Project	Original Estimated Cost	Current Estimated Cost	Expenditure			Estimated Percentage of Completion
			Prior Year	Current Year	Total	
Road and Transportation	$ 285,000	$ 285,000	$ 175,492	$ -	$ 175,492	
Total	$ 285,000	$ 285,000	$ 175,492	$ -	$ 175,492	61.58%

GOVERNMENTAL AUDITING STANDARDS REQUIREMENTS

Perry L. Henry, LLC

Certified Public Accountant and Consultant

Perry L. Henry, CPA, CGFM, CFS

Members

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

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

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

We have audited, in accordance with the auditing standard generally accepted in the United States of America and 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, and each major fund of the City of Whigham as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Whigham's financial statements, and have issued our report thereon dated March 10, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Whigham's internal control over financial reporting (internal control) to determine the audit procedure 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 Whigham's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Whigham'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 weakness may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as item *2007-1* that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Whigham'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 and those of the other auditors disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying Schedule of Findings and Responses as item *2022-1.*

The City of Whigham's Response to Findings

The City of Whigham's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. The City of Whigham's response was not subjected to the auditing procedure 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.

Perry L. Henry, LLC

Perry L. Henry, LLC
Bainbridge, Georgia
March 10, 2024

2007-1

Condition: The City does not have adequate separation of duties in various functions of the City.

Criteria: Internal control is a process designed to provide reasonable assurance about your objectives with regard to reliability of:

(1) financial reporting,
(2) effectiveness and efficiency of operations, and
(3) compliance with applicable laws and regulations.

Cause: There is an insufficient number of staff to properly segregate functions of all transaction cycles.

Effect: The City will be exposed to increased risk that the financial statements will be materially misstated whether by error or intentionally and not be detected in a timely manner.

Recommendation: The City should monitor the control environment and continue to strengthen controls where cost effective.

Management's Response: Management agrees. A corrective action plan will be issued under a separate cover.

CITY OF WHIGHAM, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
AUGUST 31, 2024

2022-1

Condition: The City exceeded appropriations for the Financial Administration and Police Departments. The legal level of budgetary control for the City is at the department level.

Criteria: Violation of State Law O.C.G.A. 36-81-3.

Cause: Unknown.

Effect: Non-compliance with budgetary law.

Recommendation: Adopt budgets for the general fund and all special revenue and debt service funds as required by state law. In addition, monitor expenditures during the year and amend as needed.

Management's Response: Management agrees with finding and will begin making changes to comply with all budget laws.