

**CITY OF SWAINSBORO, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

## TABLE OF CONTENTS

FINANCIAL SECTION	Page
Independent Auditor's Report	2
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet - Governmental Funds	6
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	8
Reconciliation of Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	9
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	10
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - American Rescue Plan Act	11
Statement of Net Position - Proprietary Funds	12
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	13
Statement of Cash Flows - Proprietary Funds	14
Notes to the Financial Statements	15
Required Supplementary Information:	
Schedule of Changes in Net Pension Liability and Related Ratios	39
Schedule of Contributions	40
Supplementary Information:	
Nonmajor Funds:	
Combining Balance Sheet	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	42
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	44
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	45
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	46
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Hotel/Motel Tax Fund	47
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Police Drug Fund	48
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Police Special Funds	49
Schedule of Projects Paid with SPLOST Proceeds	50
Source and Application of Funds Schedule - Community Development Block Grant	51
Project Cost Schedule - Community Development Block Grant	52
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 <i>Government Auditing Standards</i>	53

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## INDEPENDENT AUDITOR'S REPORT

To the City Council  
City of Swainsboro, Georgia

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Swainsboro, Georgia, as of and for the year ended November 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Swainsboro, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Swainsboro, Georgia, as of November 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and American Rescue Plan Act Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of 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 of Swainsboro, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Swainsboro, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Swainsboro, Georgia's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the Net Pension Liability and Related Ratios and the Schedule of Contributions on page 39 and 40 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.

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, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Swainsboro, Georgia's basic financial statements. The accompanying combining and individual fund statements and schedules, schedule of projects paid with SPLOST proceeds, CDBG source and application of funds schedule, and CDBG project cost schedule 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 accompanying combining and individual fund statements and schedules, schedule of projects paid with SPLOST proceeds, CDBG source and application of funds schedule, and CDBG project cost schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025 on our consideration of the City of Swainsboro, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Swainsboro, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Swainsboro, Georgia's internal control over financial reporting and compliance.

*Lanier, Deal & Deal*

Statesboro, Georgia  
June 27, 2025

**CITY OF SWAINSBORO, GEORGIA**  
**STATEMENT OF NET POSITION**  
**NOVEMBER 30, 2024**

	Primary Government			Component Unit
	Governmental	Business-type	Total	Downtown Development Authority
	Activities	Activities		
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 3,958,098	\$ 2,351,349	\$ 6,309,447	\$ 137,993
Restricted cash and cash equivalents	1,734,153	457,638	2,191,791	-
Certificates of deposit	627,679	107,051	734,730	-
Receivables:				
Accounts	149,947	127,483	277,430	-
Taxes	2,241,059	-	2,241,059	-
Intergovernmental	299,851	-	299,851	-
Interest	6,485	-	6,485	-
Internal balances	(176,537)	176,537	-	-
Inventory	2,361	-	2,361	-
Prepaid items	67,435	4,756	72,191	-
Net pension asset	736,802	-	736,802	-
Capital assets:				
Nondepreciable capital assets	3,398,224	1,257,129	4,655,353	-
Depreciable capital assets, net	12,623,849	14,084,331	26,708,180	46,750
Total Assets	25,669,406	18,566,274	44,235,680	184,743
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Resources related to pensions	955,277	-	955,277	-
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	344,303	670,398	1,014,701	29,532
Unearned revenue	1,959,174	-	1,959,174	-
Accrued liabilities	154,457	2,965	157,422	-
Other liabilities	8,335	-	8,335	-
Compensated absences payable	63,588	-	63,588	-
Customer deposits	-	254,093	254,093	-
Leases payable	140,478	-	140,478	-
Bonds payable	-	134,598	134,598	-
Notes payable	35,373	25,000	60,373	-
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	95,382	-	95,382	-
Leases payable (net of current portion)	550,944	-	550,944	-
Bonds payable (net of current portion)	-	4,787,793	4,787,793	-
Notes payable (net of current portion)	117,770	191,580	309,350	-
Total Liabilities	3,469,804	6,066,427	9,536,231	29,532
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Resources related to pensions	297,202	-	297,202	-
<b>NET POSITION</b>				
Net investment in capital assets	15,177,508	10,202,489	25,379,997	46,750
Restricted for:				
Capital projects	2,350,595	-	2,350,595	-
Debt service	-	457,638	457,638	-
Program purposes	566,767	-	566,767	-
Unrestricted	4,762,807	1,839,720	6,602,527	108,461
Total Net Position	\$ 22,857,677	\$ 12,499,847	\$ 35,357,524	\$ 155,211

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

Program/Function	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Governmental Activities:</b>								
General government	\$ 1,008,932	\$ 303,914	\$ 191,470	-	\$ (513,548)	-	\$ (513,548)	-
Public safety	4,148,036	588,765	212,903	-	(3,346,368)	-	(3,346,368)	-
Public works	2,607,447	1,395,545	6,271	\$ 696,341	(509,290)	-	(509,290)	-
Culture and recreation	621,812	25,364	7,459	-	(588,989)	-	(588,989)	-
Airport	397,290	-	219,560	-	(177,730)	-	(177,730)	-
Housing and development	500,114	27,395	454,714	300,000	281,995	-	281,995	-
Interest	72,169	-	-	-	(72,169)	-	(72,169)	-
<b>Total Governmental Activities</b>	<b>9,355,800</b>	<b>2,340,983</b>	<b>1,092,377</b>	<b>996,341</b>	<b>(4,926,099)</b>	<b>-</b>	<b>(4,926,099)</b>	<b>-</b>
<b>Business-Type Activities:</b>								
Water and Sewer	2,944,513	3,286,175	-	-	-	\$ 341,662	341,662	-
<b>Total Business-Type Activities</b>	<b>2,944,513</b>	<b>3,286,175</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>341,662</b>	<b>341,662</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 12,300,313</b>	<b>\$ 5,627,158</b>	<b>\$ 1,092,377</b>	<b>\$ 996,341</b>	<b>(4,926,099)</b>	<b>341,662</b>	<b>(4,584,437)</b>	<b>-</b>
<b>Component Unit</b>								
Downtown Development Authority	\$ 252,484	\$ 285,706	\$ -	\$ -				\$ 33,222
<b>General Revenues</b>								
Property taxes levied for:								
General purposes					2,244,589	-	2,244,589	-
Sales taxes					1,554,092	-	1,554,092	-
Insurance premium tax					708,594	-	708,594	-
Other taxes					1,161,481	-	1,161,481	-
Interest earned					17,474	6,609	24,083	116
Gain on sale of capital assets					121,162	7,695	128,857	-
Other					58,176	-	58,176	6,176
<b>Total General Revenues</b>					5,865,568	14,304	5,879,872	6,292
Transfers					(136,063)	136,063	-	-
Total General Revenues and Transfers					5,729,505	150,367	5,879,872	6,292
<b>Change in Net Position</b>					803,406	492,029	1,295,435	39,514
<b>Net Position, Beginning of Year</b>					22,054,271	12,007,818	34,062,089	115,697
<b>Net Position, End of Year</b>					<b>\$ 22,857,677</b>	<b>\$ 12,499,847</b>	<b>\$ 35,357,524</b>	<b>\$ 155,211</b>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
NOVEMBER 30, 2024

	General	American Rescue Plan Act	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 565,044	\$ 2,127,222	\$ 829,680	\$ 436,152	\$ 3,958,098
Restricted cash and cash equivalents	1,734,153	-	-	-	1,734,153
Certificates of deposit	627,679	-	-	-	627,679
Receivables:					
Taxes	2,216,157	-	-	24,902	2,241,059
Accounts	149,947	-	-	-	149,947
Intergovernmental	169,991	-	129,860	-	299,851
Interest	6,485	-	-	-	6,485
Inventory	2,361	-	-	-	2,361
Prepaid items	67,435	-	-	-	67,435
<b>TOTAL ASSETS</b>	<u>\$ 5,539,252</u>	<u>\$ 2,127,222</u>	<u>\$ 959,540</u>	<u>\$ 461,054</u>	<u>\$ 9,087,068</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 55,179	\$ 178,314	\$ 110,810	\$ -	\$ 344,303
Accrued liabilities	154,457	-	-	-	154,457
Interfund payable	174,523	-	-	2,014	176,537
Unearned revenue	10,266	1,948,908	-	-	1,959,174
Other liabilities	-	-	-	8,335	8,335
<b>TOTAL LIABILITIES</b>	<u>394,425</u>	<u>2,127,222</u>	<u>110,810</u>	<u>10,349</u>	<u>2,642,806</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	<u>1,048,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,048,563</u>
<b>FUND BALANCES</b>					
Nonspendable	69,796	-	-	-	69,796
Restricted	1,617,927	-	848,730	450,705	2,917,362
Unassigned	2,408,541	-	-	-	2,408,541
<b>TOTAL FUND BALANCES</b>	<u>4,096,264</u>	<u>-</u>	<u>848,730</u>	<u>450,705</u>	<u>5,395,699</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 5,539,252</u>	<u>\$ 2,127,222</u>	<u>\$ 959,540</u>	<u>\$ 461,054</u>	<u>\$ 9,087,068</u>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**NOVEMBER 30, 2024**

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**Amounts reported for governmental activities in the statement  
of net position are different because:**

Total Governmental Fund Balances			\$ 5,395,699
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:			
	Cost	\$ 28,452,099	
	Less accumulated depreciation	<u>(12,430,026)</u>	16,022,073
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds:			
	Property taxes		1,048,563
Deferred outflows and deferred inflows related to pensions is not reported in the governmental funds:			
	Deferred outflows of revenues	955,277	
	Deferred inflows of revenues	<u>(297,202)</u>	658,075
The City's net pension asset is not reported in the governmental funds but is in the statement of net position.			736,802
Notes payable are not due and payable in the current period and, therefore, are not reported in the funds but are reported in the statement of net position			(153,143)
Leases payable are not due and payable in the current period and, therefore, are not reported in the funds but are reported in the statement of net position			(691,422)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds but are reported in the statement of net position			<u>(158,970)</u>
<b>Net Position Of Governmental Activities</b>			<b><u><u>\$ 22,857,677</u></u></b>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	General	American Rescue Plan Act	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 5,094,171	-	-	\$ 191,756	\$ 5,285,927
Intergovernmental	1,261,219	\$ 464,525	\$ 360,715	-	2,086,459
Licenses and permits	329,699	-	-	-	329,699
Charges for services	1,440,063	-	-	-	1,440,063
Fines and forfeitures	479,908	-	-	91,311	571,219
Interest	12,854	4,061	2,259	560	19,734
Other	20,987	-	-	37,189	58,176
Total revenues	<u>8,638,901</u>	<u>468,586</u>	<u>362,974</u>	<u>320,816</u>	<u>9,791,277</u>
EXPENDITURES					
Current:					
General government	901,546	-	-	-	901,546
Public safety	3,718,018	-	-	120,027	3,838,045
Public works	2,347,393	-	-	-	2,347,393
Culture and recreation	544,157	7,600	-	-	551,757
Airport	267,167	-	-	-	267,167
Housing and development	512,996	-	-	231,744	744,740
Capital outlay:					
General government	-	-	12,409	-	12,409
Public safety	-	-	793,263	41,730	834,993
Public works	-	6,271	200,503	-	206,774
Culture and recreation	-	-	6,584	-	6,584
Housing and development	-	454,715	531,812	228,867	1,215,394
Debt service:					
Principal	14,658	-	226,045	-	240,703
Interest	151	-	72,018	-	72,169
Total expenditures	<u>8,306,086</u>	<u>468,586</u>	<u>1,842,634</u>	<u>622,368</u>	<u>11,239,674</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>332,815</u>	<u>-</u>	<u>(1,479,660)</u>	<u>(301,552)</u>	<u>(1,448,397)</u>
OTHER FINANCING SOURCES (USES)					
Lease financing	-	-	827,437	-	827,437
Sale of capital assets	69,342	-	-	51,820	121,162
Transfers out	-	-	(136,063)	-	(136,063)
Total other financing sources (uses)	<u>69,342</u>	<u>-</u>	<u>691,374</u>	<u>51,820</u>	<u>812,536</u>
NET CHANGE IN FUND BALANCES	402,157	-	(788,286)	(249,732)	(635,861)
FUND BALANCES, DECEMBER 1, 2023	<u>3,694,107</u>	<u>-</u>	<u>1,637,016</u>	<u>700,437</u>	<u>6,031,560</u>
FUND BALANCES, NOVEMBER 30, 2024	<u>\$ 4,096,264</u>	<u>\$ -</u>	<u>\$ 848,730</u>	<u>\$ 450,705</u>	<u>\$ 5,395,699</u>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

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**Amounts reported for governmental activities in the  
statement of activities are different because:**

Net Change In Fund Balances - Total Governmental Funds	\$ (635,861)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.

	Depreciation expense	\$ (1,032,736)	
	Capital outlay	<u>2,677,800</u>	1,645,064

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

	Property taxes:		
	Unavailable revenue @ 11/30/24	1,048,563	
	Unavailable revenue @ 11/30/23	<u>(665,734)</u>	382,829

Other financing sources from lease financing are reported on the fund level operating statement but are reported as a liability on the government-wide financial statements.	(827,437)
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Repayment of principal on notes payable and leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	240,703
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The change in the net pension asset and pension related deferred outflows and deferred inflows is reported on the government-wide statement of activities but not in the governmental funds.	(14,936)
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Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
	Liability @ 11/30/24
	Liability @ 11/30/23
	(158,970)
	<u>172,014</u>
	<u>13,044</u>

<b>Change In Net Position of Governmental Activities</b>	<b><u>\$ 803,406</u></b>
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See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Property	\$ 2,422,109	\$ 2,422,109	\$ 1,861,760	\$ (560,349)
Sales	1,355,000	1,355,000	1,554,092	199,092
Franchise	750,000	750,000	785,057	35,057
Insurance premium	600,000	600,000	708,594	108,594
Alcoholic beverage	205,000	205,000	184,668	(20,332)
Other	12,000	12,000	-	(12,000)
Licenses and permits	409,000	409,000	329,699	(79,301)
Intergovernmental	402,692	402,692	1,261,219	858,527
Charges for services	1,368,800	1,368,800	1,440,063	71,263
Fines and forfeitures	476,000	476,000	479,908	3,908
Interest	3,000	3,000	12,854	9,854
Other	73,000	73,000	20,987	(52,013)
Total revenues	<u>8,076,601</u>	<u>8,076,601</u>	<u>8,638,901</u>	<u>562,300</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,198,981	998,981	901,546	97,435
Public safety:				
Police	2,449,207	2,449,207	2,331,599	117,608
Fire	1,172,382	1,172,382	1,198,583	(26,201)
Animal control	197,504	197,504	187,836	9,668
Public works:				
Streets	1,391,793	1,591,793	1,447,802	143,991
Sanitation	810,000	810,000	899,591	(89,591)
Culture and recreation	583,456	583,456	544,157	39,299
Airport	200,000	200,000	267,167	(67,167)
Community development	282,087	282,087	512,996	(230,909)
Debt service:				
Principal	14,658	14,658	14,658	-
Interest	151	151	151	-
Total expenditures	<u>8,300,219</u>	<u>8,300,219</u>	<u>8,306,086</u>	<u>(5,867)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(223,618)</u>	<u>(223,618)</u>	<u>332,815</u>	<u>556,433</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	-	-	69,342	69,342
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>69,342</u>	<u>69,342</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (223,618)</u>	<u>\$ (223,618)</u>	<u>402,157</u>	<u>\$ 625,775</u>
<b>FUND BALANCE, DECEMBER 1, 2023</b>			<u>3,694,107</u>	
<b>FUND BALANCE, NOVEMBER 30, 2024</b>			<u>\$ 4,096,264</u>	

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**AMERICAN RESCUE PLAN ACT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	\$ -	\$ 4,061	\$ 4,061
Intergovernmental	-	464,525	464,525
Total revenues	-	468,586	468,586
EXPENDITURES			
Current:			
Culture and recreation	-	7,600	(7,600)
Capital outlay:			
Public works	-	6,271	(6,271)
Housing and development		454,715	(454,715)
Total expenditures	-	468,586	(468,586)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	-	\$ -
FUND BALANCE, DECEMBER 1, 2023		-	
FUND BALANCE, NOVEMBER 30, 2024		\$ -	

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**NOVEMBER 30, 2024**

	Water and Sewer
<b>ASSETS</b>	
Current Assets	
Cash and cash equivalents	\$ 2,351,349
Restricted cash and cash equivalents	457,638
Certificates of deposit	107,051
Accounts receivable	127,483
Interfund receivable	176,537
Prepaid items	4,756
Total Current Assets	<u>3,224,814</u>
Noncurrent Assets	
Capital Assets, Net	15,341,460
Total Assets	<u>18,566,274</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable	670,398
Accrued liabilities	2,965
Customer deposits	254,093
Notes payable	25,000
Bonds payable	134,598
Total Current Liabilities	<u>1,087,054</u>
Long-term Liabilites	
Notes payable (net of current portion)	191,580
Bonds payable (net of current portion)	4,787,793
Total Long-term Liabilites	<u>4,979,373</u>
Total Liabilities	<u>6,066,427</u>
<b>NET POSITION</b>	
Net investment in capital assets	10,202,489
Restricted for debt service	457,638
Unrestricted	1,839,720
Total Net Position	<u><u>\$ 12,499,847</u></u>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Water and Sewer
OPERATING REVENUES	
Charges for services	\$ 3,281,735
Other	4,440
Total operating revenues	<u>3,286,175</u>
OPERATING EXPENSES	
Personal services	54,124
Purchased services	1,315,153
Materials and supplies	490,959
Other	147,951
Depreciation	823,430
Total operating expenses	<u>2,831,617</u>
OPERATING INCOME (LOSS)	<u>454,558</u>
NONOPERATING REVENUE (EXPENSE)	
Interest income	6,609
Interest expense	(112,896)
Gain on sale of capital assets	7,695
Total nonoperating revenue (expense)	<u>(98,592)</u>
INCOME (LOSS) BEFORE TRANSFERS	355,966
Transfers in	<u>136,063</u>
CHANGE IN NET POSITION	492,029
NET POSITION, DECEMBER 1, 2023	<u>12,007,818</u>
NET POSITION, NOVEMBER 30, 2024	<u><u>\$ 12,499,847</u></u>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Water and Sewer
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 3,376,303
Cash payments for employees	(54,470)
Cash payments for goods and services	(1,283,665)
Net cash provided by (used by) operating activities	<u>2,038,168</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Advances from (to) other funds	319,190
Net cash provided by (used by) noncapital financing activities	<u>319,190</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchases of capital assets	(842,694)
Payments on notes payable	(25,000)
Payments on bonds payable	(131,299)
Interest paid	(112,896)
Proceeds from sale of capital assets	7,695
Transfers from other funds	136,063
Net cash provided by (used by) capital and related financing activities	<u>(968,131)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Increase in certificates of deposit	(2,103)
Interest received	6,609
Net cash provided by (used by) investing activities	<u>4,506</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,393,733
<b>CASH AND CASH EQUIVALENTS, DECEMBER 1, 2023</b>	<u>1,415,254</u>
<b>CASH AND CASH EQUIVALENTS, NOVEMBER 30, 2024</b>	<u><u>\$ 2,808,987</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED BY) OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ 454,558
Adjustments:	
Depreciation	823,430
(Increase) decrease in operating assets:	
Accounts receivable	87,317
Prepaid items	(1,121)
Increase (decrease) in operating liabilities:	
Accounts payable	670,398
Accrued liabilities	775
Customer deposits	2,811
Net cash provided by (used by) operating activities	<u><u>\$ 2,038,168</u></u>

See accompanying notes to the basic financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2024**

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The City of Swainsboro, Georgia (the City) was established in 1822. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, culture and recreation, water and sewer, and various administrative services.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise fund at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

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

**1-A. Reporting Entity**

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

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

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

A brief description of the City's discretely presented component unit follows:

**City of Swainsboro Downtown Development Authority** (the Authority) – The City of Swainsboro Downtown Development Authority was activated to invigorate the local economy and social strength of the community, while maintaining the historic charm and financial viability of the City. The City appoints the members of the Authority's board and assists with its funding. There are no separate financial statements for the Authority.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1-B. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-wide Financial Statements** – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes, grants and the City's general revenues, from business-type activities, generally financed in whole or part with service charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

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

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Major individual governmental funds are reported in separate columns.

**Fund Accounting** – The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

**Governmental Funds** – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance.

The following are the City’s major governmental funds:

***General Fund*** – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund’s fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

***American Rescue Plan Act Fund*** – This fund accounts for all Local Fiscal Recovery Funds received by the City through the American Rescue Plan Act of 2021.

***SPLOST Capital Projects Fund*** – This fund accounts for the special purpose local option sales tax collected pursuant to a referendum for various capital improvements within the City.

**Proprietary Funds** – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds and internal service funds. The City’s only major enterprise fund is the water and sewer fund which accounts for the water and sewer provided to its constituents.

**1-C. Measurement Focus**

**Government-wide Financial Statements** – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses.

**Fund Financial Statements** – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**1-D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis in accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows, and in the presentation of expenses versus expenditures.

**Revenues – Exchange Transactions** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

**Revenues – Non-exchange Transactions** – Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

**Expenses/Expenditures** – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1-E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position**

**Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Investments are stated at fair value based on quoted market prices.

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

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

**Receivables**

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. The general fund reported an allowance for uncollectible taxes of \$57,585 at November 30, 2024.

**Interfund Balances**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

**Consumable Inventories**

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond November 30, 2024, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable since this amount is not available for general appropriation.

**Restricted Assets – Cash and Cash Equivalents**

Restricted cash includes amounts set aside for specific purposes and to meet the requirements of applicable debt covenants of the water and sewer debt.

**Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges and water and sewer lines. For roads and bridges, the City has only capitalized infrastructure constructed after December 31, 2003. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Useful Lives	
	Governmental Activities	Business-type Activities
Building and improvements	30-50 years	20-35 years
Infrastructure	15-50 years	5-50 years
Machinery and equipment	5-15 years	5-15 years

**Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The total compensated absence liability is reported on the government-wide financial statements. The proprietary fund reports the total compensated liability at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only “*when due.*”

**Accrued Liabilities and Long-term Obligations**

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

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

**Bond Premiums, Discounts and Issuance Costs**

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts are amortized over the life of the bonds using the effective interest method and bond issuance costs are expensed in the current period.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is resources related to pensions reported at the government-wide level for governmental and business-type activities and at the fund level for enterprise funds.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has an item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The City also has deferred inflows of resources related to its pension plan reported at the government-wide level for governmental and business-type activities and at the fund level for its proprietary funds.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

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

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

***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City Council’s intent to be used for specific purposes, but are neither restricted nor committed.

***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 balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

**Net Position** – Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is 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. All other net position is reported as unrestricted.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and sewer. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund and include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between governmental and business-type activities are eliminated from the total column.

**Estimates**

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

**Leases**

**Lessee** - The City of Swainsboro recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements for noncancellable leases of equipment. The City of Swainsboro recognizes lease liabilities with an initial individual value of \$10,000 or more.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

At the commencement of a lease, the City of Swainsboro initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City of Swainsboro determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City of Swainsboro uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City of Swainsboro generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City of Swainsboro is reasonably certain to exercise.

The City of Swainsboro monitors changes in circumstances that would require a remeasurement of a lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Lessor** –The City of Swainsboro had no lease receivables at November 30, 2024.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

The City adopts an annual operating budget for the general fund, special revenue fund, and the capital projects funds. The budget resolution reflects the total of each department’s appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the City Council.

All unexpended annual appropriations lapse at year-end.

**Excess of Expenditures over Appropriations**

For the year ended November 30, 2024, expenditures exceed appropriations for the following departments within the general fund:

Fire	\$ 26,201
Sanitation	89,591
Airport	67,167
Community development	230,909

These over expenditures were funded by additional revenues over amounts budgeted.

Expenditures exceeded appropriations for the following special revenue funds:

American Rescue Plan Act Fund	\$ 468,586
Hotel/Motel Tax Fund	460,111
Police Drug Fund	34,560
Police Special Funds	127,197

These over expenditures were funded by additional revenues over amounts budgeted and available fund balance.

CITY OF SWAINSBORO, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

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NOTE 3 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk.

At November 30, 2024, the carrying amount of the City’s deposits (checking and certificates of deposit) was \$9,235,968 and the bank balance was \$9,786,427. Of the bank balance, \$657,022 was covered by federal depository insurance, and \$9,129,405 was collateralized with securities held by the pledging financial institution’s trust department or agent in the City’s name.

Discretely Presented Component Unit

At November 30, 2024, the carry amount of deposits for the City of Swainsboro Downtown Development Authority was \$137,993 and the bank balance was \$131,086 which was covered by federal depository insurance.

NOTE 4 – PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Property taxes were levied on November 14, 2024. The City bills and collects its own property taxes. Property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For the year ended November 30, 2024, property taxes were billed on December 26, 2024, and were due February 28, 2025.

NOTE 5 – RECEIVABLES

Receivables at November 30, 2024, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants.

Receivables are recorded on the City’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

NOTE 6 – INTERFUND BALANCES AND TRANSFERS

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water Sewer	Hotel Motel Tax	\$ 2,014
	General Fund	174,523
		<u>\$ 176,537</u>

Interfund balances at November 30, 2024 represent charges for services or reimbursable expenses. The City expects to repay all interfund balances within one year.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 6 – INTERFUND BALANCES AND TRANSFERS (continued)**

Interfund transfers for the year ended November 30, 2024, consisted of the following:

	Transfers from:	
	SPLOST	
Transfer To:	Fund	Total
Water and Sewer Fund	\$ 136,063	\$ 136,063

The interfund transfers of \$136,063 made to the water and sewer fund were to help fund water and sewer system improvements.

**NOTE 7 – FUND BALANCES – GOVERNMENTAL FUNDS**

As of November 30, 2024, fund balances are composed of the following:

	General Fund	American Rescue Plan Act Fund	SPLOST Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventory	\$ 2,361	-	-	-	\$ 2,361
Prepaid items	67,435	-	-	-	67,435
Restricted:					
Capital projects	-	-	\$ 848,730	-	848,730
Police	-	-	-	\$ 148,687	148,687
Streets	1,413,235	-	-	-	1,413,235
Community development	-	-	-	302,018	302,018
Cemetery	204,692	-	-	-	204,692
Unassigned	2,408,541	-	-	-	2,408,541
Total fund balances	<u>\$ 4,096,264</u>	<u>\$ -</u>	<u>\$ 848,730</u>	<u>\$ 450,705</u>	<u>\$ 5,395,699</u>

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 8 – CAPITAL ASSETS**

Capital asset activity for the year ended November 30, 2024 was as follows:

	Balance 12/1/2023	Additions	Deletions	Balance 11/30/2024
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,207,930	-	-	\$ 1,207,930
Construction in progress	1,770,926	\$ 1,578,631	\$1,159,263	2,190,294
Total capital assets not being depreciated	2,978,856	1,578,631	1,159,263	3,398,224
Capital assets being depreciated:				
Building and improvements	10,293,110	6,584	-	10,299,694
Machinery and equipment	4,143,590	265,148	-	4,408,738
Infrastructure	8,296,396	1,159,263	-	9,455,659
Right-to-use leased equipment	62,347	827,437	-	889,784
Total capital assets being depreciated	22,795,443	2,258,432	-	25,053,875
Total capital assets	25,774,299	3,837,063	1,159,263	28,452,099
Accumulated depreciation				
Building and improvements	4,590,586	283,526	-	4,874,112
Machinery and equipment	3,167,462	292,121	-	3,459,583
Infrastructure	3,638,203	319,285	-	3,957,488
Right-to-use leased equipment	1,039	137,804	-	138,843
Total accumulated depreciation	11,397,290	1,032,736	-	12,430,026
Governmental activities capital assets, net	\$14,377,009	\$ 2,804,327	\$1,159,263	\$16,022,073

Governmental activities depreciation expense:

General government	\$ 99,089
Public safety	374,981
Public works	239,029
Airport	180,344
Culture and recreation	86,276
Housing and development	53,017
Total governmental activities depreciation expense	<u>\$ 1,032,736</u>

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 8 – CAPITAL ASSETS (Continued)**

The following table presents the changes in capital assets for the City's enterprise fund:

	Balance 12/1/2023	Additions	Deletions	Balance 11/30/2024
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 520,300	-	\$ -	\$ 520,300
Construction in progress	101,611	\$ 635,218	-	736,829
Total capital assets not being depreciated	621,911	635,218	-	1,257,129
Capital assets being depreciated				
Buildings	31,319	-	-	31,319
Infrastructure	32,708,187	13,648	-	32,721,835
Machinery and equipment	917,917	193,828	-	1,111,745
Total capital assets being depreciated	33,657,423	207,476	-	33,864,899
Total capital assets	34,279,334	842,694	-	35,122,028
Accumulated depreciation				
Buildings	29,882	1,029	-	30,911
Infrastructure	18,100,049	801,225	-	18,901,274
Machinery and equipment	827,207	21,176	-	848,383
Total accumulated depreciation	18,957,138	823,430	-	19,780,568
Business-type capital assets, net	\$15,322,196	\$ 19,264	\$ -	\$15,341,460

The following table presents the changes in capital assets for the City's component unit:

	Balance 12/1/2023	Additions	Deletions	Balance 11/30/2024
Component Unit - City of Swainsboro				
Downtown Development Authority				
Capital assets being depreciated:				
Building and improvements	\$ 110,000	\$ -	\$ -	\$ 110,000
Accumulated depreciation				
Building and improvements	60,500	2,750	-	63,250
Component unit capital assets, net	\$ 49,500	\$ 2,750	\$ -	\$ 46,750

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 9 – LEASES**

**City as Lessee**

The City, as a lessee, has entered into lease agreements for police vehicles.

The total of the City's leased assets are recorded at \$889,784, less accumulated depreciation of \$138,843.

The future lease payments under lease agreements are as follows:

Year Ending November 30	Leases - Governmental Activities		
	Principal	Interest	Total
2025	\$ 140,478	\$ 50,063	\$ 190,541
2026	152,107	38,434	190,541
2027	164,690	25,851	190,541
2028	178,315	12,226	190,541
2029	55,832	1,125	56,957
	<u>\$ 691,422</u>	<u>\$ 127,699</u>	<u>\$ 819,121</u>

**NOTE 10 – NOTES PAYABLE**

Notes payable at November 30, 2024 consisted of the following:

**Governmental Activities**

\$117,070 note payable to JCB Finance for a 3CX-14 backhoe loader, payable in 6 yearly installments of \$22,223 including interest at 5.52%, through March 2028. 77,859

\$113,950 note payable to JCB Finance for a 3CX-15 backhoe loader, payable in 6 yearly installments of \$21,631 including interest at 5.52%, through February 2028. 75,284  
\$ 153,143

**Business- type Activities**

\$500,000 loan from Georgia Environmental Facilities Authority (GEFA) for water tank construction project, payable in monthly installments of \$2,803 with 0% interest, through September 2032. \$ 195,833

\$1,261,000 loan from GEFA for water tank construction project, \$20,747 drawn on loan as of November 30, 2024, repayment to be over 240 months with interest at 1.13% starting after loan is fully disbursed. 20,747  
\$ 216,580

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 10 – NOTES PAYABLE (continued)**

As of November 30, 2024, annual debt service requirements for notes payable are as follows:

Year Ending November 30	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 35,373	\$ 8,481	\$ 43,854	\$ 25,000	\$ -	\$ 25,000
2026	37,326	6,528	43,854	45,747	-	45,747
2027	39,386	4,468	43,854	25,000	-	25,000
2028	41,058	2,796	43,854	25,000	-	25,000
2029	-	-	-	25,000	-	25,000
2030-2032	-	-	-	70,833	-	70,833
	<u>\$ 153,143</u>	<u>\$ 22,273</u>	<u>\$ 175,416</u>	<u>\$ 216,580</u>	<u>\$ -</u>	<u>\$ 216,580</u>

**NOTE 11 – WATER AND SEWER SYSTEM REVENUE BOND**

In 2011, the City issued \$6,413,000 in a City of Swainsboro Water and Sewer System Revenue Bond, Series 2011. The bond was issued to construct a water treatment plant.

The bond is secured by a lien on the revenues of the water and sewer system. The City is required to maintain a reserve account and a renewal/short-lived assets account. \$2,033 per month is to be deposited in the reserve account until \$243,960 is accumulated. \$26,700 annually is to be deposited in the renewal/short-lived asset account until \$165,500 is accumulated.

The bond has an interest rate of 2.25 percent. The bond requires monthly principal and interest payments of \$20,330.

As of November 30, 2024, annual debt service requirements for the series 2011 revenue bond is as follows:

Year Ending November 30	Principal	Interest	Total
2025	\$ 134,598	\$ 109,362	\$ 243,960
2026	137,655	106,305	243,960
2027	140,784	103,176	243,960
2028	143,708	100,252	243,960
2029	147,255	96,705	243,960
2030-2034	787,784	432,016	1,219,800
2035-2039	881,532	338,268	1,219,800
2040-2044	986,331	233,469	1,219,800
2045-2049	1,103,883	115,917	1,219,800
2050-2051	458,861	8,729	467,590
	<u>\$4,922,391</u>	<u>\$1,644,199</u>	<u>\$6,566,590</u>

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 12 – CHANGES IN LONG-TERM DEBT**

	Outstanding December 1, 2023	Additions	Deletions	Outstanding November 30, 2024	Amounts Due in One Year
Governmental Activities					
Notes payable	\$ 201,324	-	\$ 48,181	\$ 153,143	\$ 35,373
Leases payable	56,508	\$ 827,437	192,523	691,422	140,478
Compensated absences	172,014	-	13,044	158,970	63,588
Total governmental activities	<u>\$ 247,594</u>	<u>\$ 827,437</u>	<u>\$ 253,748</u>	<u>\$ 1,003,535</u>	<u>\$ 239,439</u>
Business-Type Activities					
Bonds payable	\$ 5,053,690	\$ -	\$ 131,299	\$ 4,922,391	\$ 134,598
Notes payable	241,580	-	25,000	216,580	25,000
Total business-type activities	<u>\$ 5,448,958</u>	<u>\$ -</u>	<u>\$ 156,299</u>	<u>\$ 5,138,971</u>	<u>\$ 159,598</u>

Notes and leases payable for governmental activities will be paid from the General Fund and SPLOST funds. Principal and interest payments related to bonds payable and notes payable for the City’s Water and Sewer System are financed from income derived from the operation of the Water and Sewer System. Compensated absences will be paid from the General Fund.

**NOTE 13 – EMPLOYEE RETIREMENT PLAN**

Plan Description

The City’s defined benefit pension plan, the City of Swainsboro Retirement Plan (the “Plan”), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Benefits Provided

The Plan provides retirement benefits to eligible employees of the City. All regular employees meeting the eligibility requirements are covered under the plan. Elected or appointed members of the City and municipal legal officers are not eligible to participate in the plan. In order to be eligible for participation, regular employees must work a minimum of twenty hours per week for at least five months per year. Regular employees qualify for immediate participation in the plan and participation is mandatory for all eligible employees.

Plan participants are eligible to receive early retirement benefits at the age of fifty-five with the completion of ten years of total credited service. Normal retirement benefits may be received at the age of sixty-five with five years of total credited service.

**NOTE 13 – EMPLOYEE RETIREMENT PLAN (Continued)**

Normal retirement benefits are calculated based on a percentage of 1.00-1.75 percent of final average earnings multiplied by years of total credited service as an eligible regular employee. The number of years of total credited service which may be used to calculate the benefit is not limited. Monthly benefits are paid at 1/12<sup>th</sup> of the calculated amount. The same formula is used for all participants who are regular employees. Final average earnings are the annual average of earnings paid to a participant by the City for the five consecutive years of credited service preceding the participant’s most recent termination in which the participant’s earnings were the highest.

Final average earnings for participants electing to receive early retirement benefits are reduced by a percentage ranging from 50 percent to 93 percent depending on the number of years benefits are received prior to normal retirement age.

Disability retirement benefits shall be computed in the same manner as the normal retirement benefit, based upon the participant’s accrued benefit as of his disability retirement date. The minimum disability benefit will be no less than 20% of the participant’s average monthly earnings for the twelve calendar month period immediately preceding his termination of employment as a result of a disability.

In-service death benefits are payable to the participant’s pre-retirement beneficiary, equal to the decreased monthly retirement benefit that would have otherwise been payable to the participant, had he elected a 100% joint and survivor benefit under the plan. In order to be eligible for this benefit, a participant must be eligible for early or normal retirement.

Employees Covered by Benefit Terms

At January 1, 2024, the most recent actuarial valuation, there were 131 participants as follows:

Active participants	57
Retirees and beneficiaries	50
Vested former employees	19
Active elected officials	5
	<u>131</u>

Contributions

The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The estimated minimum annual contribution under these standards is \$0. This minimum contribution has been determined as the sum of 1) the normal cost (including administrative expenses), 2) the 30-year level percentage of payroll amortization of the unfunded actuarial accrued liability or the 10-year level percentage of payroll amortization of the surplus, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards.

CITY OF SWAINSBORO, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 – EMPLOYEE RETIREMENT PLAN (Continued)

Net Pension Liability (Asset)

The City’s net pension liability (asset) was measured as of January 1, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of November 30, 2023.

Actuarial Assumptions

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

Inflation	2.25 percent
Salary increases	Range of 3.00 to 8.50 percent, including inflation
Investment rate of return	7.375 percent, net of pension plan investment expenses, including inflation

Mortality rates were based on the Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

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

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

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

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 13 – EMPLOYEE RETIREMENT PLAN (Continued)**

Discount Rate

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

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (c)=(a) - (b)
Balance at November 30, 2022	\$ 7,760,012	\$ 8,956,610	\$ (1,196,598)
Changes for the year:			
Service cost	82,225	-	82,225
Interest	557,767	-	557,767
Contributions from employer	-	20,276	(20,276)
Net investment income	-	567,947	(567,947)
Difference between expected and actual experience	388,384	-	388,384
Benefit payments, including refunds of employee contributions	(558,592)	(558,592)	-
Administrative expenses	-	(19,643)	19,643
Other	-	-	-
Net Changes	469,784	9,988	459,796
Balance at November 30, 2023	\$ 8,229,796	\$ 8,966,598	\$ (736,802)

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 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.375 percent) or one percentage point higher (8.375 percent) than the current rate:

	Discount Rate - 1% (6.375%)	Current Discount Rate (7.375%)	Discount Rate + 1% (8.375%)
City's net pension liability	\$201,707	(\$736,802)	(\$1,520,866)

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 13 – EMPLOYEE RETIREMENT PLAN (Continued)**

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

For the year ended November 30, 2024, the City recognized pension expense of \$33,282. At November 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in expected and actual experience	\$ 349,412	\$ (297,202)
Changes in assumptions	-	-
Employer contributions after measurement date	19,863	-
Net difference between projected and actual net investment income	586,002	-
	<u>\$ 955,277</u>	<u>\$ (297,202)</u>

City contributions subsequent to the measurement date of \$19,863 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending November 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending November 30</u>	
2025	\$ 69,546
2026	117,613
2027	436,647
2028	14,406
	<u>\$ 638,212</u>

**NOTE 14 – COMMITMENTS AND CONTINGENT LIABILITIES**

As of November 30, 2024 there was no pending litigation that would have a material effect on the financial statements.

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 15 – 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; workers' compensation claims; and natural disasters. The City carries commercial insurance to cover these risks.

The City joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by the City's management based on the anticipated needs. The City is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, as well as following loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the City in defense and settlement of claims. GIRMA's basis for establishing the liabilities for unpaid claims is "IBNR" established by an actuary. The City has not compiled a record of claims paid up to the applicable deductible for the prior year or the current fiscal year. The City is unaware of any claims for which the City is liable (up to the applicable deductible) which were outstanding and unpaid at November 30, 2024. No provisions have been made in the financial statements for the year ended November 30, 2024 for any estimate of potential unpaid claims.

The City has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (the Fund). As a participant in the Fund, the City has no legal obligation to pay its own workers' compensation claims. The City is required to make an annual contribution to the Fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the City's annual contribution, the City has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the Fund permits the Fund to levy an assessment upon its members to make up any deficiency the Fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

**NOTE 16 – JOINT VENTURE**

Under Georgia law, the City, in conjunction with other cities and counties in the Middle Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During the year ended November 30, 2024, the City paid \$7,425 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Regional Council membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Commission  
501 Oak Street  
Eastman, Georgia 31023

**CITY OF SWAINSBORO, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 17 – HOTEL/MOTEL TAXES**

The City levies a 5% lodging tax. A summary of the transactions in the hotel/motel tax fund for the year ended November 30, 2024 follows:

Fund balance, December 1, 2023	\$ 481,243
Add hotel/motel taxes and investment earnings	192,256
Less expenditures	<u>(460,111)</u>
Fund balance, November 30, 2024	<u>\$ 213,388</u>

Expenditures of \$460,111 were for promotion of tourism as required by OCGA 48-13-51.

**NOTE 18 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 27, 2025 the date that the financial statements were available for issue. No subsequent events requiring disclosure in the financial statements were noted.

**CITY OF SWAINSBORO, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF SWAINSBORO RETIREMENT PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Fiscal Year End								
	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total pension liability</b>									
Service cost	\$ 82,225	\$ 101,189	\$ 90,241	\$ 93,195	\$ 111,790	\$ 106,312	\$ 101,808	\$ 89,074	\$ 91,846
Interest	557,767	589,815	556,955	536,612	525,068	511,312	525,326	517,174	498,108
Differences between expected and actual experience	388,384	(594,403)	232,495	83,250	90,606	(22,696)	(148,073)	(82,695)	66,286
Changes of assumptions	-	-	-	-	(3,912)	-	(126,933)	-	-
Benefit payments, including refunds of employee contributions	(558,592)	(465,779)	(424,377)	(444,175)	(415,344)	(418,658)	(420,014)	(416,726)	(403,729)
Other changes	-	-	-	-	-	-	-	-	-
<b>Net change in total pension liability</b>	469,784	(369,178)	455,314	268,882	308,208	176,270	(67,886)	106,827	252,511
<b>Total pension liability-beginning</b>	7,760,012	8,129,190	7,673,876	7,404,994	7,096,786	6,920,516	6,988,402	6,881,575	6,629,084
<b>Total pension liability-ending (a)</b>	<u>\$ 8,229,796</u>	<u>\$ 7,760,012</u>	<u>\$ 8,129,190</u>	<u>\$ 7,673,876</u>	<u>\$ 7,404,994</u>	<u>\$ 7,096,786</u>	<u>\$ 6,920,516</u>	<u>\$ 6,988,402</u>	<u>\$ 6,881,595</u>
<b>Plan fiduciary net position</b>									
Contributions-employer	\$ 20,276	\$ 21,254	\$ 20,223	\$ 21,606	\$ 18,502	\$ 151,061	\$ 150,087	\$ 130,048	\$ 138,271
Net investment income	567,947	(882,927)	1,515,973	1,142,490	965,339	130,235	1,286,225	361,391	215,620
Benefit payments, including refunds of employee contributions	(558,592)	(465,779)	(424,377)	(444,175)	(415,344)	(418,658)	(420,014)	(416,726)	(403,729)
Administrative expense	(19,643)	(20,088)	(21,027)	(19,675)	(18,655)	(19,448)	(19,965)	(12,077)	(13,407)
<b>Net change in plan fiduciary net position</b>	9,988	(1,347,540)	1,090,792	700,246	549,842	(156,810)	996,333	62,636	(63,245)
<b>Plan fiduciary net position-beginning</b>	8,956,610	10,304,150	9,213,358	8,513,112	7,963,270	8,120,080	7,123,747	7,061,111	7,124,366
<b>Plan fiduciary net position-ending (b)</b>	<u>\$ 8,966,598</u>	<u>\$ 8,956,610</u>	<u>\$ 10,304,150</u>	<u>\$ 9,213,358</u>	<u>\$ 8,513,112</u>	<u>\$ 7,963,270</u>	<u>\$ 8,120,080</u>	<u>\$ 7,123,747</u>	<u>\$ 7,061,121</u>
<b>Net pension liability (asset)-ending (a)-(b)</b>	<u>\$ (736,802)</u>	<u>\$ (1,196,598)</u>	<u>\$ (2,174,960)</u>	<u>\$ (1,539,482)</u>	<u>\$ (1,108,118)</u>	<u>\$ (866,484)</u>	<u>\$ (1,199,564)</u>	<u>\$ (135,345)</u>	<u>\$ (179,526)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	108.95%	115.42%	126.75%	120.06%	114.96%	112.21%	117.33%	101.94%	102.61%
<b>Covered-employee payroll</b>	3,220,478	2,470,982	2,915,453	2,674,955	2,560,994	2,552,052	2,435,693	2,104,249	1,997,936
<b>Net pension liability (asset) as a percentage of covered-employee payroll</b>	-22.88%	-48.43%	-74.60%	-57.55%	-43.27%	-33.95%	-49.25%	-6.43%	-8.99%

Note: Only fiscal years 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, and 2016 were available. The City will continue to present information for years available until a full 10-year trend is compiled.

**Notes to Schedule:**

*Changes of assumptions*

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

*Benefit changes*

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

**CITY OF SWAINSBORO, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF SWAINSBORO RETIREMENT PLAN**  
**SCHEDULE OF CONTRIBUTIONS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

				Fiscal Year End				
	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	*	\$ 22,119	\$ 21,254	\$ 20,223	\$ 19,924	\$ 151,061	\$ 138,264	\$ 141,871
Contributions in relation to the actuarially determined contribution	*	20,276	21,254	20,223	21,606	151,061	150,087	130,048
Contribution deficiency (excess)	*	\$ 1,843	\$ -	\$ -	\$ (1,682)	\$ -	\$ (11,823)	\$ 11,823
Covered-employee payroll	*	\$2,470,982	\$2,915,453	2,674,955	2,560,994	2,435,693	2,104,249	1,997,936
Contributions as a percentage of covered-employee payroll	*	0.82%	0.73%	0.76%	0.84%	6.20%	7.13%	6.51%

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

**Notes to Schedule:**

Valuation Date                      The actuarially determined contribution rate was determined as of January 1, 2024, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending November 30, 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	N/A

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.
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Actuarial Assumptions:

Inflation Rate	2.250%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	2.25% for participants terminated on or after December 1, 1979; N/A otherwise
Retirement Age	Rates Based on Age and History
Mortality	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25

**CITY OF SWAINSBORO, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**NOVEMBER 30, 2024**

	Nonmajor Capital Projects Funds	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash	\$ 88,630	\$ 347,522	\$ 436,152
Taxes receivable	-	24,902	24,902
<b>TOTAL ASSETS</b>	<u><u>\$ 88,630</u></u>	<u><u>\$ 372,424</u></u>	<u><u>\$ 461,054</u></u>
<b>LIABILITIES</b>			
Interfund payable	-	\$ 2,014	\$ 2,014
Other liabilities	-	8,335	8,335
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>10,349</u>	<u>10,349</u>
<b>FUND BALANCES</b>			
Restricted	<u>\$ 88,630</u>	<u>362,075</u>	<u>450,705</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 88,630</u></u>	<u><u>\$ 372,424</u></u>	<u><u>\$ 461,054</u></u>

**CITY OF SWAINSBORO, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Nonmajor Capital Projects Funds	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	-	\$ 191,756	\$ 191,756
Fines and forfeitures	-	91,311	91,311
Interest	\$ 157	403	560
Other	-	37,189	37,189
Total revenues	<u>157</u>	<u>320,659</u>	<u>320,816</u>
EXPENDITURES			
Current:			
Housing and development	500	231,244	231,744
Public safety	-	120,027	120,027
Capital outlay:			
Public safety	-	41,730	41,730
Housing and development	-	228,867	228,867
Total expenditures	<u>500</u>	<u>621,868</u>	<u>622,368</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(343)</u>	<u>(301,209)</u>	<u>(301,552)</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	-	51,820	51,820
Total other financing sources (uses)	<u>-</u>	<u>51,820</u>	<u>51,820</u>
NET CHANGE IN FUND BALANCE	(343)	(249,389)	(249,732)
FUND BALANCE, DECEMBER 1, 2023	<u>88,973</u>	<u>611,464</u>	<u>700,437</u>
FUND BALANCE, NOVEMBER 30, 2024	<u>\$ 88,630</u>	<u>\$ 362,075</u>	<u>\$ 450,705</u>

**CITY OF SWAINSBORO, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**NOVEMBER 30, 2024**

	Dixie Theater	Community Development Block Grant	Total Nonmajor Capital Projects Funds
ASSETS			
Cash	\$ 88,630	\$ -	\$ 88,630
FUND BALANCES			
Restricted	\$ 88,630	\$ -	\$ 88,630

**CITY OF SWAINSBORO, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	<u>Dixie Theater</u>	<u>Community Development Block Grant</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES			
Interest	\$ 157	\$ -	\$ 157
Total revenues	<u>157</u>	<u>-</u>	<u>157</u>
EXPENDITURES			
Current:			
Housing and development	<u>500</u>	<u>-</u>	<u>500</u>
Total expenses	<u>500</u>	<u>-</u>	<u>500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(343)	-	(343)
FUND BALANCE, DECEMBER 1, 2023	<u>88,973</u>	<u>-</u>	<u>88,973</u>
FUND BALANCE, NOVEMBER 30, 2024	<u>\$ 88,630</u>	<u>\$ -</u>	<u>\$ 88,630</u>

**CITY OF SWAINSBORO, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**NOVEMBER 30, 2024**

	Hotel Motel Tax	Police Drug Fund	Police Special Funds	Total Nonmajor Special Revenue Funds
ASSETS				
Cash	\$ 190,500	\$ 140,871	\$ 16,151	\$ 347,522
Taxes receivable	24,902	-	-	24,902
TOTAL ASSETS	<u>\$ 215,402</u>	<u>\$ 140,871</u>	<u>\$ 16,151</u>	<u>\$ 372,424</u>
LIABILITIES				
Interfund payable	\$ 2,014	-	-	\$ 2,014
Other liabilities	-	-	\$ 8,335	8,335
TOTAL LIABILITIES	<u>2,014</u>	<u>-</u>	<u>8,335</u>	<u>10,349</u>
FUND BALANCES				
Restricted	<u>213,388</u>	<u>\$ 140,871</u>	<u>7,816</u>	<u>362,075</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 215,402</u>	<u>\$ 140,871</u>	<u>\$ 16,151</u>	<u>\$ 372,424</u>

**CITY OF SWAINSBORO, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Hotel Motel Tax	Police Drug Fund	Police Special Funds	Total Nonmajor Special Revenue Funds
REVENUES				
Taxes	\$ 191,756	-	-	\$ 191,756
Fines and forfeitures	-	\$ 55,477	\$ 35,834	91,311
Interest	403	-	-	403
Other	97	18,584	18,508	37,189
Total revenues	<u>192,256</u>	<u>74,061</u>	<u>54,342</u>	<u>320,659</u>
EXPENDITURES				
Current:				
Housing and development	231,244	-	-	231,244
Public safety	-	11,476	108,551	120,027
Capital outlay:				
Housing and development	228,867	-	-	228,867
Public safety	-	23,084	18,646	41,730
Total expenditures	<u>460,111</u>	<u>34,560</u>	<u>127,197</u>	<u>621,868</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(267,855)	39,501	(72,855)	(301,209)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	<u>-</u>	<u>-</u>	<u>51,820</u>	<u>51,820</u>
NET CHANGE IN FUND BALANCE	(267,855)	39,501	(21,035)	(249,389)
FUND BALANCE, DECEMBER 1, 2023	<u>481,243</u>	<u>101,370</u>	<u>28,851</u>	<u>611,464</u>
FUND BALANCE, NOVEMBER 30, 2024	<u>\$ 213,388</u>	<u>\$ 140,871</u>	<u>\$ 7,816</u>	<u>\$ 362,075</u>

**CITY OF SWAINSBORO, GEORGIA**  
**HOTEL/MOTEL TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 150,000	\$ 191,756	\$ 41,756
Interest	-	403	403
Other	-	97	97
Total revenues	<u>150,000</u>	<u>192,256</u>	<u>42,256</u>
EXPENDITURES			
Current:			
Housing and development	-	231,244	(231,244)
Capital outlay:			
Housing and development	-	228,867	(228,867)
Total expenditures	<u>-</u>	<u>460,111</u>	<u>(460,111)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 150,000</u>	(267,855)	<u>\$ (417,855)</u>
FUND BALANCE, DECEMBER 1, 2023		<u>481,243</u>	
FUND BALANCE, NOVEMBER 30, 2024		<u>\$ 213,388</u>	

**CITY OF SWAINSBORO, GEORGIA**  
**POLICE DRUG FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and forfeitures	\$ -	\$ 55,477	\$ 55,477
Other	-	18,584	18,584
Total revenues	<u>-</u>	<u>74,061</u>	<u>74,061</u>
EXPENDITURES			
Current:			
Public safety	-	11,476	(11,476)
Capital outlay:			
Public safety	-	23,084	(23,084)
Total expenditures	<u>-</u>	<u>34,560</u>	<u>(34,560)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	39,501	<u>\$ 39,501</u>
FUND BALANCE, DECEMBER 1, 2023		<u>101,370</u>	
FUND BALANCE, NOVEMBER 30, 2024		<u>\$ 140,871</u>	

**CITY OF SWAINSBORO, GEORGIA**  
**POLICE SPECIAL FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and forfeitures	\$ -	\$ 35,834	\$ 35,834
Other	-	18,508	18,508
Total revenues	<u>-</u>	<u>54,342</u>	<u>54,342</u>
EXPENDITURES			
Current:			
Public safety	-	108,551	(108,551)
Capital outlay:			
Public safety	<u>-</u>	<u>18,646</u>	<u>(18,646)</u>
Total expenditures	<u>-</u>	<u>127,197</u>	<u>(127,197)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(72,855)	(72,855)
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	<u>-</u>	<u>51,820</u>	<u>51,820</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(21,035)</u>	<u>\$ (21,035)</u>
FUND BALANCE, DECEMBER 1, 2023		<u>28,851</u>	
FUND BALANCE, NOVEMBER 30, 2024		<u>\$ 7,816</u>	

**CITY OF SWAINSBORO, GEORGIA**  
**SCHEDULE OF PROJECTS PAID**  
**WITH SPLOST PROCEEDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

**SPLOST 6**

Project	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Public safety buildings and equipment			\$ 313,382	\$ 304,216	\$ 617,598	
Public works equipment and street improvements			524,701	160,176	684,877	
Water and waste water improvements			142,129	136,063	278,192	
City Hall renovations			42,068	12,409	54,477	
Culture arts and education infrastructure			366,963	538,396	905,359	
Totals	<u>\$ 2,552,006</u>	<u>\$ 2,552,006</u>	<u>\$ 1,389,243</u>	<u>\$ 1,151,260</u>	<u>\$ 2,540,503</u>	<u>99.5%</u>

SPLOST capital projects fund total expenditures	1,842,634
SPLOST capital projects fund transfer out	136,063
	<u>1,978,697</u>
Less:	
Use of lease financing	<u>(827,437)</u>
	<u>\$ 1,151,260</u>

**SPLOST 7**

Project	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Public safety buildings and equipment			\$ -	\$ -	\$ -	
Public works equipment and street improvements			-	-	-	
Water and waste water improvements			-	-	-	
City Hall renovations			-	-	-	
Public facility improvements						
Culture arts and education infrastructure			-	-	-	
Totals	<u>\$ 3,428,527</u>	<u>\$ 3,428,527</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0%</u>

**CITY OF SWAINSBORO, GEORGIA**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**21p-x-053-2-6193**  
**SOURCE AND APPLICATION OF FUNDS SCHEDULE**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

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TOTAL PROGRAM YEAR 2021 FUNDS ALLOCATED TO RECIPIENT	\$ 750,000
LESS: TOTAL PROGRAM YEAR 2021 FUNDS DRAWN BY RECIPIENT	<u>71,263</u>
FUNDS STILL AVAILABLE FROM PROGRAM YEAR 2021 RESOURCES	<u><u>\$ 678,737</u></u>
TOTAL PROGRAM YEAR 2021 FUNDS DRAWN AND RECEIVED BY RECIPIENT	\$ 71,263
LESS: FUNDS APPLIED AND EXPENDED ON PROGRAM YEAR 2021 COSTS	<u>71,263</u>
TOTAL PROGRAM YEAR 2021 FUNDS HELD BY RECIPIENT	<u><u>\$ -</u></u>

**CITY OF SWAINSBORO, GEORGIA**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
21p-x-053-2-6193  
**PROJECT COST SCHEDULE**  
**FOR THE YEAR ENDED NOVEMBER 30, 2024**

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PROGRAM ACTIVITY	ACTIVITY NUMBER	APPROVED BUDGET CDBG FUNDS	CUMULATIVE EXPENDITURES CDBG FUNDS
Engineering - Water/Sewer Improvements	T-03J-00	\$ 30,000	\$ 17,010
Sewer Facilities	P-03J-02	250,000	-
Engineering - Street Improvements/Flood & Drainage	T-03K-00	36,000	16,753
Street Improvements	P-03K-01	75,000	-
Flood/Drainage Facilities	P-03K-02	314,000	-
Administration	A-21A-00	45,000	37,500
		<hr/>	<hr/>
Total		\$ 750,000	\$ 71,263
		<hr/>	<hr/>

# LANIER, DEAL & DEAL

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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*

To the City Council  
City of Swainsboro, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Swainsboro, Georgia, as of and for the year ended November 30, 2024, and the related notes to the financial statements, which collectively comprise City of Swainsboro, Georgia's basic financial statements, and have issued our report thereon dated June 27, 2025.

### Report on Internal Control Over Financial Reporting

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

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

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

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Swainsboro, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance

with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Lanier, Deal & Deal*

Statesboro, Georgia

June 27, 2025