



City of Euharlee

**Annual Financial Report
For the Year Ended
December 31, 2024**

By Authority of the Mayor and City Council

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CITY OF EUHARLEE, GEORGIA
Annual Financial Report
Year Ended December 31, 2024

FINANCIAL SECTION

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FINANCIAL SECTION



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LLOYD WILLIAMSON
CHRISTIAN HATCH

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
City of Euharlee, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Euharlee, Georgia, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Euharlee, 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, each major fund, and the aggregate remaining fund information of the City of Euharlee, Georgia, as of December 31, 2024, and the respective changes in financial position, and the respective budgetary comparison for the General 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 Euharlee, 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 Euharlee, 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 Euharlee, 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 Euharlee, 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

Management has omitted 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 opinion on the basic financial statements is 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 Euharlee, Georgia's basic financial statements. The accompanying combining and individual fund financial statements and the Schedules of Special Purpose Local Option Sales Tax Expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the Schedules of Special Purpose Local Option Sales Tax Expenditures 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 July 2, 2025, on our consideration of the City of Euharlee, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Euharlee, 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 Euharlee, Georgia's internal control over financial reporting and compliance.

Williamson + Company

Williamson and Company
Certified Public Accountants
Cartersville, Georgia
July 2, 2025

CITY OF EUHARLEE, GEORGIA

Statement of Net Position

December 31, 2024

	Primary Government
	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 3,860,057
Receivables	584,578
Prepaid Assets	18,244
Capital Assets	
Land and Improvements	897,241
Construction In Progress	1,396,111
Other Capital Assets, Net of Depreciation and Amortization	9,087,143
Total Assets	<u>15,843,374</u>
Liabilities	
Accounts Payable	125,550
Retainage Payable	69,519
Unearned Revenue	775,563
Noncurrent Liabilities	
Due Within One Year	93,301
Due In More Than One Year	87,625
Total Liabilities	<u>1,151,558</u>
Net Position	
Net Investment in Capital Assets	11,269,958
Restricted For	
Capital Projects	1,870,249
Law Enforcement Activities	105,843
Unrestricted	1,445,766
Total Net Position	<u>\$ 14,691,816</u>

The accompanying notes are an integral part of this financial statement.

CITY OF EUHARLEE, GEORGIA
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position	
							Primary Government
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities		
Primary Government							
Governmental Activities:							
General Government	\$ 824,036	\$ 30,165	\$ -	\$ 1,593,107	\$ 799,236		
Public Safety	1,414,475	-	-	-	(1,414,475)		
Municipal Court	90,314	272,995	-	-	182,681		
Public Works	916,830	-	-	127,302	(789,528)		
Culture and Recreation	1,055,466	246,378	-	794,853	(14,235)		
Planning and Zoning	116,120	48,077	-	-	(68,043)		
Water and Sewer	120,166	-	-	-	(120,166)		
Interest On Long-term Debt	4,171	-	-	-	(4,171)		
Total Primary Government	<u>\$ 4,541,578</u>	<u>\$ 597,615</u>	<u>\$ -</u>	<u>\$ 2,515,262</u>	<u>(1,428,701)</u>		
General Revenues							
Taxes							
Property Taxes					275,943		
Local Option Sales Taxes					1,405,622		
Franchise Taxes					218,646		
Insurance Premium Taxes					407,105		
Intangible Tax					9,797		
Motor Vehicle Taxes					120,878		
Alcoholic Beverage Taxes					9,182		
Energy Excise Taxes					84,181		
Other Taxes					4,043		
Interest Income					95,556		
Miscellaneous					25,765		
Gain On Asset Disposal					10,470		
Total General Revenues					<u>2,667,188</u>		
Change In Net Position					<u>1,238,487</u>		
Net Position - Beginning					<u>13,453,329</u>		
Net Position - Ending					<u>\$ 14,691,816</u>		

The accompanying notes are an integral part of this financial statement.

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CITY OF EUHARLEE, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2024

			2014 SPLOST Debt Service Fund	2014 SPLOST Capital Projects Fund	2020 SPLOST Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	General	American Rescue Plan					
Assets							
Cash	\$ 2,086,611	\$ -	\$ -	\$ 668,115	\$ 1,016,889	\$ 88,442	\$ 3,860,057
Receivables	356,986	-	-	-	210,191	17,401	584,578
Prepaid Assets	13,244	-	-	-	5,000	-	18,244
Due From Other Funds	-	886,100	-	-	-	-	886,100
Total Assets	<u>2,456,841</u>	<u>886,100</u>	<u>-</u>	<u>668,115</u>	<u>1,232,080</u>	<u>105,843</u>	<u>5,348,979</u>
Liabilities							
Accounts Payable	59,586	41,018	-	-	24,946	-	125,550
Retainage Payable	-	69,519	-	-	-	-	69,519
Due To Other Funds	886,100	-	-	-	-	-	886,100
Unearned Revenue	4,787	775,563	-	-	-	-	780,350
Total Liabilities	<u>950,473</u>	<u>886,100</u>	<u>-</u>	<u>-</u>	<u>24,946</u>	<u>-</u>	<u>1,861,519</u>
Fund Balances							
Nonspendable	13,244	-	-	-	5,000	-	18,244
Restricted For:							
Capital Projects	-	-	-	668,115	1,202,134	-	1,870,249
Local Maintenance Improvements	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	105,843	105,843
Assigned	74,324	-	-	-	-	-	74,324
Unassigned	<u>1,418,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,418,800</u>
Total Fund Balances	<u>1,506,368</u>	<u>-</u>	<u>-</u>	<u>668,115</u>	<u>1,207,134</u>	<u>105,843</u>	<u>3,487,460</u>
Total Liabilities and Fund Balances	<u>\$ 2,456,841</u>	<u>\$ 886,100</u>	<u>\$ -</u>	<u>\$ 668,115</u>	<u>\$ 1,232,080</u>	<u>\$ 105,843</u>	<u>\$ 5,348,979</u>

**Reconciliation of the Balance Sheet to the
Statement of Net Position**

Total Fund Balances - Governmental Funds		\$ 3,487,460
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental Capital Assets	17,057,583	
Less Accumulated Depreciation	(5,677,086)	11,380,495
Unearned revenue in the General fund financial statements represents property tax billed but uncollected and is eliminated in the governmental activities.		
		4,787
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Financed Purchases	(118,676)	
Compensated Absences	(62,250)	(180,926)
Net Position of Governmental Activities		\$ 14,691,816

The accompanying notes are an integral part of this financial statement.

CITY OF EUHARLEE, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	American Rescue Plan	2014 SPLOST Debt Service Fund	2014 SPLOST Capital Projects Fund	2020 SPLOST Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 2,536,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,536,054
Licenses and Permits	73,292	-	-	-	-	-	73,292
Charges for Services	251,328	-	-	-	-	15,920	267,248
Fines and Forfeitures	110,246	-	-	-	1,273,376	146,829	1,530,451
Intergovernmental	316,191	794,853	-	-	-	-	1,111,044
Interest Income	94,568	-	-	33,019	47,823	988	176,398
Miscellaneous Income	75,766	-	-	-	-	-	75,766
Total Revenues	<u>3,457,445</u>	<u>794,853</u>	<u>-</u>	<u>33,019</u>	<u>1,321,199</u>	<u>163,737</u>	<u>5,770,253</u>
Expenditures							
Current							
General Government	776,917	-	-	-	-	-	776,917
Police	1,425,341	-	-	-	22,940	19,711	1,467,992
Municipal Court	90,314	-	-	-	-	-	90,314
Public Works	693,384	-	-	-	188,720	-	882,104
Culture and Recreation	745,993	-	-	-	-	-	745,993
Planning and Zoning	115,442	-	-	-	-	-	115,442
Water & Sewer	-	-	-	-	120,166	-	120,166
Capital Outlay							
Police	-	-	-	-	12,838	123,711	136,549
Public Works	-	-	-	-	642,149	-	642,149
Culture and Recreation	-	794,853	-	-	309,904	-	1,104,757
Debt Service							
Principal	-	-	-	-	-	22,193	22,193
Interest	-	-	-	-	-	4,171	4,171
Total Expenditures	<u>3,847,391</u>	<u>794,853</u>	<u>-</u>	<u>-</u>	<u>1,296,717</u>	<u>169,786</u>	<u>6,108,747</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(389,946)</u>	<u>-</u>	<u>-</u>	<u>33,019</u>	<u>24,482</u>	<u>(6,049)</u>	<u>(338,494)</u>
Other Financing Sources							
Transfers In	-	-	-	-	9,480	-	9,480
Transfers Out	-	-	(9,480)	-	-	-	(9,480)
Proceeds from Sale of Capital Assets	23,095	-	-	-	-	-	23,095
Financed Purchase Proceeds	140,869	-	-	-	-	-	140,869
Total Other Financing Sources	<u>163,964</u>	<u>-</u>	<u>(9,480)</u>	<u>-</u>	<u>9,480</u>	<u>-</u>	<u>163,964</u>
Net Change in Fund Balances	(225,982)	-	(9,480)	33,019	33,962	(6,049)	(174,530)
Fund Balances - Beginning	<u>1,732,350</u>	<u>-</u>	<u>9,480</u>	<u>635,096</u>	<u>1,173,172</u>	<u>111,892</u>	<u>3,661,990</u>
Fund Balances - Ending	<u>\$ 1,506,368</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 668,115</u>	<u>\$ 1,207,134</u>	<u>\$ 105,843</u>	<u>\$ 3,487,460</u>

The accompanying notes are an integral part of this financial statement.

CITY OF EUHARLEE, GEORGIA
**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities for the Year Ended December 31, 2024**

Net Change in Fund Balances \$ (174,530)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays and donated capital assets exceeded depreciation in the current period.

Expenditures for Capital Assets	2,067,111	
Less Current Year Depreciation	<u>(503,506)</u>	1,563,605
Proceeds From Asset Disposal	(23,095)	
Gain On Asset Disposal	<u>10,470</u>	(12,625)

Unearned revenue in the fund financial statements represents property tax billed but uncollected and is eliminated in the governmental activities. (658)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net Change in Long-term Compensated Absences (18,629)

Issuance and repayment of long-term debt is an other financing source and expenditure in the governmental funds but the repayment reduces long-term liabilities in the Statement of Net Position.

Issuance of Financed Purchases (140,869)
Principal Paid on Financed Purchase 22,193 (118,676)

Change In Net Position Of Governmental Activities \$ 1,238,487

The accompanying notes are an integral part of this financial statement.

CITY OF EUHARLEE, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	
Revenues				
Taxes	\$ 2,506,818	\$ 2,635,076	\$ 2,536,054	\$ (99,022)
Licenses and Permits	64,450	64,450	73,292	8,842
Charges for Services	98,500	250,244	251,328	1,084
Fines and Forfeitures	125,000	125,000	110,246	(14,754)
Intergovernmental	48,000	127,301	316,191	188,890
Interest Income	15,000	85,325	94,568	9,243
Miscellaneous Income	21,000	287,747	75,766	(211,981)
Total Revenues	<u>2,878,768</u>	<u>3,575,143</u>	<u>3,457,445</u>	<u>(117,698)</u>
Expenditures				
Current				
General Government	630,751	777,480	776,917	563
Police	1,074,536	1,426,002	1,425,341	661
Municipal Court	84,167	90,778	90,314	464
Public Works	446,818	693,420	693,384	36
Culture and Recreation	519,966	771,602	745,993	25,609
Planning and Zoning	122,530	122,530	115,442	7,088
Total Expenditures	<u>2,878,768</u>	<u>3,881,812</u>	<u>3,847,391</u>	<u>34,421</u>
Deficiency of Revenues Under Expenditures	<u>-</u>	<u>(306,669)</u>	<u>(389,946)</u>	<u>(83,277)</u>
Other Financing Sources				
Financed Purchase Proceeds	-	140,000	140,869	869
Proceeds from Disposal of Capital Assets	-	-	23,095	23,095
Total Other Financing Sources	<u>-</u>	<u>140,000</u>	<u>163,964</u>	<u>23,964</u>
Net Change In Fund Balances	\$ <u>-</u>	\$ <u>(166,669)</u>	\$ <u>(225,982)</u>	\$ <u>(59,313)</u>
Fund Balance - Beginning			<u>1,732,350</u>	
Fund Balance - Ending			\$ <u>1,506,368</u>	

The accompanying notes are an integral part of this financial statement.

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

Note 1. Summary of Significant Accounting Policies

The City of Euharlee operates under a Council-Manager form of government. The City provides the following services: Public Works (Streets), Public Safety (Police and Municipal Court), Culture and Recreation (Library, Museum, Parks and Other Public Facilities), and General and Administrative Services.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to the governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

The City of Euharlee, Georgia (City) is governed by an elected mayor and governing council (Council). The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

There are no component units included within the reporting entity.

C. Basis of Presentation – Government-wide Financial Statements

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

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

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about a government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The *2014 SPLOST Debt Service Fund* accounts for the receipt and disbursement of SPLOST resources from the 2011 referendum that were used to service the 2013 Urban Redevelopment Bond debt. The proceeds from those bonds advanced funded the projects approved by the 2014 SPLOST referendum.

The *2014 SPLOST Capital Projects Fund* accounts for the receipt and disbursement of bond proceeds for various capital projects throughout the City. The bonds were repaid using proceeds obtained from the 2014 SPLOST referendum. As of December 31, 2024, there were \$668,115 of unspent Urban Redevelopment Bonds that the City intends to spend on downtown development.

The *2020 SPLOST Capital Projects Fund* accounts for the receipt and disbursement of SPLOST resources from the resolution approved in December 2017.

The *American Rescue Plan Fund* accounts for the receipt and use of the City's portion of federal funds related to the American Rescue Plan passed by Congress on March 10, 2021.

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

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

E. Measurement Focus and Basis of Accounting

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough after to pay liabilities of the current period. For

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

F. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets were adopted for the General Fund, Police Fund, and the Information Technology Fund. The 2014 SPLOST Debt Service Fund, the 2014 SPLOST Capital Projects Fund, and the 2020 SPLOST Capital Projects Fund operates under project length budgets. All departments of the City submit requests for appropriation to the City Manager so that a budget may be prepared. The budget is prepared by fund, function (department), and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

No later than 45 days prior to the beginning of the fiscal year, the proposed budget is presented to the Mayor and Council for review. The Council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Department heads may make transfers of appropriations within a department. The legal level of budgetary control is at the departmental level. Transfers of appropriations between departments must be approved by an affirmative vote of a majority of the Council, except for emergencies as defined by the charter and unanimously voted by Council. The 2024 budgets for the General Fund, American Rescue Plan Fund, Police Fund, and Information Technology Funds were voted upon and adopted by the City Council. Police Fund expenditures exceeded budgeted amounts by \$15,119.

G. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, and must be by law insured or collateralized, and investments, if any, are limited by law and bond ordinances, to federal and state securities and stated at fair value.

H. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The balances which represent receivables and payables between governmental and business-type activities are reported as internal balances. As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements.

I. Capital Assets

Capital assets that cost more than \$1,000 with an estimated useful life of more than one year are capitalized and depreciated. Capital assets, including property, plant, vehicles, equipment and infrastructure (streets, bridges, curbs and gutters) are reported in the governmental activities column in the government-wide statements. All purchased capital assets are valued at cost where historical

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

infrastructure (streets, bridges, curbs and gutters) are reported in the governmental activities column in the government-wide statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date of acquisition. Depreciation is computed on the straight-line basis over the estimated useful life of the asset.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

J. Compensated Absences

Vested or accumulated vacation leave, where applicable, is recorded as a liability in the governmental funds only in the government-wide financial statements.

K. Long-term Obligations

Long-term debt and other obligations are reported as a liability in the government-wide financial statements.

L. 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 had no items that qualified as a deferred outflow of resources for fiscal 2024.

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 had no material deferred inflows of resources for fiscal 2024.

M. Net Position Flow Assumption

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

N. Fund Balance Flow Assumption

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

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

O. Fund Balance Policies

Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

The City's fund balances are classified as follows:

Nonspendable – Amounts cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact. The City's nonspendable fund balance in the General Fund as of December 31, 2024 was for prepaid expenses related to fiscal 2025.

Restricted – Limitations are imposed on the use of restricted fund balance through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws, or regulations.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The City's assigned fund balance of \$74,324 represents amounts intended to be used for general maintenance and repairs of the City's community event center (former Presbyterian Church).

Unassigned – Remaining fund balances that do not meet any other classification criterion are reported as unassigned.

P. Program Revenues

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

Note 2. Deposits and Investments

Cash includes amounts in demand and time deposits that must be by law insured or collateralized, and investments, if any, are limited by law and bond ordinances, to federal and state securities. At year end the government's carrying amount of deposits was \$3,860,057 and the bank balance was \$3,925,761. As of December 31, 2024, \$331,301 of the City's demand deposits was FDIC insured with the remainder collateralized in accordance with O.C.G.A §45-8-12.

The City's investments are categorized as either (1) insured or collateralized with securities held by the City or its agent in the City's name, (2) collateralized with securities held by the pledging financial institutions trust department or agent in the City's name or (3) uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name.

Statement of Net Position

Cash	\$ 1,200,511
Restricted Cash	<u>2,659,546</u>
Total	<u><u>\$ 3,860,057</u></u>

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

Note 3. Receivables

Receivables as of year-end for the City's individual major funds are as follows:

Receivables	General Fund	Police Fund	2020 SPLOST Fund	Total
Tax Receivables	\$ 356,986	\$ -	\$ -	\$ 356,986
Accounts	-	17,401	-	17,401
Intergovernmental	-	-	210,191	210,191
Total Receivables	\$ 356,986	\$ 17,401	\$ 210,191	\$ 584,578

Tax receivables in the General Fund consist of Local Option Sales Tax due from the State of Georgia for \$125,490, Electric Franchise Tax for \$171,430, Telephone Franchise Tax for \$72, Cable Franchise Tax for \$18,682, Title Ad Valorem Tax for \$7,987, Energy Excise Tax for \$6,513, Real Estate Transfer Tax for \$260, Property Taxes for \$18,226, and Alcoholic Beverage Excise Taxes for \$1,397.

As of December 31, 2024, the City deemed all receivables as collectible and therefore did not record an allowance for uncollectible receivables.

Note 4. Interfund Receivables, Payables, and Transfers

Due To/From Other Funds:

Outstanding balances between funds reported as "due to/from other funds" include outstanding charges by one fund to another for services, short-term non-operating subsidies and other miscellaneous transactions between funds. This activity is similar to lending/borrowing arrangements and outstanding balances at year-end are presented as "Due To/From Other Funds". Balances between governmental funds are netted when presented in the government-wide statements. As of December 31, 2024, interfund balances were as follows:

Receivable Fund	Payable Fund	Amount
American Rescue Plan Fund	General Fund	\$ 886,100

The \$886,100 that is due to the American Rescue Plan Fund from the General Fund represents the total amount of ARP funds that were unspent at year end and held in the General Fund.

Transfers and Payments:

Routine transfers and payments between funds are to subsidize operations and for capital asset acquisitions. For the fiscal year ended December 31, 2024, the City recorded a transfer for \$9,480 from the 2014 SPLOST Debt Service Fund to the 2020 SPLOST Fund to forgive an amount owed between the two funds from a prior fiscal year.

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

Note 5. Capital Assets

The following is a summary of the primary government capital asset activity during the fiscal year:

Governmental Activities	Balance January 1	Additions	Deletions	Transfers In/(Out)	Balance December 31
Capital Assets, Not Being Depreciated					
Land	\$ 897,241	\$ -	\$ -	\$ -	\$ 897,241
Construction in Progress	613,677	811,353	-	(28,919)	1,396,111
Total Capital Assets, Not Being Depreciated	1,510,918	811,353	-	-	2,293,352
Capital Assets Being Depreciated					
Buildings and Improvements	9,635,647	463,716	-	28,919	10,128,282
Equipment	1,580,781	520,611	(49,378)	-	2,052,014
Infrastructure	2,312,504	271,431	-	-	2,583,935
Total Capital Assets Being Depreciated	13,528,932	1,255,758	(49,378)	28,919	14,764,231
Less Accumulated Depreciation For:					
Buildings and Improvements	(2,876,163)	(330,233)	-	-	(3,206,396)
Equipment	(1,094,615)	(113,030)	36,753	-	(1,170,892)
Infrastructure	(1,239,557)	(60,243)	-	-	(1,299,800)
Total Accumulated Depreciation	(5,210,335)	(503,506)	36,753	-	(5,677,088)
Total Capital Assets Being Depreciated, Net	8,318,597	752,252	(12,625)	-	9,087,143
Total Capital Assets, Net	\$ 9,829,515	\$ 1,563,605	\$ (12,625)	\$ -	\$ 11,380,495

The City did not have any activity on the Lowry Mill Restoration project. That project was in progress at year end with total cost incurred of \$442,367. Other projects in progress include the Osborne Park Upgrade of \$918,938, and the Sewer Study of \$19,105.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

Administration	\$ 30,990
Public Safety	87,353
Public Works	50,031
Planning	678
Culture and Recreation	334,454
Total	\$ 503,506

The following estimated useful lives are used to compute depreciation (straight-line method):

Equipment	3-10 years
Buildings and Improvements	20-50 years
Infrastructure	20-75 years

CITY OF EUHARLEE, GEORGIA
 Notes to the Financial Statements
 December 31, 2024

Note 6. Financed Purchase Agreements

The City has entered into agreements to acquire public safety equipment. These agreements qualify as financed purchases for accounting purposes and, therefore, have been recorded at the present value of their future minimum finance payments as of the inception date. The depreciation expense on the financed equipment for the audit period was \$5,273.

The historical cost of financed assets and the related accumulated depreciation are as follows:

Assets	
Cameras and Tasers	\$ 190,727
Less: Accumulated Depreciation	<u>(5,273)</u>
Total	<u>\$ 185,454</u>

The future minimum financed purchase obligations and the net present value of these minimum finance payments as of December 31, 2024 for the governmental activities are as follows:

Year Ending December 31	General Fund
2025	\$ 39,202
2026	39,202
2027	39,202
2028	<u>12,838</u>
Total: Minimum Finance Payments	130,444
Less: Amount Representing Interest	<u>(11,768)</u>
Total	<u>\$ 118,676</u>

Note 8. Long-term Liabilities

The following is long – term debt activity for the year ended December 31, 2024:

Governmental Activities:	Beginning Balance			Ending Balance		Due Within One Year
	January 1, 2024	Additions	Reductions	December 31, 2024		
Financed Purchases	\$ -	\$ 140,869	\$ 22,193	\$ 118,676	\$ 33,939	
Compensated Absences	<u>43,621</u>	<u>77,991</u>	<u>59,362</u>	<u>62,250</u>	<u>59,362</u>	
Total Long-term Liabilities	<u>\$ 43,621</u>	<u>\$ 218,860</u>	<u>\$ 81,555</u>	<u>\$ 180,926</u>	<u>\$ 93,301</u>	

All compensated absences are liquidated in the General Fund.

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

Note 9. Fund Balance/Net Position

Restrictions are used to indicate that a portion of the fund balances and net position are not available for expenditures or expenses and are legally segregated for a specific future use. The City uses the following restrictions:

Restricted for Capital Projects – Created to segregate monies received from federal, state, or local sources that restrict use for specific capital projects. These are accounted for in the 2014 SPLOST Debt Service Fund, the 2014 SPLOST Capital Projects Fund, and the 2020 SPLOST Capital Projects Fund.

Restricted for Debt Service – Created as a result of a debt covenant related to the 2011 GEFA note payable and the 2014 Urban Redevelopment Bond issue.

Restricted for Law Enforcement – Created to segregate monies received from sale or seizure of assets acquired through confiscations or through administrative fees charged to the General Fund for law enforcement operations. These are accounted for in the Police Fund and the Information Technology Fund.

Restricted for Local Maintenance Improvements – Created to segregate monies received from Local Maintenance Improvement Grants from the State of Georgia that are to be used for approved road projects. These amounts are accounted for in the General Fund.

Note 10. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has commercial insurance policies that address general liability and workers' compensation coverage. During the past three years, the costs of any settlements have not exceeded insurance coverage.

Note 11. Other Information

Vacation Leave, Sick Leave, and Comp Time

Employees are granted vacation, sick leave, and comp time in varying amounts. Vacation benefits accrued are based on an employee's length of time with the City. Employees are allowed to carry up to one work week (40 Hours) of unused vacation time over at the end of the year. Under certain circumstances, with management approval, employees can carry over amounts in excess of the one week threshold. Sick leave is accumulated at one day for every month of service. An employee can carry unlimited days forward but does not receive payment for unused sick leave upon separation from the City. City employees can also accrue "comp time", which is time accumulated for work performed in excess of the regular work week that has not been paid. These amounts are not limited because they are amounts owed for actual work performed.

Note 12. Post-Employment Benefit Plans

In March of 2008 the City began offering its employees the option of enrolling in a 457(b) deferred compensation plan administered by The Variable Annuity Life Insurance Company, which is a subsidiary of American International Group, Inc. The plan allows participating employees to select from a diversified range of investment options and make weekly pre-tax contributions based on the participant's enrollment selection. The City does not offer a matching contribution for this plan. As of December 31, 2024, there were 30 employees and 5 Council members participating in the plan.

CITY OF EUHARLEE, GEORGIA

Notes to the Financial Statements

December 31, 2024

The City of Euharlee also utilizes a defined contribution plan. The City contributes 4% of each employee's salary into a 401(k) plan that is also administered by The Variable Annuity Life Insurance Company. As of December 31, 2024, the City's total contributions to the plan were \$55,524. City Council authorizes the provisions, requirements, and any amendments to the plan. The City's policemen are also covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The City makes no contribution to this plan. Contributions are collected by the City as the agent for this fund through its municipal court system. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia located at 1210 Greenbelt Parkway in Griffin, Georgia where separate financial statements may be obtained.

Note 13. Joint Venture

The City of Euharlee is a member of the Northwest Georgia Regional Commission (NGRC). The NGRC was created under the laws of the State of Georgia and cities and counties in the area served by the NGRC are required to be members. The membership of the NGRC includes 10 counties and 35 municipalities. Bartow County pays annual membership dues on behalf of the City. The City has no equity interest in the NGRC, nor does the City materially contribute to the continued existence of the NGRC. The Official Code of Georgia Annotated Section §50-8-39.1 states that in the event the NGRC ceases operation, the members can be assessed for any debt or obligation of the NGRC. Separate financial statements may be obtained from: North Georgia Regional Commission, P. O. Box 1793, Rome, Georgia 30162.

Note 14. Contingencies

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

Note 15. Special Purpose Local Option Sales Tax

In November 2011, Bartow County voters passed a referendum on the question of "yes/no" shall a special one percent sales and use tax be imposed in Bartow County for a period of time not to exceed 24 calendar quarters. Actual collection of the tax began January 1, 2014. The City's distributive share of the revenue was projected to be \$5,790,250 and used for public works improvements, water and sewer projects, recreation projects, historic preservation, and economic development projects.

In May 2018, Bartow County voters passed a referendum on the question of "yes/no" shall a special one percent sales and use tax be imposed in Bartow County for a period of time not to exceed 24 calendar quarters. Actual collection of the tax began January 1, 2020. The City of Euharlee's distributive share of the revenue is projected to be \$5,203,800 and used for water and sewer projects and extensions, downtown development, road improvement, capital equipment, infrastructure, and recreation projects.

Note 16. Construction Commitments

As of December 31, 2024, the City was under contract for the redevelopment of Osborne Park. The total contract value was \$2,945,350 and costs incurred as of December 31, 2024 were \$695,190.

Note 17. Other Post-Employment Benefits

The City does not offer any post-employment benefits other than the deferred compensation plans described in Note 10.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



CITY OF EUHARLEE, GEORGIA
Schedule of Revenues, Expenditures, and Change in Fund Balance
American Rescue Plan Special Revenue Fund - Budget and Actual
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ _____ -	\$ 800,000	\$ 794,853	\$ (5,147)
Total Revenues	_____ -	800,000	794,853	(5,147)
Expenditures				
Current:				
Culture and Recreation	_____ -	800,000	794,853	5,147
Total Expenditures	_____ -	800,000	794,853	5,147
Excess of Revenues Over Expenditures	_____ -	_____ -	_____ -	_____ -
Net Change in Fund Balance	\$ _____ -	\$ _____ -	_____ -	\$ _____ -
Fund Balance - Beginning of Year				_____ -
Fund Balance - End of Year				\$ _____ -

CITY OF EUHARLEE, GEORGIA
Schedule of Revenues, Expenditures, and Change in Fund Balance
2014 SPLOST Debt Service Fund - Budget and Actual
From Inception and for the Year Ended December 31, 2024

	Actual			Project Authorization
	Prior Years	Current Year	Total to Date	
Revenues				
Intergovernmental	\$ 3,974,373	\$ -	\$ 3,974,373	\$ 7,950,250
Interest Income	<u>17,456</u>	<u>-</u>	<u>17,456</u>	<u>-</u>
Total Revenues	<u>3,991,829</u>	<u>-</u>	<u>3,991,829</u>	<u>7,950,250</u>
Expenditures				
Current				
Water & Sewer	70,217	-	70,217	68,722
Capital Outlays				
Public Works	60,588	-	60,588	2,331,278
Culture and Recreation	2,000	-	2,000	4,766,900
Debt Service				
Principal	3,602,900	-	3,602,900	666,422
Interest	<u>246,644</u>	<u>-</u>	<u>246,644</u>	<u>116,928</u>
Total Expenditures	<u>3,982,349</u>	<u>-</u>	<u>3,982,349</u>	<u>7,950,250</u>
Excess of Revenues Over Expenditures	<u>9,480</u>	<u>-</u>	<u>9,480</u>	<u>-</u>
Other Financing Sources				
Transfers In	-	(9,480)	(9,480)	-
Total Other Financing Sources	-	<u>(9,480)</u>	<u>(9,480)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 9,480</u>	<u>(9,480)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance - Beginning of Year		<u>9,480</u>		
Fund Balance - End of Year		<u>\$ -</u>		

CITY OF EUHARLEE, GEORGIA
Schedule of Revenues, Expenditures, and Change in Fund Balance
2014 SPLOST Capital Projects Fund - Budget and Actual
From Inception and for the Year Ended December 31, 2024

	Actual			Project Authorization
	Prior Years	Current Year	Total to Date	
Revenues				
Intergovernmental	\$ 25,000	\$ -	\$ 25,000	\$ -
Interest Income	39,860	33,019	72,879	-
Total Revenues	<u>64,860</u>	<u>33,019</u>	<u>97,879</u>	-
Expenditures				
Current				
Culture and Recreation	13,500	-	13,500	13,500
Capital Outlays				
Public Works	13,181	-	13,181	200,410
Culture and Recreation	2,803,254	-	2,803,254	3,286,090
Total Expenditures	<u>2,829,935</u>	<u>-</u>	<u>2,829,935</u>	<u>3,500,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,765,075)</u>	<u>33,019</u>	<u>(2,732,056)</u>	<u>(3,500,000)</u>
Other Financing Sources (Uses)				
Transfer In	88	-	88	99,917
Proceeds From Bond Issuance	3,500,000	-	3,500,000	3,500,000
Issuance Cost	(99,917)	-	(99,917)	(99,917)
Total Other Financing Sources (Uses)	<u>3,400,171</u>	<u>-</u>	<u>3,400,171</u>	<u>3,500,000</u>
Net Change in Fund Balance	<u>\$ 635,096</u>	<u>33,019</u>	<u>\$ 668,115</u>	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>\$ 635,096</u>	
Fund Balance - End of Year			<u>\$ 668,115</u>	

CITY OF EUHARLEE, GEORGIA
 Schedule of Revenues, Expenditures, and Change in Fund Balance
 2020 SPLOST Capital Project Fund - Budget and Actual
 From Inception and for the Year Ended December 31, 2024

	Actual			Project Authorization
	Prior Years	Current Year	Total to Date	
Revenues				
Intergovernmental	\$ 3,987,638	\$ 1,273,376	\$ 5,261,014	\$ 5,203,800
Interest Income	41,063	47,823	88,886	-
Total Revenues	<u>4,028,701</u>	<u>1,321,199</u>	<u>5,349,900</u>	<u>5,203,800</u>
Expenditures				
Current				
General Government	24,663	-	24,663	24,663
Police	75,323	22,940	98,263	75,323
Public Works	45,810	188,720	234,530	45,810
Culture and Recreation	58,693	-	58,693	58,693
Water & Sewer	419,086	120,166	539,252	419,086
Capital Outlays				
General Government	61,000	-	61,000	690,662
Police	221,708	12,838	234,546	501,552
Public Works	73,951	642,149	716,100	1,712,505
Culture and Recreation	1,820,950	309,904	2,130,854	40,247
Water & Sewer	-	-	-	1,580,914
Debt Service				
Principal	48,688	-	48,688	48,688
Interest	5,657	-	5,657	5,657
Total Expenditures	<u>2,855,529</u>	<u>1,296,717</u>	<u>4,152,246</u>	<u>5,203,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,173,172</u>	<u>24,482</u>	<u>1,197,654</u>	<u>-</u>
Other Financing Sources				
Transfers In	-	9,480	9,480	-
Total Other Financing Sources	-	9,480	9,480	-
Net Change in Fund Balance	<u>\$ 1,173,172</u>	<u>33,962</u>	<u>\$ 1,207,134</u>	<u>\$ -</u>
Fund Balance - Beginning of Year		<u>1,173,172</u>		
Fund Balance - End of Year		<u>\$ 1,207,134</u>		

CITY OF EUHARLEE, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Nonmajor Special Revenue Funds		Total Nonmajor Governmental Funds
	Police Fund	Information Technology Fund	
Assets			
Cash	\$ 57,250	\$ 31,192	\$ 88,442
Accounts Receivable	<u>17,401</u>	-	<u>17,401</u>
Total Assets	<u>74,651</u>	<u>31,192</u>	<u>105,843</u>
Liabilities			
Accounts Payable	-	-	-
Total Liabilities	-	-	-
Fund Balances			
Restricted For			
Law Enforcement	<u>74,651</u>	<u>31,192</u>	<u>105,843</u>
Total Fund Balances	<u>74,651</u>	<u>31,192</u>	<u>105,843</u>
Total Liabilities & Fund Balances	<u>\$ 74,651</u>	<u>\$ 31,192</u>	<u>\$ 105,843</u>

CITY OF EUHARLEE, GEORGIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	Nonmajor Special Revenue Funds		Total Nonmajor Governmental Funds
	Police Fund	Information Technology Fund	
Revenues			
Charges for Services	\$ 4,767	\$ 11,153	\$ 15,920
Fines and Forfeitures	146,829	-	146,829
Interest Income	14	974	988
Total Revenues	151,610	12,127	163,737
Expenditures			
Current			
Police	19,711	-	19,711
Capital Outlay			
Police	123,711	-	123,711
Debt Service			
Principle	22,193	-	22,193
Interest	4,171	-	4,171
Total Expenditures	169,786	-	169,786
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,176)	12,127	(6,049)
Net Change in Fund Balance	(18,176)	12,127	(6,049)
Fund Balance - Beginning of Year	92,827	19,065	111,892
Fund Balance - End of Year	\$ 74,651	\$ 31,192	\$ 105,843

CITY OF EUHARLEE, GEORGIA
Schedule of Revenues, Expenditures, and Change in Fund Balance
Police Fund Special Revenue Fund - Budget and Actual
For the Year Ended December 31, 2024

	<u>Budgeted Amounts</u>			<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$ 4,767	\$ 4,767	\$ 4,767	\$ -
Fines and Forfeitures	157,879	157,879	146,829	(11,050)
Interest Income	-	-	14	14
Total Revenues	<u>162,646</u>	<u>162,646</u>	<u>151,610</u>	<u>(11,036)</u>
Expenditures				
Current				
Police	31,341	31,341	19,711	11,630
Capital Outlay				
Police	123,326	123,326	123,711	(385)
Debt Service				
Principal	-	-	22,193	(22,193)
Interest	-	-	4,171	(4,171)
Total Expenditures	<u>154,667</u>	<u>154,667</u>	<u>169,786</u>	<u>(15,119)</u>
Excess of Revenues Over Expenditures	<u>7,979</u>	<u>7,979</u>	<u>(18,176)</u>	<u>(26,155)</u>
Net Change in Fund Balance	<u>\$ 7,979</u>	<u>\$ 7,979</u>	<u>(18,176)</u>	<u>\$ (26,155)</u>
Fund Balance - Beginning of Year			<u>92,827</u>	
Fund Balance - End of Year			<u>\$ 74,651</u>	

CITY OF EUHARLEE, GEORGIA
 Schedule of Revenues, Expenditures, and Change in Fund Balance
 Information Technology Special Revenue Fund - Budget and Actual
 For the Year Ended December 31, 2024

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	
Revenues				
Charges for Services	\$ 11,153	\$ 11,153	\$ 11,153	\$ -
Interest Income	975	975	974	(1)
Total Revenues	<u>12,128</u>	<u>12,128</u>	<u>12,127</u>	<u>(1)</u>
Expenditures				
Current				
Police	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>12,128</u>	<u>12,128</u>	<u>12,127</u>	<u>(1)</u>
Net Change in Fund Balance	<u>\$ 12,128</u>	<u>\$ 12,128</u>	<u>12,127</u>	<u>\$ (1)</u>
Fund Balance - Beginning of Year			<u>19,065</u>	
Fund Balance - End of Year			<u>\$ 31,192</u>	

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COMPLIANCE SECTION



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LLOYD WILLIAMSON
CHRISTIAN HATCH

**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**

The Honorable Mayor and City Council
City of Euharlee, 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, each major fund, and the aggregate remaining fund information of the City of Euharlee, Georgia, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Euharlee, Georgia's basic financial statements, and have issued our report thereon dated July 2, 2025.

Internal Control Over Financial Reporting

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

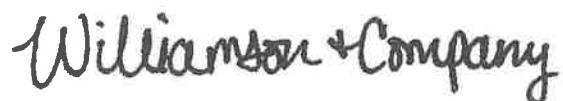
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 the City of Euharlee, 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Williamson + Company". The signature is written in a cursive, flowing style.

Williamson and Company
Certified Public Accountants
Cartersville, Georgia
July 2, 2025

CITY OF EUHARLEE, GEORGIA
Schedule of Special Purpose Local Option Sales Tax Expenditures
Year Ended December 31, 2024

Project Description	Estimated Costs			Expenditures	
	Original	Current	Prior Years	Current Year⁽¹⁾	Total
2014 SPLOST					
Public Works; Water and Sewer Projects	\$ 240,000	\$ 240,000	\$ 157,486	\$ -	\$ 157,486
Recreation, Historic Preservation, and Economic Development	<u>5,550,250</u>	<u>5,550,250</u>	<u>2,627,420</u>	<u>-</u>	<u>2,627,420</u>
Total 2014 SPLOST Expenditures	<u>\$ 5,790,250</u>	<u>\$ 5,790,250</u>	<u>\$ 2,784,906</u>	<u>\$ -</u>	<u>\$ 2,784,906</u>

⁽¹⁾ Cumulative current year expenditures on the schedule are different from cumulative expenditures on pages 8, 24, and 25 because debt service payments made with SPLOST funds are not reflected in this schedule. Instead the actual costs of projects advance funded with bond proceeds are presented.

Project Description	Estimated Costs			Expenditures	
	Original	Current	Prior Years	Current Year	Total
2020 SPLOST					
Water and Sewer Projects	\$ 2,000,000	\$ 2,000,000	\$ 419,086	\$ 120,166	\$ 539,252
General Government	1,153,750	1,153,750	85,663	-	85,663
Public Safety	576,875	576,875	297,028	35,778	332,806
Public Works	1,319,890	1,319,890	119,761	830,869	950,630
Culture & Recreation	<u>153,285</u>	<u>153,285</u>	<u>1,903,533</u>	<u>309,904</u>	<u>2,213,437</u>
Total 2020 SPLOST Expenditures	<u>\$ 5,203,800</u>	<u>\$ 5,203,800</u>	<u>\$ 2,825,071</u>	<u>\$ 1,296,717</u>	<u>\$ 4,121,788</u>

These SPLOST Schedules are prepared on the modified accrual basis of accounting.