

In the opinion of Alston & Bird LLP, Bond counsel, based upon an analysis of existing laws, and assuming, among other matters, the accuracy of certain representations and continuous compliance with certain covenants, interest on the Series 2025 Bonds is (i) excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and (ii) exempt from state income taxation within the State of Georgia. In the further opinion of Bond Counsel, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax with the exception in certain circumstances of corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2025 Bonds. See "TAX MATTERS" herein.

**URBAN REDEVELOPMENT AGENCY
OF THE CITY OF BUFORD (GEORGIA)
\$18,620,000
Revenue Bonds
Series 2025 (the "Bonds")**

Dated: Date of Issuance

Due: July 1, as shown on inside cover

The Urban Redevelopment Agency of the City of Buford, Georgia (the "**Agency**") will issue the Bonds as fully registered bonds. The Bonds will be registered in the name of Cede and Co., as the nominee of The Depository Trust Company ("**DTC**"), New York, New York, to which payments of principal, premium, if any, and interest will be made. Purchasers will acquire beneficial interests in the Bonds in book-entry form only. DTC will remit such payments to its participants who will be responsible for remittance to beneficial owners. See "THE BONDS – General Description" and "– DTC and Book-Entry Only System of Registration."

The Bonds are being issued by the Agency (i) to provide funds to finance the costs of an urban redevelopment project consisting of the acquisition of approximately 222 acres of land (the "**Project**"), and (ii) to pay costs of issuance of the Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE" herein.

Interest on the Bonds will be payable semiannually on January 1 and July 1 of each year (each an "**Interest Payment Date**"), commencing on July 1, 2026. See "THE BONDS – General Description" herein.

The Bonds are subject to optional redemption and scheduled mandatory redemption prior to maturity as described herein. See "THE BONDS – Redemption."

The Bonds are limited obligations of the Agency, payable solely from and secured by a first priority pledge of and lien on (i) all funds established by the Resolution (hereinafter defined), and (ii) amounts payable by the City of Buford (the "**City**") pursuant to a certain Intergovernmental Contract with the Agency (the "**Contract Payments**"), for which the City has pledged its full faith and credit and *ad valorem* taxing power. The City's obligation to make payments to the Agency sufficient in time and amount to enable the Agency to pay the principal of, premium, if any, and interest on the Bonds is absolute and unconditional and will not terminate so long as any of the Bonds remain outstanding and unpaid. Under the Intergovernmental Contract, the City has agreed to make provision for the levy of an annual tax on all taxable property located within the boundaries of the City, at such rates, within the limits prescribed by law, as may be necessary to make the payments required by the Intergovernmental Contract. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS OFFICIAL STATEMENT. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

The Bonds are offered when, as, and if issued by the Agency and accepted by Stephens Inc., Atlanta, Georgia (the "**Underwriter**"), subject to prior sale and to withdrawal or modification of the offer without notice and are subject to approval of legality by Alston & Bird LLP, Atlanta, Georgia, Bond Counsel. Certain legal matters will be passed upon for the Agency by its counsel, Gregory D. Jay, Esq., Chandler Britt & Jay, LLC, Buford, Georgia, and by its disclosure counsel, Alston & Bird LLP, Atlanta, Georgia. The Bonds are expected to be available for delivery in book-entry form only through the facilities of DTC in New York, New York on or about November 12, 2025.

STEPHENS INC.

MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS
AND CUSIP NUMBERS

\$18,620,000

URBAN REDEVELOPMENT AGENCY OF THE CITY OF BUFORD (GEORGIA)
REVENUE BONDS, SERIES 2025

<u>Maturity</u> <u>July 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial CUSIP</u> ¹
2026	\$435,000	5.000%	2.800%	101.374%	12002A AA8
2027	585,000	5.000%	2.700%	103.653%	12002A AB6
2028	620,000	5.000%	2.720%	105.758%	12002A AC4
2029	650,000	5.000%	2.700%	107.911%	12002A AD2
2030	685,000	5.000%	2.650%	110.185%	12002A AE0
2031	720,000	5.000%	2.700%	111.947%	12002A AF7
2032	755,000	5.000%	2.780%	113.365%	12002A AG5
2033	795,000	5.000%	2.850%	114.657%	12002A AH3
2034	835,000	5.000%	2.900%	115.938%	12002A AJ9
2035	875,000	5.000%	3.050%	116.171%	12002A AK6
2036	920,000	5.000%	3.200% ⁽¹⁾	114.820%	12002A AL4
2037	970,000	5.000%	3.350% ⁽¹⁾	113.488%	12002A AM2
2038	1,020,000	5.000%	3.480% ⁽¹⁾	112.349%	12002A AN0
2039	1,070,000	5.000%	3.580% ⁽¹⁾	111.482%	12002A AP5
2040	1,125,000	5.000%	3.710% ⁽¹⁾	110.366%	12002A AQ3
2041	1,185,000	5.000%	3.840% ⁽¹⁾	109.264%	12002A AR1
2044	1,375,000	5.000%	4.210% ⁽¹⁾	106.199%	12002A AT7
2045	1,445,000	5.000%	4.250% ⁽¹⁾	105.874%	12002A AU4

\$2,555,000 5.000% Term Bond due July 1, 2043, Yield 4.090%⁽¹⁾, Price 107.182 CUSIP No.12002A AS9

¹ Yield reflects Series 2025 Bonds priced to first optional call date of July 1, 2035.

² Initial CUSIP numbers have been assigned by an organization not affiliated with the Agency and are included for the convenience of the owners of the Bonds only at the time of original issuance of the Bonds. The Agency is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their accuracy on the Bonds, as included herein or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**URBAN REDEVELOPMENT AGENCY
OF THE CITY OF BUFORD**

Council

Phillip Beard, *Chairman*
L. Chris Burge, *Vice Chairman*
Bradley W. Weeks, *Secretary*

THE CITY OF BUFORD

Board of Commissioners

Phillip Beard, *Chairman*
L. Chris Burge, *Vice Chairman*
Bradley W. Weeks

Appointed Officials

Bryan B. Kerlin, *City Manager*
Zach Hutchins, *Finance Director/Deputy Clerk*
Kim C. Wolfe, *City Clerk/Planning Director*

SPECIAL SERVICES

City Independent Auditors

Wilcox & Bivings, P.C.
Suwanee, Georgia

Issuer and City Attorney

Gregory D. Jay, Esq.
Buford, Georgia

Bond Counsel and Disclosure Counsel

Alston & Bird, LLP
Atlanta, Georgia

Underwriter

Stephens Inc.
Atlanta, Georgia

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
The Agency	1
The City	1
Legal Authority for the Bonds	1
Security and Sources of Payment for the Bonds	1
Purposes of the Bonds	2
Tax Matters	2
Other Information	2
THE BONDS	3
General Description	3
Redemption	3
Registration, Transfer, and Exchange of Bonds	4
DTC and Book-Entry Only System of Registration	5
PLAN OF FINANCE	7
Estimated Sources and Uses of Funds	7
Project Description	8
Investment of Money	8
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS	11
General	11
Pledge of Revenues; Intergovernmental Agreement with the City	11
Enforcement of Remedies	11
RISK FACTORS	13
Special, Limited Obligation	13
General Factors that May Affect Sufficiency of Revenues	13
Maintenance of Credit Rating	13
Cybersecurity	13
Economy	14
Secondary Markets and Prices	14
THE AGENCY	15
CITY OF BUFORD	16
General	16
Government	16
Summary of City Debt by Category	16
Indebtedness of Overlapping Governmental Entities	17
Debt Limitation	17
Long and Short-Term Indebtedness	18
Debt Service Schedules	19
CITY OF BUFORD AD VALOREM TAXATION	20
Introduction	20
Property Subject to Taxation	20
Tax Reform	20
Assessed Value	21
Annual Tax Levy	21

Property Tax Collections	21
M&O Tax Digest	23
Ten Largest Taxpayers.....	24
Millage Rates	25
CITY OF BUFORD FINANCIAL INFORMATION	26
Five-Year Total-Primary Government History.....	26
Five-Year General Fund History	27
Five-Year Proprietary Funds History.....	28
Management Comments Concerning Material Trends in Revenues and Expenditures.....	30
Accounting Policies	31
Budgetary Process for General Fund	32
Retirement Plans and Other Post-Employment Benefits	33
Governmental Immunity and Insurance Coverage	35
LITIGATION.....	37
VALIDATION AND APPROVAL OF LEGAL PROCEEDINGS	37
TAX MATTERS.....	37
RATINGS	38
UNDERWRITING	38
CONTINUING DISCLOSURE	38
EXPERTS	39
ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT	39
AUTHORIZATION OF OFFICIAL STATEMENT	40
Appendix A: CITY OF BUFORD GENERAL INFORMATION	
Appendix B: FINANCIAL STATEMENTS OF THE CITY OF BUFORD FOR THE FISCAL YEAR ENDED JUNE 30, 2024	
Appendix C: PROPOSED FORM OF LEGAL OPINIONS OF BOND COUNSEL	
Appendix D: FORM OF CONTINUING DISCLOSURE AGREEMENT	

No dealer, broker, salesman, or other person has been authorized by the Agency or the Underwriter, or any other person to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by the Agency, the Underwriter, or any other person. Except where otherwise indicated, all information contained in this Official Statement has been provided by the Agency Sources other than the Agency are believed to be reliable, but are not guaranteed as to accuracy or completeness by the Agency or the Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in any of the information set forth herein since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

This Official Statement (including the Appendices attached hereto) contains forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement (including the Appendices attached hereto), the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” and analogous expressions are intended to identify forward looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward looking statements. These forward-looking statements speak only as of the date of this Official Statement. The Agency and the Underwriter disclaim any obligation or undertaking to release publicly any updates or revisions to any forward looking statement contained herein to reflect any change in the Agency expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The Bonds have not been registered under the Securities Act of 1933, and the Resolution has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.

NO REGISTRATION STATEMENT RELATING TO THE BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AGENCY. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY. NEITHER THE SEC NOR ANY STATE SECURITIES AGENCY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

OFFICIAL STATEMENT

Relating to

\$18,620,000

URBAN REDEVELOPMENT AGENCY OF THE CITY OF BUFORD (GEORGIA)
REVENUE BONDS, SERIES 2025

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the appendices hereto, is to furnish information with respect to the proposed issuance and sale by the Urban Redevelopment Agency of the City of Buford (the “Agency”) of its Revenue Bonds, Series 2025 (the “**Bonds**”).

The information contained in this section entitled “INTRODUCTION” is a brief description of the terms of and security for the Bonds and does not purport to be comprehensive or definitive. A full review of the entire Official Statement, as well as the documents summarized or described herein, should be made. All undefined, capitalized terms used herein shall have the meaning ascribed to such terms in the Resolution (as defined herein) unless the context requires otherwise.

The Agency

The Agency is a public body corporate and politic of the State of Georgia (the “**State**”), created pursuant to the Urban Redevelopment Law (O.C.G.A. § 36-61-1, *et seq.*), as amended (the “**Act**”). The Board of Commissioners (the “**Commissioners**” or “**Board of Commissioners**”) of the City of Buford (the “**City**”) delegated the power to exercise certain “urban redevelopment project powers” to the Agency pursuant to a resolution adopted on September 3, 2024 (the “**Activating Resolution**”). See “THE AGENCY.”

The City

The City is a municipal corporation of the State, located in north central Georgia, and was created and is existing under the laws of the State of Georgia. The City received its original charter in 1872 and its current charter became effective in 2003. For more detailed information on the City, see “APPENDIX A - CITY OF BUFORD GENERAL INFORMATION.”

Legal Authority for the Bonds

The Bonds are to be issued pursuant to the authority granted by (i) the Constitution of the State of Georgia, including particularly Article IX, Section III, Paragraph I, (ii) the general laws of the State of Georgia, particularly O.C.G.A. § 36-82-60, *et seq.* (as amended, the “Revenue Bond Law”, and (iii) a bond resolution adopted by the Agency on October 6, 2025, supplemented on November 3, 2025 (together, the “**Resolution**”).

Security and Sources of Payment for the Bonds

The Bonds will be limited obligations of the Agency payable solely from and secured by a first priority pledge of and lien on the following: (i) all funds established by the Resolution; and (ii) amounts payable by the City pursuant to a certain Intergovernmental Contract with the Agency (the “**Intergovernmental Contract**”), for which the City has pledged its full faith and credit and *ad valorem* taxing power (collectively, the “**Revenues**”). For more detailed information, see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” and “CITY OF BUFORD *AD VALOREM* TAXATION.”

Purposes of the Bonds

The Bonds are being issued by the Agency (i) to provide funds to finance the costs of an urban redevelopment project consisting of the acquisition of approximately 222 acres of land (the “**Project**”) and (ii) to pay costs of issuance of the Bonds.

For more detailed information, see “PLAN OF FINANCE.”

Tax Matters

In the opinion of Bond Counsel, based upon an analysis of existing laws, and assuming, among other matters, the accuracy of certain representations and continuous compliance with certain covenants herein, interest on the Series 2025 Bonds is (i) excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and (ii) exempt from state income taxation within the State of Georgia. In the further opinion of Bond Counsel, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax with the exception in certain circumstances of corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2025 Bonds. A holder may be subject to other federal tax consequences as described herein under the caption “TAX MATTERS.” See “TAX MATTERS” herein and APPENDIX C – “FORM OF BOND COUNSEL OPINION.”

Other Information

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Agency, the City, the Bonds, the Resolution, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive.

All references herein to, or summaries of, the Resolution or any other document or any constitutional provision or statute are qualified in their entirety by the exact terms of such documents or constitutional provision or statute. All references herein to, or summaries of, the Bonds are qualified in their entirety by the definitive form thereof and the provisions with respect thereto included in the Resolution.

Copies of all documents described herein are available upon request, prior to the delivery of the Bonds, from Stephens Inc., 3344 Peachtree Road, Suite 1650, Atlanta, Georgia 30326, (404) 461-5155, and after delivery of the Bonds upon payment to the City of a charge for copying, mailing and handling, from the City of Buford, 2300 Buford Highway, Buford, Georgia 30518, telephone (770) 945-6761.

THE BONDS

General Description

The Bonds will be dated as of the date of issuance thereof, and will bear interest at the rates per annum, and mature in the amounts and on July 1 of the years, set forth on the inside cover page hereof. The principal of the Bonds is payable to the registered holders thereof upon presentation and surrender of the Bonds at the designated office of U.S. Bank Trust Company, National Association, Atlanta, Georgia, as paying agent (the “**Paying Agent**”). Interest on the Bonds is payable on January 1 and July 1 of each year (each an “**Interest Payment Date**”), beginning July 1, 2026. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

[Redemption. The Bonds are subject to optional redemption and scheduled mandatory redemption as described herein under the heading “THE BONDS - Redemption.”]

Denominations. The Bonds will be issued in the denomination of \$5,000 or any integral multiple thereof.

Registration and Transfer. The Bonds will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, as securities depository for the book-entry system of registration for the Bonds. Purchasers of Bonds will not receive certificates representing their interests in Bonds so purchased. See “DTC and Book-Entry Only System of Registration” in this section.

Redemption

Optional Redemption. The Bonds maturing on July 1, 2036, and thereafter may be redeemed prior to their respective maturities at the option of the Agency, in whole or in part (maturities to be designated by the Agency), at any time beginning on July 1, 2035, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. If less than all of the Bonds of a maturity are to be redeemed, the actual Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Bond Registrar may determine.

Notice of Redemption. Notice of optional redemption of the Bonds pursuant to the Resolution shall be given by the Paying Agent one time not less than 30 days nor more than 60 days prior to the date fixed for redemption to the Holders of each of the Bonds being called for redemption by first class or registered or certified mail as the Paying Agent shall determine is necessary at the address shown on the register of the Bond Registrar as of 45 days prior to the date fixed for redemption. Said notice shall contain (i) redemption date, (ii) redemption price, (iii) if less than all outstanding Bonds are to be redeemed, the identification and CUSIP number (if any)(and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed date of issue of the Bonds, (iv) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date and any conditions to such redemption, and (v) if applicable, the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Paying Agent. No transfer or exchange of any Bonds so called for redemption shall be allowed. In the event any Holder of any Bond being redeemed pursuant to the provisions of the Resolution shall fail to present for redemption any such Bond within 60 days after the date fixed for redemption, a second notice of the redemption of such Bond shall be given to said owner at the address of said owner as shown on the bond register of the Bond Registrar within 90 days after the date fixed for redemption. Any notice mailed or delivered as provided by the Resolution shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice.

Manner of Redemption. Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In the case of bonds of denominations greater than \$5,000, if less than all of such bonds of a single maturity then outstanding are to be called for redemption then for all purposes in connection with redemption, each \$5,000 of face value shall be treated as though it were a separate bond in the denomination of \$5,000. If it is determined that one or more, but not all of the \$5,000 units of face value represented by any bond, are to be called for redemption, then upon notice of the intention to redeem such \$5,000 unit or units, the Owner of such bond shall forthwith surrender such bond to the Paying Agent for payment of the redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption and there shall be issued to the Owner thereof, without charge therefor, fully registered bonds for the unredeemed balance of the principal amount thereof, in any of the authorized denominations. If the Owner of any such bond of a denomination greater than \$5,000 shall fail to present such bond to the Paying Agent for payment in exchange as aforesaid, such bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only); interest shall cease to accrue on the portion of the principal amount of such bond represented by such \$5,000 unit or units of face value on and after the date fixed for redemption and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent and being available for the redemption) such bond shall not be entitled to the benefit and security of the Resolution to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption) represented by such \$5,000 unit or units.

Effect of Redemption Call. Notice having been given in the manner and under the conditions prescribed herein, and money for the payment of the redemption price being held by the Paying Agent, all as provided in the Resolution, the Bonds or the portion thereof so called for redemption shall become and be due and payable on the redemption date designated in such notice at the redemption price provided for redemption of such bonds on such date. Interest on the Bonds or the portion thereof so called for redemption shall cease to accrue from and after the date fixed for redemption unless default shall be made in payment of the redemption price thereof upon presentation and surrender thereof. Such bonds shall cease to be entitled to any lien, benefit or security under the Resolution and the Owners of such bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and such bond or the portion thereof so called shall not be considered to be outstanding. Upon surrender of such bond paid or redeemed in part only, the Agency shall execute and the Bond Registrar shall deliver to the Owner thereof, at the expense of the Agency, a new bond or bonds of the same type, of authorized denominations in the aggregate principal amount equal to the unpaid or unredeemed portion of the bond.

Registration, Transfer, and Exchange of Bonds

The Bonds shall be registered as to the payment of principal and interest on registration books kept by U.S. Bank Trust Company, National Association, Atlanta, Georgia, as bond registrar (the "Bond Registrar"). The Bond Registrar will also serve as authenticating agent (the "Authenticating Agent") for the purpose of authenticating any Bonds issued or surrendered for registration of exchange or transfer or in replacement for Bonds previously issued.

The Bonds may be transferred only on the bond register of the Bond Registrar with respect to the Bonds. No transfer of any Bond shall be permitted except upon registration and surrender of such Bond at the designated corporate trust office of the Bond Registrar in Atlanta, Georgia, with a written assignment signed by the registered owner of such Bond in person or by a duly authorized attorney, in such form and with a guaranty of signature, satisfactory to the Bond Registrar. The Agency, its agents and the Bond Registrar may deem and treat the registered owner of any Bonds as the absolute owner of such Bond for the purpose of receiving payment of the principal thereof, the redemption premium, if any, and the interest thereon.

Upon surrender for registration of transfer of any Bond at the designated corporate trust office of the Bond Registrar, the Agency is required to execute and the Authenticating Agent will authenticate and deliver to the transferee or transferees a new Bond or Bonds for a like aggregate principal amount and maturity. Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bonds of authorized denominations and of like interest rate and maturity. Every Bond presented or surrendered for registration of transfer or exchange shall (if so required by the Agency or the Bond Registrar) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Agency and the Bond Registrar duly executed by the owner thereof or his attorney duly authorized in writing. No charge will be made to any Bondholder for the privilege of registration of transfer or exchange, but any Bondholder requesting any such registration of transfer or exchange is required to pay any tax or other governmental charge required to be paid with respect thereto. The Bond Registrar is not required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the date of such mailing or (ii) to register the transfer of or exchange of any Bond so selected for redemption in whole or in part.

In case any Bond shall become mutilated or be destroyed or lost, the Bond Registrar in its discretion and at the expense of the holder of such Bond cause to be executed and delivered a new Bond of like type, date, number and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed or lost, upon the holder paying the reasonable expenses and charges of the Agency in connection therewith and, in the case of a Bond destroyed or lost, his filing with the Agency and the Bond Registrar of evidence satisfactory to them that such Bond was destroyed or lost, and of his ownership thereof, and furnishing the Agency and the Bond Registrar with indemnity satisfactory to them. If any such Bond shall have matured, instead of issuing a new Bond, the Agency may pay or cause to be paid the same.

DTC and Book-Entry Only System of Registration

The Depository Trust Company (“**DTC**”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds, in the principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of § 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the documents pertaining to the Bonds. For example, Beneficial Owners of bonds may wish to ascertain that the nominee holding the bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Paying Agent as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Payments with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Agency or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments with respect to the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent or the Agency, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Agency or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered.

The Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The foregoing information concerning DTC and its book-entry system has been obtained from DTC. The Agency and the Underwriter do not make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

SO LONG AS CEDE & CO. OR SUCH OTHER DTC NOMINEE, AS NOMINEE FOR DTC, IS THE SOLE BONDHOLDER, THE AGENCY AND THE BOND REGISTRAR WILL TREAT CEDE & CO. OR SUCH OTHER NOMINEE AS THE ONLY OWNER OF THE BONDS FOR ALL PURPOSES UNDER THE RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING, AND REQUESTING OR DIRECTING THE AGENCY OR THE PAYING AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THE RESOLUTION. THE AGENCY HAS NO RESPONSIBILITY OR OBLIGATION TO THE DIRECT OR INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT; (B) THE PAYMENT OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (D) OTHER ACTION TAKEN BY DTC OR CEDE & CO. OR SUCH OTHER DTC NOMINEE, AS OWNER.

Beneficial Owners of the Bonds may experience some delay in their receipt of distributions of principal and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC, and DTC will credit such distributions to the accounts of Direct Participants which will thereafter credit them to the accounts of Beneficial Owners either directly or indirectly through Indirect Participants.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Agency believes to be reliable, but the Agency takes no responsibility for the accuracy thereof.

PLAN OF FINANCE

Estimated Sources and Uses of Funds

Sources of Funds:

Principal Amount of the Series 2025 Bonds	\$18,620,000.00
Net Original Issue Premium	<u>1,858,267.50</u>
Total Sources of Funds	<u>\$20,478,267.50</u>

Uses of Funds:

Project Fund	\$20,043,657.00
Costs of Issuance ⁽¹⁾	<u>434,610.50</u>
Total Uses of Funds	<u>\$20,478,267.50</u>

¹ Includes Underwriter's Discount and expenses, estimated legal and accounting fees, printing costs, validation court costs, rating agency fees, and other fees and expenses associated with the issuance of the Bonds.

Project Description

The proceeds from the sale of the Series 2025 Bonds will be used to finance the costs of an urban redevelopment project consisting of the acquisition of approximately 222 acres of land located in the City (the “**Project**”), and to finance related costs of issuing the Series 2025 Bonds. The Project is within the urban redevelopment area described in the Plan (defined below).

The City adopted a resolution on September 3, 2024 (the “**Urban Redevelopment Area Resolution**”) finding that one or more slum areas exist in the City and that the rehabilitation, conservation or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of the City. The Urban Redevelopment Area Resolution designated such area covered by the hereinafter urban redevelopment plan as an “urban redevelopment area” or “pocket of blight” that the City designated as appropriate for urban redevelopment projects. After public notice duly given in the *Gwinnett Daily Post* on July 16, 2025, the City held a public hearing on July 21, 2025 on a proposed urban redevelopment plan entitled “Buford Urban Redevelopment Plan” (the “**Plan**”), a copy of which is on file with the City. The Commissioners, pursuant to a resolution adopted July 21, 2025 (the “**Plan Resolution**”), approved the Plan and the urban redevelopment projects set forth therein.

The proceeds of the Series 2025 Bonds will be deposited into the Project Fund created in the Resolution (the “**Project Fund**”). The moneys on deposit in the Project Fund will be used to pay costs of the Project and the costs of issuing the Series 2025 Bonds. Prior to the expenditure of the proceeds deposited in the Project Fund, such moneys may be invested.

The Series 2025 Bonds will not be payable from or secured by any interest in the Project or any revenues derived from the Project. The Series 2025 Bonds are payable solely from the payments to be made by the City pursuant to the Contract. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”

Investment of Money

Money in the Project Fund may be invested, upon direction to the Paying Agent from the Agency, in any of the following investments allowed by O.C.G.A. § 36-82-7, and no others:

(a) investments and reinvestments in the local government investment pool created in O.C.G.A. § 36-83-8; or

(b) investment in the following securities and no others:

(1) bonds or other obligations of the issuer, or bonds or obligations of the State of Georgia or other states or other counties, municipal corporations, and political subdivisions of the State of Georgia;

(2) bonds or other obligations of the United States or of subsidiary corporations of the United States government, which are fully guaranteed by such government;

(3) obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(4) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to payment

of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(5) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any proceeds of the Bonds; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia or with a trust office within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or other states or any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations included in paragraph (2) above, obligations of the agencies and instrumentalities of the United States government included in paragraph (3) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities included in paragraph (4) above;

(6) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(A) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (2) and (3) above and repurchase agreements fully collateralized by any such obligations;

(B) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(C) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(D) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(7) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing

time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the money so placed to be available for use at the time provided with respect to the investment or reinvestment of such money.

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SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds will be limited obligations of the Agency payable solely from and secured by a first priority pledge of and lien on the following: (i) all funds established by the Resolution; and (ii) amounts payable by the City pursuant to a certain Intergovernmental Contract with the Agency, for which the City has pledged its full faith and credit and *ad valorem* taxing power. See “RISK FACTORS” herein.

THE SERIES 2025 BONDS WILL NOT CONSTITUTE A GENERAL OBLIGATION OF THE STATE OF GEORGIA, THE CITY OR ANY POLITICAL SUBDIVISION OF THE STATE OF GEORGIA WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION UPON INDEBTEDNESS. EXCEPT AS PROVIDED IN THE CONTRACT, NEITHER THE STATE OF GEORGIA, THE CITY NOR ANY POLITICAL SUBDIVISION OF THE STATE OF GEORGIA SHALL BE SUBJECT TO ANY PECUNIARY LIABILITY THEREON. NO OWNER OF THE SERIES 2025 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF GEORGIA, THE CITY OR ANY POLITICAL SUBDIVISION OF THE STATE OF GEORGIA TO PAY THE SAME OR THE INTEREST THEREON. THE AGENCY HAS NO TAXING POWER. THE SERIES 2025 BONDS WILL NOT BE SECURED BY A LIEN ON ANY REAL OR PERSONAL PROPERTY OF THE AGENCY OR THE CITY.

Pledge of Revenues; Intergovernmental Agreement with the City

Pursuant to the Intergovernmental Contract, the City will agree to (a) make payments to the Agency in amounts sufficient to enable the Agency to pay the principal of and interest on the Series 2025 Bonds when due, and (b) levy an annual *ad valorem* tax on all taxable property located within the corporate limits of the City, at such rates, within limitations prescribed by law, as may be necessary to produce in each year revenues that are sufficient to fulfill the City’s obligations under the Contract. The City’s obligation to make the Contract Payments to the Agency is absolute and unconditional, is secured by a pledge of the City’s full faith and credit and taxing powers and will not expire so long as the Series 2025 Bonds remain outstanding and unpaid.

Until such time as the principal of, redemption premium (if any), and interest on the Bonds are fully paid or provision for the payment of the Bonds are made in accordance with the Resolution, the City has agreed (a) not to suspend or discontinue any payments provided for under the Intergovernmental Contract, (b) to perform and observe all of its other agreements contained in the Intergovernmental Contract, and (c) not to terminate the Intergovernmental Contract or its obligations thereunder for any contingency, act of God, event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of the Agency to complete any project, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to any project or any of the Agency's facilities, the taking by eminent domain of title to or temporary use of all or any portion of any project or of any of the Agency's facilities, commercial frustration of purpose, or finding that any of the Bonds are unenforceable or invalid, the invalidity of any provision of the Intergovernmental Contract, any change in the tax or other laws of the United States of America or the State of Georgia or of any political subdivision of either thereof or any failure of any party to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or in connection with the Intergovernmental Contract or otherwise.

Enforcement of Remedies

The realization of value from the pledge of the taxing power of the City to the payment of the Bonds upon any default will depend upon the exercise of various remedies specified by the Bond Resolution and

Georgia law. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Bonds may be limited by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. The various legal opinions to be delivered concurrently with the delivery of the Series 2025 Bonds will be qualified as to enforceability by limitations imposed by such state and federal laws, rulings, and decisions and by such bankruptcy, insolvency, and other laws.

O.C.G.A. § 36-80-5 provides that no county, municipality, authority, division, instrumentality, political subdivision, or public body created under the Constitution or laws of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for composition of its debts under any federal statute providing for such relief or composition or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. O.C.G.A. § 36-80-5 also provides that no chief executive or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any county, municipality, authority, division, instrumentality, political subdivision, or public body corporate created under the Constitution or laws of the State of Georgia of any petition for relief from payment of its debts as they mature or a petition for consolidation of its debts under any federal statute providing for such relief or consolidation or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

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RISK FACTORS

Prospective purchasers of the Bonds should be aware that investment in the Bonds may entail some degree of risk. Each prospective investor in the Bonds is encouraged to read this Official Statement in its entirety. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on the Bonds and which could also affect the market price of the Bonds to an extent that cannot be determined. This discussion of risk factors is not, and is not intended to be, exhaustive.

Special, Limited Obligation

The obligation of the Agency to pay debt service on the Bonds is a special, limited obligation of the Agency and not a general obligation of the Agency. *As further described elsewhere herein, debt service on the Bonds is payable solely from and secured by a first and prior pledge of and lien on the amounts payable by the City pursuant to the Intergovernmental Contract (such amounts referred to herein as Revenues), for which the City has pledged its full faith and credit and ad valorem taxing power. The Agency does not have the authority to levy ad valorem property taxes for any purpose.* While it is believed that Revenue will be sufficient to pay debt service on the Bonds when due, a number of factors described below may affect the receipt of sufficient Revenue for such purposes, which may impair the ability of the Agency to make timely debt service payments on the Bonds.

General Factors that May Affect Sufficiency of Revenues

As stated above, the Agency is obligated to pay debt service on the Bonds solely from Revenues generated by the Intergovernmental Contract. A number of factors may have an adverse effect on the receipt of money in an amount sufficient to pay the Bonds. These include potential adverse changes in the economic condition of the City, including potential decreases in population that may arise from decisions by employers located in and around the City to relocate their operations elsewhere; potential unemployment at a level that would preclude residents from paying *ad valorem* taxes and other fees that support City and Board operations; and other factors such as unforeseen conditions that could have a material adverse impact on the City.

Maintenance of Credit Rating

The Bonds will be rated as to their creditworthiness by Moody's Investors Service ("Moody's"). No assurance can be given that the Bonds will maintain its original rating from Moody's. If a rating on the Bonds decreases, the Bonds may lack liquidity in the secondary market in comparison to other municipal bonds. Adverse developments with respect to the financial condition of the City may have an unfavorable effect upon a holder's ability to sell the holder's Bonds or the bid and ask prices for the Bonds. See "RATING" in this Official Statement.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operations of the Agency and the City. Despite security measures, information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance, or other disruptions. Any such breach could compromise networks and the information stored there could be disrupted, accessed, publicly disclosed, lost or stolen. Any such disruption, access, disclosure, or other loss of information could materially adversely affect the operations of and services provided by the Agency and/or the City, and result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and regulatory penalties, which could materially adversely impact the financial condition of the Agency and/or the City.

Economy

A combination of economic, climactic, political, or civil disruptions or terrorist actions could affect the local economy and result in reduced revenues and/or tax collections and/or increased demands upon the City.

Secondary Markets and Prices

Neither the City nor the underwriter will be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance can be given that any secondary market will develop following the completion of the offering of the Bonds and no assurance can be given that the initial offering prices for the Bonds will continue for any period of time.

The foregoing is intended only as a summary of certain investment considerations attendant to an investment in the Bonds. It is NOT an exhaustive list of all possible factors that could adversely impact the ability of the City to make payments on the Bonds. In order for potential investors to identify investment considerations and make an informed decision with respect to the Bonds, potential investors in the Bonds should be thoroughly familiar with this entire Official Statement and the appendices hereto.

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THE AGENCY

The Agency is a public body corporate and politic of the State created pursuant to the Act and activated by the Activating Resolution. The Agency has been vested with all such urban redevelopment project powers of the City conferred in the Act by action of the City. Under the terms of the Act, the Agency has the power to (a) acquire, construct, improve or modify, redevelop or rehabilitate, and to cause to be placed into operation and operated, “urban redevelopment projects” within the City and (b) pay all or a portion of the cost of any urban redevelopment projects from proceeds of revenues bonds issued by the Agency. An urban redevelopment project may include undertakings or activities of a municipality, including the City, in an urban redevelopment area for the elimination and prevention of the development or spread of pockets of blight and may involve pocket of blight clearance and redevelopment in an urban redevelopment area, rehabilitation or conservation in an urban redevelopment area, the implementation of public improvements in accordance with an urban redevelopment plan adopted by the City in accordance with the Act. The City adopted the Plan on July 21, 2025, designating certain urban redevelopment areas and approving certain urban redevelopment projects described therein.

The powers of the Agency are exercised by or under the authority of, and the business and affairs of the Agency are managed and conducted under the direction of, a Council. The Council consists of 3 members who shall be the Commissioners of the City by virtue of holding such office and the terms of office of the Council are coterminous with the Commissioners’ terms of office on the Board of Commission.

Information regarding the current members of the Council of the Agency is set forth below.

<u>Name and Office Held</u>	<u>Principal Occupation</u>	<u>Expiration of Term</u>
Phillip Beard, Chairman	Retired	December 31, 2028
L. Chris Burge, Vice-Chairman	Retired	December 31, 2028
Bradley Weeks, Secretary	Real Estate	December 31, 2028

The Agency has authorized the use of this Official Statement but has not participated in the preparation of this Official Statement and, except for the information under the caption “THE AGENCY,” the Agency has not provided or made any investigation with respect to any of the information contained in this Official Statement, and does not assume any responsibility for the accuracy or completeness of the information contained herein.

THE AGENCY HAS NO TAXING POWER AND HAS NO LEGAL RIGHT TO RECEIVE APPROPRIATIONS OR OTHER PAYMENTS FROM THE CITY OR ANY GOVERNMENTAL BODY THAT MAY BE APPLIED TO THE SERIES 2025 BONDS EXCEPT FOR THE PAYMENTS THE CITY HAS CONTRACTED TO MAKE UNDER THE CONTRACT.

CITY OF BUFORD

General

The City is located in both Gwinnett County and Hall County, Georgia, and consists of approximately 17 square miles, the vast majority of which is situated in Gwinnett County, which is part of the Atlanta-Sandy Springs-Marietta Metropolitan Statistical Area. The portions of the City located in Hall County are not part of Atlanta's metropolitan statistical area, but are part of Atlanta's larger Combined Statistical Area, which includes Hall County. The City has a current estimated population of 17,144 as of July 2020. The City was chartered by the State in 1872 and its current charter became effective in 2003.

Government

The City is a municipal corporation of the State and is governed by the Commission and a City Manager. The Commission consists of three members with the Chairman elected among his peers. The Commissioners are elected at large by the qualified voters of the City and must have been a resident of the City for at least six months preceding his or her election, must continue to reside within the City during his or her term of office, and must be registered and qualified to vote in municipal elections within the City. The Commissioners shall serve a term of four years and until their respective successors are elected and qualified.

Certain information concerning the Commissioners is set forth below.

<u>Name and Office Held</u>	<u>Principal Occupation</u>	<u>Expiration of Term</u>
Phillip Beard, Chairman	Retired	December 31, 2027
L. Chris Burge, Vice-Chairman	Retired	December 31, 2025
Bradley Weeks, Secretary	Real Estate	December 31, 2025

Summary of City Debt by Category

Set forth below is information concerning debt of the City as of September 30, 2025, and as of the anticipated date of issuance of the Bonds. The information set forth below should be read in conjunction with the City's financial statements included as Appendix B hereto.

<u>Category of Obligation</u>	<u>Amount Authorized or Issued</u>	<u>Amount to be Outstanding Upon Issuance of the Bonds</u>
<i>Intergovernmental Contracts⁽¹⁾</i>		
Series 2021 Bonds	\$40,565,000	\$36,680,000
Series 2025 Bonds	\$18,620,000	18,620,000
<i>General Obligation Debt⁽²⁾</i>		
Series 2017AB Bonds	30,000,000	11,181,409
<i>Revenue Bonds</i>		
Series 2020 Bonds	<u>17,435,000</u>	<u>16,460,136</u>
Total:	<u>\$106,620,000</u>	<u>\$66,481,409</u>

¹ The obligations under intergovernmental contracts are general obligations of the governmental entity to which its full faith and credit and taxing powers are pledged, but do not constitute debt for purposes of the constitutional debt limit.

² General obligation bonds are general obligations of the issuer to which its full faith and credit and taxing powers are pledged and constitute debt for purposes of a constitutional debt limit of 10% of the assessed value of property subject to taxation for general obligation bond purposes.

Indebtedness of Overlapping Governmental Entities

Property owners in the City are responsible for both the City's debt obligations and any debt obligations of other taxing entities ("**Overlapping Entities**") in the proportion to which the jurisdiction of the City overlaps such entities.

<u>Category of Obligation</u>	<u>Amount of Outstanding Debt as of June 30, 2024</u>
Gwinnett County <i>General Obligation Debt</i>	\$ 0
Hall County <i>General Obligation Debt</i>	<u>0</u>
Total:	<u>\$0</u>

Debt Limitation

State Law. Article IX, Section V, Paragraph I(a) of the Constitution of the State of Georgia provides that the City may not incur long-term obligations (other than refunding obligations) payable out of general property taxes without the approval of a majority of the qualified voters of the City voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the City may not incur long-term obligations payable out of general property taxes in excess of 10% of the assessed value of all taxable property within the City. Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation, and intergovernmental obligations are not subject to the legal limitations described above.

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As computed in the tables below, based upon assessed values as of June 30, 2024, the City could incur, upon necessary voter approval, immediately after the issuance of the Bonds, approximately \$237,641,091 of long-term obligations payable out of general property taxes.

Computation of Legal Debt Margin - Gwinnett County

Gross Tax Digest for the City as of June 30, 2024	\$2,415,987,540
Less M&O Exemptions.....	<u>(555,415,716)</u>
Net M&O Digest.....	\$1,860,571,824
Debt Limit (10% of Net M&O Tax Digest).....	\$186,057,182
Less Amount of Debt Outstanding, after Issuance of the Bonds, Applicable to Debt Limit ¹	<u>(8,386,057)</u>
Legal Debt Margin.....	\$177,671,125

Computation of Legal Debt Margin - Hall County

Gross Tax Digest for the City as of June 30, 2024	\$804,823,929
Less M&O Exemptions ²	<u>(177,170,753)</u>
Net M&O Tax Digest.....	\$627,653,176
Debt Limit (10% of Net M&O Tax Digest).....	\$62,765,318
Less Amount of Debt Outstanding, after Issuance of the Bonds, Applicable to Debt Limit ¹	<u>(2,795,352)</u>
Legal Debt Margin.....	\$59,969,966

¹ The Debt Outstanding has been calculated by using the outstanding general obligation debt of the City (\$11,181,409) on a *pro rata* basis between the gross digest of the City in Gwinnett County (75%) and Hall County (25%).

² Based on M&O exemptions. Actual bond exemptions are not available because in past years it has not been necessary for the City to levy a tax for general obligation debt; debt service on all outstanding school bonds has been paid by an educational sales tax. It is not expected that the amount of bond exemptions would be materially higher than the amount of M&O exemptions.

Source: State of Georgia Department of Revenue.

Long and Short-Term Indebtedness

The Agency and the City currently have no plans to issue any short-term obligations or any additional long-term indebtedness other than the Bonds. Short-term obligations (those payable within the same calendar year in which they are incurred), lease and intergovernmental obligations are not subject to the legal limitations described above. Georgia law provides that lease and installment purchase contracts subject to annual appropriation must contain provisions limiting the total combined annual payments for such contracts and intergovernmental contracts in any calendar year to an amount equal to 10% of the assessed value of all taxable property within the City.

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Debt Service Schedules

Set forth below are the principal and interest payment requirements with respect to the Bonds.

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
07/01/2026	\$435,000.00	\$592,219.44	\$1,027,219.44
07/01/2027	585,000.00	909,250.00	1,494,250.00
07/01/2028	620,000.00	880,000.00	1,500,000.00
07/01/2029	650,000.00	849,000.00	1,499,000.00
07/01/2030	685,000.00	816,500.00	1,501,500.00
07/01/2031	720,000.00	782,250.00	1,502,250.00
07/01/2032	755,000.00	746,250.00	1,501,250.00
07/01/2033	795,000.00	708,500.00	1,503,500.00
07/01/2034	835,000.00	668,750.00	1,503,750.00
07/01/2035	875,000.00	627,000.00	1,502,000.00
07/01/2036	920,000.00	583,250.00	1,503,250.00
07/01/2037	970,000.00	537,250.00	1,507,250.00
07/01/2038	1,020,000.00	488,750.00	1,508,750.00
07/01/2039	1,070,000.00	437,750.00	1,507,750.00
07/01/2040	1,125,000.00	384,250.00	1,509,250.00
07/01/2041	1,185,000.00	328,000.00	1,513,000.00
07/01/2042	1,245,000.00	268,750.00	1,513,750.00
07/01/2043	1,310,000.00	206,500.00	1,516,500.00
07/01/2044	1,375,000.00	141,000.00	1,516,000.00
07/01/2045	<u>1,445,000.00</u>	<u>72,250.00</u>	<u>1,517,250.00</u>
Totals	<u>\$18,620,000.00</u>	<u>\$11,027,469.44</u>	<u>\$29,647,469.44</u>

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CITY OF BUFORD AD VALOREM TAXATION

Introduction

An important source of revenue to fund the operations of the City is *ad valorem* property taxes. The Agency does not have the power to levy *ad valorem* taxes, however, the City annually levies *ad valorem* property taxes. In addition, under the Intergovernmental Contract, the City is required to levy *ad valorem* taxes to the extent required therein for payment on the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

Ad valorem property taxes accounted for an annual average of approximately 69% of the general fund revenues of the City for the fiscal year ended June 30, 2024 and were budgeted to account for approximately 63% of general fund revenues for the year ending June 30, 2025. *Ad valorem* property taxes are levied annually in mills (one tenth of one percent) upon each dollar of assessed property value. The City uses county-assessed valuations for real and personal property.

Property Subject to Taxation

Ad valorem property taxes are levied, based upon value, on real and personal property within the City subject to taxation. There are, however, certain classes of property which are exempt from taxation, including public property, religious property, charitable property, property of nonprofit hospitals, nonprofit homes for the aged, and nonprofit homes for the mentally handicapped, college and certain educational property, public library property, certain farm products, certain air and water pollution control property, and personal effects.

In addition to the statewide homestead exemptions available to all homesteads, the City allows the following exemptions:

- (a) a value offset exemption which freezes the assessed value of the property to a base year of 2020 or the year before the homeowner applied for the homestead exemption if later; and
- (b) a 100% exemption for a school tax purposes for persons age 65 and older, limited to one acre of property and the value of the homestead; and
- (c) a \$108,000 homestead exemption for 100% disabled persons.

Additionally, the City allows the following types of commercial and industrial inventory as 100% exempt from *ad valorem* taxation: (1) raw materials and goods in process of manufacture, (2) finished goods produced in Georgia within the last 12 months, and (3) finished goods stored in Georgia within the last 12 months and destined for shipment out-of-state.

Tax Reform

The Georgia Jobs and Family Tax Reform Plan, House Bill 386 (“HB 386”) became law on April 19, 2012 and produced significant changes in the *ad valorem* taxation of vehicles. HB 386 eliminated the *ad valorem* taxation of vehicles and replaced it with a one-time title tax (the “Title Tax”) that is levied whenever the title to a vehicle is registered to a new owner (except if a transfer is made between immediate family members). The Title Tax is based upon the value of the vehicle and is currently being levied at a rate of 6.6%. The revenues will be shared among the State and local governments by formula. See footnote 3 of the table set forth under the heading “CITY OF BUFORD *AD VALOREM* TAXATION — *Ad Valorem* Property Tax Digest.”

Assessed Value

Assessed valuation, which represents the value upon which *ad valorem* property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires all counties to assess taxable tangible property, with certain exceptions, at 40% of its fair market value and to tax such property on a levy made by each tax jurisdiction according to 40% of the property's fair market value. Georgia law requires certain agricultural real property to be assessed for *ad valorem* property tax purposes at 75% of the value of which other real property is assessed and requires certain historical property to be valued at a lower fair market value for *ad valorem* property tax purposes.

The chief appraiser of the county is required to submit a certified list of assessments for all taxable property, except motor vehicles, mobile homes, and property owned by public utilities, within the county to the County Board of Tax Assessors. The Tax Commissioner for each county is required to present the tax returns to its County Board of Tax Assessors by April 1 of each year. The Agency of Tax Assessors is required to complete its revision and assessment of returns by June 1 of each year. The Tax Commissioner then certifies the digest and forwards a copy of the completed digest to the State of Georgia Revenue Commissioner for examination and approval. The Revenue Commissioner has the authority to examine the digest for the purpose of determining if the valuations of property are reasonably uniform and equalized between and within counties. Assessments may also be subject to review at various stages by the County Board of Equalization and by state courts.

The State of Georgia Motor Vehicle Tax Unit assesses the value of all motor vehicles by make, model, and year by county and provides this information to each county's tax office. The State of Georgia Property Tax Unit assesses the value of the property of public utilities and divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these amounts to the county which bills these taxes to the utilities.

Annual Tax Levy

The City determines a rate of levy for each fiscal year by computing a rate which, when levied upon the assessed value of taxable property within its territorial limits, will produce the necessary amount of property tax revenues to finance City services. The City then levies its *ad valorem* property tax.

Under Georgia law, there is no limitation on the annual rate of levy for the payment of principal of and interest on bonded indebtedness of the City. *Ad valorem* property taxes received for the payment of debt service on the Bonds are required by law to be held and accounted for separately from other funds of the City. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

Property Tax Collections

The City bills and collects its own property taxes. Real and personal property taxes, as per the January 1 digest and subsequent adopted millage by the Commission, are levied on January 1 of each year on the assessed value listed as of January 1. Taxes levied by the City on January 1 are normally billed by September 15 and are normally payable on or before November 20, but the law allows taxpayers 60 days from the date of mailing before interest may be charged. Interest of 12% per annum is applied to taxes paid after December 5. In addition, late payment of all taxes incurs a 10% penalty after 90 days.

All taxes levied on real and personal property, together with interest thereon and penalties for late payment, constitute a perpetual lien on and against the property arising after January 1 in the year in which taxed. The lien becomes enforceable 30 days after notification. Georgia law provides that taxes must be paid before any other debt, lien, or claim of any kind, except for certain claims against the estate of a decedent and except that the title and operation of a security deed is superior to the taxes assessed against the owner of property when the tax represents an assessment upon property of the owner other than the property specifically subject to the title and operation of the security deed.

Collection of delinquent real property taxes is enforceable by tax sale of such realty. Delinquent personal property taxes are similarly enforceable by seizure and sale of the taxpayer's personal property. There can be no assurance, however, that the value of the property sold, in the event of a tax sale, will be sufficient to produce the amount required to pay in full the delinquent taxes, including any interest or penalties thereon.

When the last day for the payment of taxes has arrived, the tax collector notifies the taxpayer in writing of the fact that the taxes have not been paid and that, unless paid, an execution will be issued. At any time after 30 days from giving the notice described in the preceding sentence, the Tax Commissioner, as *ex officio* sheriff, may issue an execution for nonpayment of taxes. The Tax Commissioner then publishes a notice of the sale in a local newspaper weekly for four weeks and gives the taxpayer ten days written notice by registered or certified mail. A public sale of the property is then made by the Tax Commissioner at the County Courthouse of the county in which the property is located on the first Tuesday of the month after the required notices are given.

M&O Tax Digest

Set forth below is information concerning the assessed and estimated actual value of taxable property within the City for the past five fiscal years.

	2020 Gwinnett	2020 Hall	2021 Gwinnett	2021 Hall	2022 Gwinnett	2022 Hall	2023 Gwinnett	2023 Hall	2024 Gwinnett	2024 Hall
Real & Personal ¹	\$1,352,398,183	\$353,869,849	\$1,547,360,427	\$390,296,826	\$1,561,699,555	\$451,434,844	\$1,987,890,856	\$594,626,947	\$2,371,484,160	\$801,545,032
Public Utility ⁴	47,442,732	1,472,966	43,704,661	1,388,776	43,227,236	1,493,588	43,206,120	1,514,424	38,765,320	1,626,172
Motor Vehicles ²	5,409,120	1,873,730	4,437,200	1,757,320	3,555,740	1,462,120	3,177,240	1,481,410	3,660,580	1,586,340
Mobile Homes ³	1,866,480	56,333	1,929,520	61,633	2,001,720	62,666	2,008,440	66,828	2,077,480	66,385
Timber	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Gross Tax Digest	1,407,116,515	357,272,878	1,597,431,808	393,504,555	1,610,484,251	454,453,218	2,036,282,656	597,689,609	2,415,987,540	804,823,929
Less Bond Exemptions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Bond Tax Digest	1,407,116,515	357,272,878	1,597,431,808	393,504,555	1,610,484,251	454,453,218	2,036,282,656	597,689,609	2,415,987,540	804,823,929
Gross M&O Tax Digest	1,407,116,515	357,272,878	1,597,431,808	393,504,555	1,610,484,251	454,453,218	2,036,282,656	597,689,609	2,415,987,540	804,823,929
Less M&O Exemptions	<u>(246,249,019)</u>	<u>(68,318,529)</u>	<u>(257,393,077)</u>	<u>(61,775,871)</u>	<u>(279,487,935)</u>	<u>(71,326,265)</u>	<u>(422,259,181)</u>	<u>(92,756,844)</u>	<u>(555,415,716)</u>	<u>(177,170,753)</u>
Net M&O Tax Digest ⁵	1,160,867,496	288,954,349	1,340,038,731	331,728,684	1,330,996,316	383,126,953	1,614,023,475	504,932,765	1,860,571,824	627,653,176
Estimated Actual Value	<u>\$3,517,791,288</u>	<u>\$893,182,195</u>	<u>\$3,993,579,520</u>	<u>\$983,761,388</u>	<u>\$4,026,210,628</u>	<u>\$1,136,133,045</u>	<u>\$5,090,706,640</u>	<u>\$1,494,224,023</u>	<u>\$6,039,968,850</u>	<u>\$2,012,059,823</u>

¹ The State requires all counties to assess real estate and personal property at the rate of at least 40% of estimated actual value, with the exception of timber, which is assessed at 100%.

² The State of Georgia Motor Vehicle Tax Unit assesses the value of motor vehicles by make, model, and year by county and provides this information to each county tax office. The State of Georgia assesses the value of motor vehicles at the percentage of fair market value used by the county.

³ The State of Georgia assesses the value of mobile homes at the percentage of fair market value used by the county.

⁴ The State of Georgia Property Tax Unit assesses the value of the property of public utilities at the percentage of fair market value used by the county. The Property Tax Unit then divides the assessment into two parts, assessed value of property and assessed value of franchise, and provides these figures to the county, which bills these taxes to the utilities with the amount of tax for each.

⁵ Total assessed value, after deducting exemptions, for purposes of levying tax for the City's general obligation bonds.

Source: City of Buford.

Ten Largest Taxpayers

Set forth below is information concerning the ten largest taxpayers in the City in fiscal year 2024.

<u>Taxpayer</u>	<u>Type of Business</u>	2024 Taxable Assessed Value for the <u>City</u>	Assessed Value as a Percent of 2024 Gross <u>Assessed Values</u> ¹	2024 Taxes Levied for the <u>City</u>
Amerisource Bergen Drug Corp	Manufacturing	\$147,776,094	4.6%	\$888,329
Maple Ave Owner LLC	Warehousing	50,226,400	1.6	627,830
Makita USA	Manufacturing	82,266,932	2.6	611,702
Lanier Logistics Center LLC	Distribution	37,600,000	1.2	470,000
Gwinnett 85 USICV Kilburn LLC	Warehousing	34,000,000	1.1	425,000
Cardinal CG	Manufacturing	38,184,342	1.2	413,515
JLLX Friendship Distribution	Distribution	32,444,400	1.0	405,555
LIT Industrial Limited Partner	Distribution	30,724,480	1.0	384,056
Prologis Inc.	Distribution	19,428,160	0.6	242,852
Majestic-Raco, LLC	Warehousing	18,800,000	0.6	234,842
Total:		<u>\$491,450,808</u>	<u>15.3%</u>	<u>\$4,703,681</u>

¹ Based on fiscal year 2024 Gross Tax Digest of \$3,220,811,469.

Source: City of Buford.

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Millage Rates

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value, or millage rates, of the City, Gwinnett County, and the State of Georgia for the past five calendar years.

Calendar	Buford	Incorporated	County Wide	County Wide	State of	System Wide
<u>Year</u>	<u>School System</u>	<u>Gwinnett</u>	<u>Services</u>	<u>Debt</u>	<u>Georgia</u>	<u>Incorporated</u>
2020	12.650	6.950	7.400	0.000	0.000	27.000
2021	12.600	6.950	7.400	0.000	0.000	26.95
2022	12.550	6.950	7.400	0.000	0.000	26.900
2023	12.500	6.950	7.400	0.000	0.000	26.850
2024	12.500	6.950	7.400	0.000	0.000	26.850

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value, or millage rates, of the City, Hall County, and the State of Georgia for the past five calendar years.

Calendar	Buford	Incorporated	County	State of	System Wide
<u>Year</u>	<u>School System</u>	<u>Hall</u>	<u>Fire District</u>	<u>Georgia</u>	<u>Incorporated</u>
2020	12.650	5.788	4.080	0.000	22.518
2021	12.600	5.571	4.080	0.000	22.251
2022	12.550	5.760	4.080	0.000	22.390
2023	12.500	4.375	4.080	0.000	20.955
2024	12.500	4.242	3.880	0.000	20.622

Source: State of Georgia Department of Revenue, Local Government Services.

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CITY OF BUFORD FINANCIAL INFORMATION

Five-Year Total-Primary Government History

Set forth below is a summary of changes in net position of the City relating to governmental and business-type activities of the City for the past five fiscal years. Information in the table has been extracted from the City's audited financial statements for fiscal years ended June 30, 2021 to June 30, 2024. Information in the following table for the year ended June 30, 2025 has been prepared by the City without audit. Although taken from audited financial statements (in the case of the information shown for fiscal years 2021 to 2024 only), no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the City for the fiscal years shown. For more complete information, reference is made to the audited financial statements of the City for fiscal year 2024 which are included in this Official Statement as Appendix C and to the audited financial statements of the City for fiscal years 2021 to 2023 and unaudited financial statements of the City for fiscal year 2025, copies of which are available from the City upon request.

City of Buford, Georgia Summary of Changes in Net Position Total-Primary Government

	2021	2022	2023	2024	2025 ¹
Revenues					
Program revenues:					
Charges for services	\$85,303,274	\$93,461,743	\$97,673,937	\$100,298,776	\$108,231,856
Capital grants and contributions	6,833,105	7,541,854	6,861,668	9,720,200	18,184,490
Operating grants	4,019,606	5,452,298	1,841,191	4,275,936	3,301,896
General revenues:					
Taxes	27,672,920	30,584,358	35,305,501	40,332,812	43,988,311
Franchise fees	1,025,254	1,065,749	1,192,687	1,185,876	1,339,701
Investment income	349,123	(55,630)	938,152	2,133,811	1,361,575
Gain on Sales of Assets	80,000	0	88,824	114,291	43,699
Miscellaneous	1,779,506	2,265,587	2,846,244	2,794,649	3,375,912
Total revenues	127,062,788	140,315,959	146,748,204	160,856,351	179,827,440
Expenses					
General government	4,386,586	4,768,848	5,598,643	5,365,556	6,839,497
Public safety	599,932	662,961	727,783	575,790	784,334
Public services	9,887,761	11,294,901	12,514,121	14,085,971	14,941,601
Downtown Development	1,602,475	1,125,000	553,000	293,045	545,000
Debt service	2,547,448	2,011,922	2,206,064	1,767,871	1,512,757
Intergovernmental - Board of Education	31,304,378	75,066,366	49,176,525	58,433,711	50,978,539
Intergovernmental – City of Rest Haven	--	--	--	--	300,000
Gas system	21,403,120	26,243,150	27,912,891	25,546,220	27,209,668
Electric system	17,683,685	21,433,109	23,345,546	20,396,529	20,967,459
Solid waste and recycling	4,726,760	4,943,304	6,312,162	7,316,297	7,552,319
Wastewater system	4,252,106	4,138,701	4,223,108	4,522,735	4,806,563
Water system	3,283,412	2,935,184	3,276,492	3,791,520	4,106,723
Utilities Fund - Non Divisional	670,501	295,605	407,877	424,168	1,248,114
Community Center	1,016,981	1,488,963	1,639,654	1,605,429	1,881,267
Total expenses	103,365,145	156,602,156	137,699,724	144,124,842	143,673,841
Increases (decreases) in net position before transfers	23,697,643	(16,286,197)	9,048,480	16,731,509	36,153,599
Transfers - internal	0	0	0	0	0
Increases (decreases) in net position	23,697,643	(16,286,197)	9,048,480	16,731,509	36,153,599
Net position-beginning of year	184,974,638	208,672,281	192,386,084	201,434,565	218,166,073
Net position - end of year	\$208,672,281	\$192,386,084	\$201,434,564	\$218,166,073	\$254,319,672

¹ Unaudited.

Five-Year General Fund History

Set forth below is a historical, comparative summary of the revenues, expenditures, and changes in fund balance of the City's General Fund for the past five fiscal years. Information in the table has been extracted from audited financial statements of the City for the years ended June 30, 2021 to June 30, 2024. Information in the table for the year ended June 30, 2025 has been prepared by the City without audit. Although taken from audited financial statements (in the case of the information shown for fiscal years 2021 to 2024 only), no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the City for the fiscal years shown. For more complete information, reference is made to the audited financial statements of the City for fiscal year 2024 which are included in this Official Statement as Appendix C and to the audited financial statements of the City for fiscal years 2020 to 2023 and unaudited financial statements for fiscal year 2025, copies of which are available from the City upon request.

City of Buford, Georgia Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

	2021	2022	2023	2024	2025 ¹
Revenues					
Taxes - property	\$23,554,745	\$24,743,436	\$28,548,174	\$33,000,460	\$36,502,972
Taxes - sales and excise	3,286,770	5,044,733	6,323,909	6,716,659	6,860,485
Franchise fees	1,025,254	1,065,749	1,192,687	1,185,876	1,339,701
Charges for services	1,731,377	2,137,848	1,907,449	2,107,592	1,522,627
Intergovernmental revenue	5,697,763	3,915,322	474,908	4,388,377	11,040,750
Investment income	96,206	82,622	145,662	251,680	125,903
Miscellaneous	166,316	192,590	169,140	161,859	174,512
Total revenues	35,987,115	37,182,300	38,761,929	47,812,503	57,566,950
Expenditures					
Current operating:					
General government:					
General	12,785,780	8,018,486	12,094,831	42,339,580	47,052,894
Financial and administration	3,842,420	4,023,724	4,466,642	4,947,361	5,089,764
Public safety:					
Marshal and code enforcement	589,019	664,618	820,952	563,064	744,377
Public services:					
Highway and street	5,329,887	6,550,107	5,604,044	7,404,396	6,804,883
Building inspection	517,028	513,046	626,147	848,727	866,055
Culture and recreation	957,960	1,043,555	1,135,130	3,616,767	1,599,913
Maintenance	960,757	1,116,978	1,408,804	1,402,724	1,374,749
Intergovernmental					
Buford Board of Education	31,304,378	34,501,366	49,176,525	58,433,711	50,978,539
Total expenditures	56,287,229	56,431,880	75,813,075	119,556,330	114,511,174
Excess (deficiency) of revenues over (under) expenditures	(20,300,114)	(19,249,580)	(37,051,146)	(71,743,827)	(56,944,224)
Other Financing Source (Uses)					
Sale of Surplus Property	80,000	-	88,824	139,526	43,699
Transfers in	29,367,556	24,396,268	33,705,633	60,096,024	59,048,246
Transfers out	(1,460,101)	(4,901,359)	(1,110,853)	(1,218,045)	(1,424,014)
Total other financing sources (uses)	27,987,455	19,494,909	32,683,604	59,017,505	57,667,931
Change in Fund Balances	7,687,341	245,329	(4,367,542)	(12,726,322)	723,707
Fund balance at beginning of year	4,719,715	12,407,056	12,652,385	8,284,843	(4,441,479)
Fund balance at end of year	\$12,407,056	\$12,652,385	\$8,284,843	\$(4,441,479)	\$(3,717,772)

¹ Unaudited.

Five-Year Proprietary Funds History

Set forth on the following page is a historical, comparative summary of the revenues, expenditures, and changes in fund balance of the City's Proprietary Funds for the past five fiscal years. Information in the table has been extracted from audited financial statements of the City for the years ended June 30, 2021 to June 30, 2024. Information in the table for the year ended June 30, 2025 has been prepared by the City without audit. Although taken from audited financial statements (in the case of fiscal years 2021 to 2024 only), no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the City for the fiscal years shown. For more complete information, reference is made to the audited financial statements of the City for fiscal year 2024 which are included in this Official Statement as Appendix B and to the audited financial statements of the City for fiscal years 2021 to 2023 and the unaudited financial statements of the City for fiscal year 2025, copies of which are available from the City upon request.

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City of Buford, Georgia
Statement of Revenues, Expenditures and Changes in Net Position
Proprietary Funds

	2021	2022	2023	2024	2025 ¹
Operating Revenues					
Charges for services:					
Gas	\$44,773,041	\$51,197,369	\$50,287,544	\$52,662,366	\$62,261,174
Electric	22,964,872	24,756,193	28,651,495	27,563,928	26,470,946
Solid Waste and recycling	8,557,725	9,217,020	10,059,231	11,016,241	11,220,562
Wastewater	4,586,638	3,145,055	3,755,252	3,584,105	3,297,732
Water	1,353,802	1,204,410	1,243,119	1,330,546	1,353,056
Penalties	1,031,405	1,135,016	1,058,258	1,261,202	1,237,977
Service Charges	186,015	224,342	292,395	286,883	363,231
Buford Community Center	118,399	444,490	419,194	485,913	504,551
Total charges for services	83,571,897	91,323,895	95,766,488	98,191,184	106,709,229
Miscellaneous:					
Other	19,739	41,521	51,513	167,275	32,744
Total Miscellaneous	19,739	41,521	51,513	167,275	32,744
Total Operating Revenues	83,591,636	91,365,416	95,818,001	98,358,459	106,741,973
Expenses					
Utilities purchase for resale	29,393,285	37,632,816	40,359,126	34,449,202	36,122,175
Personal services	7,980,966	7,740,537	8,671,683	10,163,464	11,237,080
Depreciation	5,556,049	5,495,375	6,827,722	5,260,304	6,229,430
Contractual services	5,170,157	5,254,789	5,012,484	7,562,395	7,864,394
Materials and supplies	2,146,124	2,567,084	3,272,108	3,040,519	3,028,447
Utilities	1,062,212	931,145	1,123,723	1,225,313	1,172,104
Repairs and Maintenance	566,670	623,259	602,017	838,480	745,934
Event expenses	195,816	592,894	631,373	453,139	746,810
Other operating	104,207	118,945	126,122	144,511	180,417
Total operating expenses	52,175,486	60,956,844	66,626,358	63,137,327	67,326,791
Income (loss) from operations	31,416,250	30,408,572	29,191,643	35,221,132	39,415,182
Nonoperating Revenues					
Refunds and Rebates	2,196,351	2,354,601	2,824,250	3,181,497	3,332,474
Grant income	550,000	0	0	0	60,943
Investment income	252,818	(140,829)	787,120	1,878,861	1,234,716
Interest expense	(651,217)	(668,300)	(638,500)	(612,700)	(592,450)
Amortization	147,128	147,128	147,128	147,129	147,129
Total nonoperating revenue (expenses)	2,138,090	1,692,600	3,119,998	4,594,787	4,182,812
Income (loss) before transfers/capital contributions	33,554,240	31,101,172	32,311,641	39,815,919	43,597,994
Capital Contributions	-	-	-	-	545,750
Transfers In	881,457	1,233,848	1,186,686	1,285,599	1,497,654
Transfers Out	(26,698,595)	(21,980,426)	(22,193,389)	(57,097,953)	(53,790,005)
Total	(25,817,138)	(20,746,578)	(21,006,703)	(55,812,354)	(51,746,601)
Change in Net Position	7,737,102	11,354,594	11,304,938	(15,996,435)	(8,148,607)
Total Net Position - Beginning of Year	87,009,228	94,746,330	106,100,924	117,405,862	101,409,427
Total Net Position - End of Year	\$94,746,330	\$106,100,924	\$117,405,862	\$101,409,427	\$93,260,820

¹ Unaudited.

Management Comments Concerning Material Trends in Revenues and Expenditures

The City utilizes the following types of interfund transfers: (1) Budgeted transfers of funds from the General Fund or a Special Revenue Fund to a Debt Service Fund to accumulate resources for debt service. Annual budgets are adopted by the Commissioners, on a basis consistent with GAAP, for the General and Utilities Department Enterprise Funds. Debt Service is budgeted through either the General or Utilities Department Enterprise Funds depending on the type of debt. All budget amendments must be approved by the Commissioners; (2) The return of residual fund balance of a discontinued fund to the General Fund or a Debt Service Fund; (3) The elimination of interfund receivables and payables that are judged unlikely to be settled in a reasonable period of time, such as the amounts paid by the General Fund for Utilities Department Enterprise Fund payroll related expenditures; and (4) Budgeted transfers from the Utilities Department Enterprise Fund of excess net position to the General Fund which is used to finance General Fund expenditures.

The assets of the City exceeded its liabilities at the close of the fiscal year ended June 30, 2024, by \$218,166,073 (“net position”). Of this amount, \$15,163,634 (“unrestricted net position”) may be used to meet the City’s ongoing obligations to citizens and creditors in accordance with the City’s fund designation and fiscal policies as more fully described below. The remainder of net position consisted of amounts restricted by law, contracts, donors or debt agreements, and totaled \$8,658,690.

As of the close of fiscal year ended June 30, 2024, the City’s governmental funds reported combined ending fund balances of \$4,223,953.

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Accounting Policies

The financial statements of the City have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) applicable to state and local governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

The financial statements of the City are prepared in accordance with GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments. This Statement established financial reporting requirements for state and local governments throughout the United States and required new information and restructured much of the information that governments presented in the past.

The City uses funds, each of which is considered a separate accounting entity, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The operations of each fund are accounted for with a self-balancing set of accounts.

Governmental Funds. Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has two major governmental funds, the General Fund, which is the main operating fund of the City and the American Rescue Plan Act Fund. This fund is used to account for all financial resources not accounted for in other funds. The General Fund accounts for all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Proprietary Funds. This category is used to account for self-supporting activities of the City similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise Funds are used to account for goods and services provided by the City to the general public. The City maintains the Utilities Fund and the Buford Community Center Fund.

Fiduciary Funds. This category accounts for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds. The Agency Funds account for assets held by the City as an agent for other funds, governments, or individuals. Agency Funds of the City are related to Buford Board of Education SPLOST funds.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures in the current period. Accordingly, revenues are recorded when received in cash, except those revenues that are subject to accrual (generally 60 days after year-end), which are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City are property tax, sales tax, intergovernmental revenues, and other taxes. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Note 1 of the general purpose financial statements of City included as Appendix B to this Official Statement contains a detailed discussion of the City's significant accounting policies.

Budgetary Process for General Fund

General Description. Annual budgets are adopted for the General and Proprietary (Enterprise) Funds. Capital Projects are budgeted over the life of the projects. Debt Service is budgeted through either the General or Proprietary (Enterprise) Fund depending on the type of debt. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget for the Proprietary (Enterprise) Fund is adopted on a GAAP basis, except that depreciation expense is not budgeted. Budget amounts are as originally adopted, or as amended by the Board of Commissioners.

Budgeting Policy. The prior year's actual revenues and expenditures/expenses for the General and Proprietary (Enterprise) Funds are compared to budget amounts for that year and adjustments are then made to the prior year's budgeted revenues and expenditures/expenses to make budgeted amounts agree with actual amounts. These are the proposed budgets for the coming year. The proposed budgets are submitted to the Board of Commissioners, who make adjustments to the proposed budgets as it deems necessary, and the proposed budgets are then revised in accordance with the Board of Commissioners recommendations and resubmitted to the Board of Commissioners for their approval. After reviewing the budget revisions, the Board of Commissioners approves and adopts the budgets. All budget amendments must be approved by the Board of Commissioners. All appropriations lapse at the end of the fiscal year.

Pursuant to O.C.G.A. § 36-81-3(b), the annual budget approved by the Board of Commissioners must be balanced. A budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. The Board of Commissioners has the authority under O.C.G.A. § 36-81-3(d), however, to amend its budget as follows:

- (1) Any increase in appropriation at the legal level of control of the City, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, requires the approval of the Board of Commissioners. Such amendment shall be adopted by ordinance or resolution;
- (2) Transfers of appropriations within any fund below the local government's legal level of control requires only the approval of the budget officer; and
- (3) The Board of Commissioners may amend the legal level of control to establish a more detailed level of budgetary control at any time during the budget period. Said amendment shall be adopted by ordinance or resolution.

Current Budget. Set forth below is a summary of the City’s adopted budget for its General Fund for the fiscal year ending June 30, 2025. The budget is based upon certain assumptions and estimates of the City’s administration regarding future events, transactions, and circumstances. Realizations of the results projected in the 2025 budget will depend upon implementation by management of policies and procedures consistent with the assumptions made by the City. Accordingly, the actual results achieved for the 2025 budget could materially vary from those projected in the 2025 budget shown below.

City of Buford
General Fund Budget
for Fiscal Year Ended June 30, 2025

Estimated Revenues

Taxes	\$43,117,800
Franchise Fees	1,200,000
Charges For Services	1,579,500
Intergovernmental Revenue	10,395,195
Investment Income	40,000
Miscellaneous	179,980
Transfers In	55,874,000
Sale of Surplus Property	<u>20,000</u>

Total Revenues	<u>\$112,406,475</u>
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Estimated Expenditures

General Government	
General	\$45,065,000
Financial Administration	4,892,000
Public Safety	
Marshal & Code Enforcement	792,500
Public Services	
Highway & Street	6,580,000
Maintenance	1,267,000
Culture & Recreation	1,153,000
Building Inspection	725,000
Intergovernmental	
Buford Board Of Education	<u>51,702,000</u>

Total Expenditures	<u>\$112,176,500</u>
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Retirement Plans and Other Post-Employment Benefits

Employee Pension Plan

General Description. The City’s defined benefit pension plan, the City of Buford Retirement Plan (the “**BRP**”), provides retirement and death benefits to plan members and beneficiaries. These retirement provisions were established by an adoption agreement executed by the City Commission. The BRP is affiliated with the Georgia Municipal Employees Benefit System (“**GMEBS**”), an agent multiple-employer

pension plan administered by the Georgia Municipal Association (the “GMA”). The GMA assigns the authority to establish and amend the benefit provisions of the plans that participate in GMEBS to the respective employer entities; for the BRP, that authority rests with the City. The GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by written request to Georgia Municipal Association, 201 Pryor Street, S.W., Atlanta, Georgia 30303.

Eligibility Requirements and Plan Membership. Employees must work 30 or more hours per week to qualify for participation in the BRP. There is no waiting period. Membership as of January 1, 2023, actuarial valuation was as follows:

Retirees and beneficiaries receiving benefits	78
Terminated plan members entitled to, but not yet receiving benefits	11
Active plan members	118
Active elected officials.....	<u>0</u>
Total.....	<u>207</u>

Funding Policy. BRP members are not required and do not contribute to BRP. BRP is a noncontributory plan. The City is required to contribute at an actuarially determined rate; the current rate is 14.77% of expected payroll. Payments for recommended contributions begin at the start of each fiscal year on July 1. The contribution requirements of the City are established and may be amended by the GMEBS Board of Trustees. The funding policy for the plan is to contribute an amount equal to the recommended contribution each year. The recommended contribution meets the guidelines of GASB Statement No. 27.

Reference is made to Notes 9 of the general purpose financial statements of the City included as Appendix B for a more complete description of the City’s pension plan.

Other Post-Employment Benefits

Plan Description. City employees participate in a post-employment benefit other than pensions (“OPEB”) plan sponsored by the City (the “Plan”). The Plan allows employees to continue medical, prescription drug, dental insurance, and life insurance coverage beyond retirement, depending on whether the retiree had those coverages at the time they retire. Spouse benefits are the same as benefits for retirees except for life insurance. Benefits are payable to a spouse regardless of when the retiree dies. Retiree and spouse contribution rates are periodically reset by City ordinance. Membership in the Plan by City retirees is voluntary. The authority to establish and amend benefit provisions of the Plan rests with the City and is established by ordinance. The Plan does not issue separate financial statements. The City currently pays 100% of the premium.

Eligibility Requirements and Membership. Elected officials and their dependents are eligible for a period equal to their years of service, employees in appointed positions and department heads and their dependents are eligible for a period equal to their years of service in which they held an appointed position, and regular employee and their dependents are eligible for life after 30 years of service by the employee.

Funding Policy. The City has chosen the pay-as-you-go method of funding the Plan, and recorded OPEB cost of \$654,237 for the year ended June 30, 2024 and a net OPEB obligation of \$12,737,647 based upon an actuarial valuation performed as of January 1, 2023 for the year ending June 30, 2023.

The City has chosen the pay-as-you-go method of funding the Plan, and the City's Net OPEB liability was as follows for fiscal years 2021 through 2023:

Fiscal Year <u>Ending</u>	OPEB <u>Cost</u>	Annual OPEB Cost <u>Contributed</u>	Net OPEB <u>Liability</u>
06/30/2021	\$725,031	170,419	12,860,352
06/30/2022	963,643	144,058	15,510,953
06/30/2023	664,440	204,340	12,737,647

Reference is made to Note 10 of the general purpose financial statements of the City included as Appendix B for a more complete description of other post-employment benefits of the City.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with § 457 of the Internal Revenue Code of 1986, as amended (the “**Code**”). The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. In accordance with Code § 457, plan assets are held in trust for the exclusive benefit of participants and their beneficiaries.

Other Employee Benefits

After one year of service with the City, employees accrue one week of vacation. Upon the employee's second anniversary, one week of vacation is earned. Three years of service entitles employees to two weeks of vacation. The maximum vacation benefit, three weeks, is earned after serving ten years with the City; however, department heads earn three weeks after five years of service. Vacation benefits must be utilized during the calendar year; no amount may be carried over to be used in another year. The City pays accrued vacation benefits upon termination of employment. Sick leave accrues at one week per year after a probationary period. The City provides the majority of the cost of health insurance for employees. Other benefits include 11 personal days off for holidays and educational opportunities. Employees are also covered under statutory plans for social security and workers' compensation.

Governmental Immunity and Insurance Coverage

Governmental Immunity. Under State law, the City has sovereign immunity from suit, except for actions against the City for the breach of written contracts or unless the General Assembly has specifically provided by statute that the City has waived its sovereign immunity (see O.C.G.A. § 36-33-1 *et seq.*). State law requires that sovereign immunity of local governments is waived with respect to claims for the negligent ownership, maintenance, operation, or use of a covered motor vehicle up to certain limits. The City may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983, alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the City in the exercise of its delegated powers. Officers and employees of the City may be subject to suit and may be liable for injuries and damages caused by the negligent performance of, or negligent failure to perform, their ministerial functions and may be liable for injuries and damages if they act with actual malice or with actual intent to cause injury in the discretionary performance of their official functions. Except as provided in the previous sentence, officers and employees of the City shall not be subject to suit or liability, and no judgment shall be entered against them for the performance or nonperformance of their official functions.

Insurance Coverage. The City carries liability insurance for the types of claims and in amounts that are customary for similar entities for those categories of claims that are not subject to the defense of sovereign immunity. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The City obtains workers' compensation insurance through Summit Insurance. The City is insured for general liability through Travelers Indemnity Company. Current coverage is as follows:

<u>Type</u>	<u>Limits of Liability</u>	
	<u>Each Occurrence</u>	<u>Annual Aggregate</u>
Casualty		
Commercial General Liability Coverage	\$1,000,000	\$2,000,000
Umbrella Liability	5,000,000	5,000,000

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LITIGATION

There is no litigation now pending or threatened against the City or the Agency which seeks to restrain or enjoin the issuance or delivery of the Bonds, the assessment and collection of an *ad valorem* tax for payment of debt service on the Bonds, or the use of the proceeds from the sale of the Bonds, or which questions or contests the validity of the Bonds or the proceedings or authority under which they are to be issued. Neither the creation, organization, or existence of the City or the Agency, nor the title of the present members or other officials of the City or the Agency to their respective offices, is being contested or questioned.

VALIDATION AND APPROVAL OF LEGAL PROCEEDINGS

In accordance with the law of the State of Georgia, in particular the Revenue Bond Law of the State of Georgia (O.C.G.A. § 36-82-60 *et seq.*, as amended), the Bonds and the security therefore are to be confirmed and validated by a judgment of the Superior Court of Gwinnett County on October 28, 2025. Under Georgia law, the judgment of validation is forever conclusive against the Agency with respect to such validation of the Bonds and the security therefor.

Opinions of Counsel. All legal matters incidental to authorization and issuance of the Bonds are subject to the approval of Alston & Bird LLP, Atlanta, Georgia, Bond Counsel. It is anticipated that the approving opinions will be in substantially the forms included in Appendix D. Certain legal matters will be passed upon for the Agency by its counsel Gregory D. Jay, Esq., Chandler Britt & Jay, LLC, Buford, Georgia. The payment of legal fees is contingent upon issuance of the respective series of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of each series of the Bonds express the professional judgment of the attorneys or law firms rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the attorney or law firm does not become an insurer or guarantor of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

In the opinion of Bond Counsel, under existing law and subject to the limitations and conditions described herein and assuming continuous compliance with certain covenants described herein, (1) interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and (2) interest on the Bonds is exempt from state income taxation within the State of Georgia.

Purchasers of any Bond at a premium or discount, whether at the time of initial issuance or subsequent thereto, should consult their own tax advisors with respect to the determination and treatment of premium or discount for federal income tax purposes and with respect to any state and local tax consequences of owning such Bond.

A copy of the proposed form of Bond Counsel's opinions are set forth in Appendix E hereto.

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RATINGS

Moody's has assigned the Series 2025 Bonds the rating of "Aa3." Certain information and materials, including information and materials not included in this Official Statement, were furnished by the City to Moody's. These ratings reflect only the views of the rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. Any explanation of the significance of the ratings may be obtained only from the rating agency furnishing such rating. A rating is not a recommendation to buy, sell, or hold securities.

There is no assurance that a rating, if assigned, will remain unchanged for any given period of time, or that it will not be revised, suspended, or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such revision, suspension, or withdrawal of the rating may have an adverse effect on the liquidity and market price of the Bonds. None of the City, the Agency, nor the Underwriter have undertaken any responsibility to oppose any such proposed revision, suspension or withdrawal.

UNDERWRITING

Stephens Inc. (the "Underwriter") has agreed to purchase the Bonds pursuant to a Bond Purchase Agreement entered into between the County and the Underwriter. The price and other terms regarding underwriting of the Bonds were established through negotiation. The Underwriter has agreed to purchase the Bonds, subject to certain conditions set forth in the Bond Purchase Agreement, at a purchase price of \$20,329,307.50, which represents the par amount of the Series 2025 Bonds of \$18,620,000.00, plus original issue premium of \$1,858,267.50, and less underwriter's discount of \$148,960.00.

The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the Bond Purchase Agreement. The Underwriter intends to offer the Bonds to the public initially at the offering prices shown on the cover page hereof, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with other dealers and underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers at prices lower than the public offering.

CONTINUING DISCLOSURE

The Agency has determined that no financial or operating data concerning the Agency is material to any decision to purchase, hold or sell the Bonds, and the Agency will not provide any such information. The City has undertaken all responsibilities for any continuing disclosure to Owners of the Bonds as described below, and the Agency will have no liability to the Owners of the Bonds or any other person with respect to such disclosure.

Securities and Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**") under the Securities Exchange Act of 1934 imposes continuing disclosure obligations on the issuers of certain state and municipal securities to permit participating underwriters to offer and sell the issuer's securities. In order to assist the Underwriter of the Bonds in complying with the Rule, the City will sign a Continuing Disclosure Certificate with DAC on the date of issuance and delivery of the Bonds (the "**Disclosure Certificate**") under which the City has designated DAC as Disclosure Dissemination Agent. The City has covenanted in the Contract and the Disclosure Certificate for the benefit of the owners of the Bonds to provide (a) certain financial information and operating data related to the City (the "**Annual Reports**") and (b) notices of the occurrences of certain events (the "**Event Notices**"). The Annual Reports and Event Notices will be filed electronically with the Municipal Securities Rulemaking Board's (the "**MSRB**") Electronic Municipal Market Access System ("**EMMA**"). The Annual Report shall contain or incorporate by reference, among other items, the general purpose financial statements of the City for the prior Fiscal Year. The City's current

fiscal year began on July 1, 2025, and will end on June 30, 2026. The specific nature of the information to be contained in the Annual Report or in the notices of material events is in “Appendix D: FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

EXPERTS

The financial statements of the Agency included in “APPENDIX B” of this Official Statement have been audited by Wilcox & Bivings, P.C., Suwanee, Georgia, independent certified public accountants, to the extent and for the period indicated in its report thereon which appears in such appendix. Such financial statements have been included herein with the consent of Wilcox & Bivings, P.C., given upon the authority of such firm as experts in accounting and auditing.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds, and the rights and obligations of the holders thereof. The information contained in this Official Statement has been compiled from official and other sources believed to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

Use of the words “shall,” “must,” or “will” in summaries of documents or laws in this Official Statement to describe future events or continuing obligations is not intended as a representation that such event will occur or obligation will be fulfilled but only that the document or law contemplates or requires such event to occur or obligation to be fulfilled.

The Appendices hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the Agency and the City.

URBAN REDEVELOPMENT AGENCY
OF THE CITY OF BUFORD

By: s/ Phillip Beard
Chairman

CITY OF BUFORD, GEORGIA

By: s/ Phillip Beard
Chairman
Board of Commissioners

Appendix A

CITY OF BUFORD GENERAL INFORMATION

Government Services and Facilities

The City's police services are provided by Gwinnett County through agreement. The City's fire department services are provided by Gwinnett County through agreement. The City maintains approximately 86 miles of paved streets and .2 miles of unpaved roads. The City's public works, gas, electric, water, sewer, and sanitation departments have 121 employees and operate and maintain the City's utility systems and other public works.

Employees and Employee Relations

As of September 1, 2025, the City has approximately 153 full-time employees and 2 part-time employees. The City's Management believes that it enjoys an excellent relationship with its employees. The City has never experienced a major disruption of services due to strike or employee action. No employees belong to labor unions or other collective bargaining groups and the City has no knowledge of any union organizing efforts.

Industry and Employment

Public Employers. Set forth below are the largest public employers located in the City as of September 1, 2025, their type of service, and their approximate number of employees. There can be no assurance that any employer listed below will continue employment at the level stated.

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
Buford City Schools	Education	748
City of Buford	Municipality	153

Private Employers. Set forth below are the ten largest private employers located in the City as of February 11, 2025 their type of business, and their approximate number of employees. There can be no assurance that any employer listed below will continue to be located in the City or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed.

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
Ozark Automotive Distributors	Distribution	625
Global Equipment Co.	Warehouse	412
Elringklinger USA, Inc.	Manufacturing	398
Wal-Mart Supercenter	Retail	310
The Sherwin Williams Co.	Distribution	298
Fed Ex Freight	Distribution	251
Veyer, LLC	Warehouse	249
Catalyst Nutraceuticals	Manufacturing	234
Amazon	Warehouse	200

Appendix B

**FINANCIAL STATEMENTS OF THE CITY OF BUFORD
FOR THE FISCAL YEAR ENDING JUNE 30, 2024**

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CITY OF BUFORD, GEORGIA
AUDITED BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**CITY OF BUFORD, GEORGIA
AUDITED BASIC FINANCIAL STATEMENTS
TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED	4
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	15
Reconciliation of the Governmental Funds Balance Sheet to Government-Wide Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	19
Proprietary Funds:	
Statement of Net Position	20
Statement of Revenues, Expenses, and Changes in Net Position	21
Statement of Cash Flows	22
Fiduciary Funds:	
Statement of Fiduciary Net Position	24
Statement of Changes in Fiduciary Net Position	25
Notes to Basic Financial Statements	26

**CITY OF BUFORD, GEORGIA
AUDITED BASIC FINANCIAL STATEMENTS
TABLE OF CONTENTS - CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

SUPPLEMENTARY INFORMATION REQUIRED BY GASB:

City of Buford Retirement Plan - Required Supplementary Information	62
City of Buford Other Postemployment Benefit Plan - Required Supplementary Information	66

OTHER CONTENTS OF THE FINANCIAL SECTION:

Combining Balance Sheet - Nonmajor Governmental Funds	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	69
Combining Balance Sheet - Nonmajor Special Revenue Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	71
Combining Balance Sheet - Nonmajor Debt Service Funds	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds	73
Combining Balance Sheet - Nonmajor Capital Projects Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	75
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual - American Rescue Plan Act Fund	76
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Hotel/Motel Tax Fund	77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Auto Rental Excise Tax Fund	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 2015 General Obligation Bond Fund Debt Service Fund	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - 2017 General Obligation Bond Fund Debt Service Fund	80
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Buford BOE Intergovernmental Contract Payable Debt Service Fund	81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Gwinnett County 2009 SPLOST Fund	82
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Gwinnett County 2017 SPLOST Fund	83
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Gwinnett County 2023 SPLOST Fund	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Hall County 2009 SPLOST Fund	85

**CITY OF BUFORD, GEORGIA
AUDITED BASIC FINANCIAL STATEMENTS
TABLE OF CONTENTS - CONTINUED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OTHER CONTENTS OF THE FINANCIAL SECTION - CONTINUED:

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Hall County 2015 SPLOST Fund	86
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Hall County 2020 SPLOST Fund	87
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Rest Haven 2001 SPLOST Fund	88
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Rest Haven 2005 SPLOST Fund	89

COMBINING FINANCIAL STATEMENTS - FIDUCIARY FUNDS:

Combining Statement of Fiduciary Net Position - Custodial Funds	90
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	91

SINGLE AUDIT SECTION:

Independent Auditors' 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>	92
Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	94
Schedule of Expenditures of Federal Awards	97
Notes to Schedule of Expenditures of Federal Awards	98
Schedule of Findings and Questioned Costs	99
Schedule of Prior Year Audit Findings	100
Corrective Action Plan	101

SCHEDULE REQUIRED BY THE STATE OF GEORGIA:

Schedule of Projects Constructed and Expenditures Incurred with Special Sales Tax Proceeds	102
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INDEPENDENT AUDITOR'S REPORT

WILCOX & BIVINGS, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

4485 Tench Road, Suite 1320

Suwanee, GA 30024

Phone: 770-904-0419

Email: srcpa@bellsouth.net

INDEPENDENT AUDITOR'S REPORT

**The Honorable Members of the Board of Commissioners
City of Buford, Georgia**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position and where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City of Buford Board of Education, which represent 95.6%, 84.5%, and 99.5%, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Buford Board of Education, is based solely on the report of the other auditors.

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, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Honorable Members of the Board of Commissioners
City of Buford, Georgia

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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the City of Buford Retirement Plan on pages 62-65 and the City of Buford Other Postemployment Benefit Plan on pages 66-67 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.

To the Board of Commissioners
City of Buford, Georgia

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise the City of Buford, Georgia's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, budgetary comparison schedules, combining fiduciary fund financial statements, Schedule of Projects Constructed and Expenditures Incurred with Special Sales Tax Proceeds, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, combining fiduciary fund financial statements, Schedule of Projects Constructed and Expenditures Incurred with Special Sales Tax Proceeds, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Wilcox & Birings, P.C.

Suwanee, Georgia
January 6, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Management of the City of Buford, Georgia (the "City") provides this Management Discussion and Analysis, as prescribed by the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34). This narrative overview and analysis of the City's financial activities is for the fiscal year ending June 30, 2024. Please consider this information in conjunction with the City's financial statements, which follow.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended June 30, 2024 by \$218,166,073 ("net position").
- The City's total net position increased by \$16,731,509 in the fiscal year ended June 30, 2024.
- As of the close of the current fiscal year ended June 30, 2024, the City's governmental funds reported combined ending fund balances of \$4,223,953 with a net decrease of \$11,907,827 in fund balance. A deficit of \$4,967,925 of this amount is available for use within the City's policies ("unassigned fund balances").
- At the end of the current fiscal year, unassigned fund balance for the general fund was a deficit of \$4,978,671 or 4.16% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected property taxes and earned and unused compensated absences.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues ("governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges ("business-type activities").

The government-wide financial statements can be found on pages 13-14 of this reporting package.

OVERVIEW OF THE FINANCIAL STATEMENTS - CONTINUED

Fund financial statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories - governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains fifteen governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and 2017 GOB Debt Service Fund which are considered to be major funds. Data from the other thirteen funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 15 to 19 of this reporting package.

Proprietary Funds

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its gas, electric, solid waste and recycling, wastewater and water operations (Utilities Fund) and to account for the operations of the Buford Community Center Fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Utilities Fund is considered a major fund of the City. The basic proprietary funds financial statements can be found on pages 20 to 23 of this reporting package.

Fiduciary Funds

The City maintains five fiduciary funds consisting of custodial funds related to the Buford Board of Education SPLOST funds from Gwinnett and Hall Counties. The basic fiduciary fund financial statements can be found on pages 24 to 25 of this reporting package.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 26 to 61 of this reporting package.

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS - CONTINUED

Supplementary Information Required or Recommended by GASB 34

Supplementary information required by GASB 34 consisting of pension and OPEB disclosures, combining nonmajor governmental funds, schedules of budget to actual for nonmajor governmental funds and a statement of changes in assets and liabilities for the agency funds can be found on pages 62 to 91 of this reporting package.

The Single Audit Section

Reporting and schedules required by *Government Auditing Standards* and the Single Audit can be found on pages 92 to 101 of this reporting package.

Schedule Required by the State of Georgia

The schedule required by the State of Georgia relating to SPLOST expenditures can be found on page 102 of this reporting package.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City of Buford, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$218,166,073 as of June 30, 2024.

The largest portion of the City's net position, totaling \$224,671,017 (102.98%) reflects its investments in capital assets (such as land, buildings and improvements, furniture, machinery and equipment, computer equipment, vehicles, utility systems and infrastructure); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, totaling \$8,658,690 (3.97%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position deficit of \$15,163,634 (-6.95%) may be used to meet the government's ongoing obligations to citizens and creditors.

The property tax rate decreased to 12.50 mills from 12.55 for the tax year billed in 2023 and payable in the fiscal year ending June 30, 2024.

At June 30, 2024, the governmental activities of the City had positive balances in net investment in capital assets of \$157,008,986 and in restricted assets totaling \$8,658,690, and a negative balance in unrestricted net position of \$(48,911,030). At June 30, 2023, the governmental activities of the City had positive balances in net investment in capital assets of \$114,388,754 and in restricted assets totaling \$8,466,586, and a negative balance in unrestricted net position of \$(38,826,638).

The unrestricted net position of business-type activities had a positive balance of \$33,747,396 as of June 30, 2024, and a positive balance of \$53,227,939 as of June 30, 2023.

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - CONTINUED

CITY OF BUFORD, GEORGIA'S CONDENSED NET POSITION

	Governmental Activities		Business-Type Activities		Total - Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 28,297,430	\$ 46,031,323	\$ 54,735,664	\$ 77,024,750	\$ 83,033,094	\$ 123,056,073
Capital assets	<u>157,008,986</u>	<u>114,388,754</u>	<u>85,676,077</u>	<u>82,984,098</u>	<u>242,685,063</u>	<u>197,372,852</u>
Total assets	<u>185,306,416</u>	<u>160,420,077</u>	<u>140,411,741</u>	<u>160,008,848</u>	<u>325,718,157</u>	<u>320,428,925</u>
Deferred outflows of resources	<u>9,631,147</u>	<u>8,760,033</u>	<u>6,100,288</u>	<u>5,346,071</u>	<u>15,731,435</u>	<u>14,106,104</u>
Noncurrent liabilities	59,588,048	59,957,730	35,141,125	34,220,986	94,729,173	94,178,716
Other liabilities	<u>14,801,145</u>	<u>20,486,005</u>	<u>6,490,897</u>	<u>9,057,377</u>	<u>21,292,042</u>	<u>29,543,382</u>
Total liabilities	<u>74,389,193</u>	<u>80,443,735</u>	<u>41,632,022</u>	<u>43,278,363</u>	<u>116,021,215</u>	<u>123,722,098</u>
Deferred inflows of resources	<u>3,791,724</u>	<u>4,707,673</u>	<u>3,470,580</u>	<u>4,670,694</u>	<u>7,262,304</u>	<u>9,378,367</u>
Net position:						
Net investment in capital assets	157,008,986	114,388,754	67,662,031	64,177,923	224,671,017	178,566,677
Restricted	8,658,690	8,466,586	-	-	8,658,690	8,466,586
Unrestricted (deficit)	<u>(48,911,030)</u>	<u>(38,826,638)</u>	<u>33,747,396</u>	<u>53,227,939</u>	<u>(15,163,634)</u>	<u>14,401,301</u>
Total net position	<u>\$ 116,756,646</u>	<u>\$ 84,028,702</u>	<u>\$ 101,409,427</u>	<u>\$ 117,405,862</u>	<u>\$ 218,166,073</u>	<u>\$ 201,434,564</u>

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - CONTINUED

Analysis of the City's Operations

The following table provides a summary of the City's operations for the year ended June 30, 2024 and June 30, 2023. Governmental activities increased the City's net position by \$32,727,944 for the year ended June 30, 2024 and decreased net position by \$(2,256,458) for the year ended June 30, 2023. Business-type activities decreased the City's net position by \$(15,996,435) for the year ended June 30, 2024 and increased net position by \$11,304,938 for the year ended June 30, 2023.

CITY OF BUFORD, GEORGIA'S CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total-Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 2,107,592	\$ 1,907,449	\$ 98,191,184	\$ 95,766,488	\$ 100,298,776	\$ 97,673,937
Capital grants and Contributions	9,004,218	6,663,009	715,982	198,659	9,720,200	6,861,668
Operating grants and Contributions	4,275,936	1,841,191	-	-	4,275,936	1,841,191
General revenues:						
Taxes	40,332,812	35,305,501	-	-	40,332,812	35,305,501
Franchise fees	1,185,876	1,192,687	-	-	1,185,876	1,192,687
Investment income (loss)	254,950	151,032	1,878,861	787,120	2,133,811	938,152
Gain (loss) on sale of assets	114,291	88,824	-	-	114,291	88,824
Miscellaneous	<u>161,859</u>	<u>169,140</u>	<u>2,632,790</u>	<u>2,677,104</u>	<u>2,794,649</u>	<u>2,846,244</u>
Total revenues	<u>57,437,534</u>	<u>47,318,833</u>	<u>103,418,817</u>	<u>99,429,371</u>	<u>160,856,351</u>	<u>146,748,204</u>
Expenses:						
General government	5,365,556	5,598,643	-	-	5,365,556	5,598,643
Public safety	575,790	727,783	-	-	575,790	727,783
Public services	14,085,971	12,514,121	-	-	14,085,971	12,514,121
Board of Education	58,433,711	49,176,525	-	-	58,433,711	49,176,525
Downtown development	293,045	553,000	-	-	293,045	553,000
Debt service	1,767,871	2,011,922	-	-	1,767,871	2,011,922
Gas system	-	-	25,546,220	27,912,891	25,546,220	27,912,891
Electric system	-	-	20,396,529	23,345,546	20,396,529	23,345,546
Solid waste and recycling	-	-	7,316,297	6,312,162	7,316,297	6,312,162
Wastewater system	-	-	4,522,735	4,223,108	4,522,735	4,223,108
Water system	-	-	3,791,520	3,276,492	3,791,520	3,276,492
Utilities Fund - Nondivisional	-	-	424,168	407,877	424,168	407,877
Community Center	<u>-</u>	<u>-</u>	<u>1,605,429</u>	<u>1,639,654</u>	<u>1,605,429</u>	<u>1,639,654</u>
Total expenses	<u>80,521,944</u>	<u>70,581,994</u>	<u>63,602,898</u>	<u>67,117,730</u>	<u>144,124,842</u>	<u>137,699,724</u>
Excess (deficiency) in net position before contributions and transfers	(23,084,410)	(23,263,161)	39,815,919	32,311,641	16,731,509	9,048,480
Transfers - internal	<u>55,812,354</u>	<u>21,006,703</u>	<u>(55,812,354)</u>	<u>(21,006,703)</u>	<u>-</u>	<u>-</u>
Change in net position	32,727,944	(2,256,458)	(15,996,435)	11,304,938	16,731,509	9,048,480
Net position – July 1	<u>84,028,702</u>	<u>86,285,160</u>	<u>117,405,862</u>	<u>106,100,924</u>	<u>201,434,564</u>	<u>192,386,084</u>
Net position – June 30	\$ <u>116,756,646</u>	\$ <u>84,028,702</u>	\$ <u>101,409,427</u>	\$ <u>117,405,862</u>	\$ <u>218,166,073</u>	\$ <u>201,434,564</u>

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,223,953. Of this amount, \$8,658,690 (205.00%) of this total is restricted due to external limitations on its use. These uses include 1) capital projects funded by SPLOST funds \$8,654,487, 2) debt service related to General Obligation Bonds \$199, and 3) education purposes \$4,004. \$533,188 (12.62%) of fund balances is considered unspendable because it has been used for prepaid items. A deficit of \$4,967,925 (117.61%) constitutes unassigned fund balance.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was a deficit of \$4,978,671, and total fund balance was a deficit of \$4,441,479. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total operational expenditures. Unassigned fund balance deficit represents 4.16% of total expenditures, while total fund balance deficit represents 3.71% of that same amount.

The General Fund's fund balance decreased by \$(12,726,322) during the current fiscal year. Key factors are as follows:

- Total revenues increased by \$9,050,574. Components of this increase included an increase in property tax revenues of \$4,452,286 due to increases in real property valuations; and an increase in intergovernmental revenues of \$3,913,469 due to the City receiving intergovernmental revenue from capital grants, homeowner's tax relief grants, and the Buford Board of Education.
- Total expenditures increased by \$43,743,255. Components of this increase included an increase in general governmental expenditures of \$30,244,749 due to an increase in capital expenditures for construction projects; an increase in highway and street expenditures of \$1,800,352 due to an increase in street paving projects and other operating expenditures; an increase in culture and recreation expenditures of \$2,481,637 due to ballfield renovations; and an increase in intergovernmental expenditures to the Buford Board of Education of \$9,257,186.
- Other financing sources increased by \$26,333,901 due primarily to an increase in transfers in of \$26,390,391.

Proprietary funds

The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds was \$33,747,396, primarily represented by unrestricted net position of \$33,711,182 from the Utilities Fund. The funds had an overall net decrease in fund net position of \$15,996,435, represented primarily by a decrease in Utilities Fund net position of \$16,162,770.

General Fund Budgetary Highlights

The City made revisions to the original budgeted expenditures as necessary during the year, as approved by the City Commission, including amending the budget in order to equal actual expenditures at the end of the fiscal year. Overall, these changes resulted in an increase from original budgeted expenditures by \$20,566,330 a percentage increase of 20.78%. Budgeted expenditures for General Government were increased by \$17,099,580, and intergovernmental expenditures to the City of Buford Board of Education were increased by \$1,762,711.

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2024 and 2023, amounted to \$242,685,063 and \$197,372,852, net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, furniture, machinery and equipment, computer equipment, utility infrastructure, infrastructure assets, and vehicles.

Major capital asset events during the current fiscal year included the following:

- The City added \$3,271,327 to its Gas System, \$578,977 to its Electric System, and \$28,680,210 to its Water and Wastewater System for improvements and expansion of the systems.
- The City capitalized \$4,200,716 in City parks additions and improvements.
- The City capitalized \$3,406,753 in street additions and improvements.
- The City purchased land parcels totaling \$3,200,986.
- The City incurred \$38,076,081 in construction in progress in its governmental activities as the City has several projects in progress, and also transferred \$2,112,418 in construction in progress to completed capital projects.
- The City transferred \$25,487,429 in construction in progress for its Water and Wastewater System to completed capital projects including the completed construction of its water plant addition.

Depreciation expense totaled \$5,056,359 in the governmental activities and \$5,260,304 in the business-type enterprises.

CAPITAL ASSETS AT YEAR-END (NET OF ACCUMULATED DEPRECIATION)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total-Primary Government</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 32,691,358	\$ 29,808,652	\$ 202,663	\$ 202,663	\$ 32,894,021	\$ 30,011,315
Construction in progress	44,865,700	8,902,037	80,286	25,487,429	44,945,986	34,389,466
Utility system infrastructure	-	-	153,267,510	126,924,746	153,267,510	126,924,746
Buildings and improvements	46,990,020	47,357,255	296,782	228,782	47,286,802	47,586,037
City parks	25,970,063	21,769,347	-	-	25,970,063	21,769,347
Furniture and equipment	1,473,581	1,433,727	1,271,414	1,072,371	2,744,995	2,506,098
Sidewalks	2,853,579	2,248,966	-	-	2,853,579	2,248,966
Streets	34,937,733	31,530,980	-	-	34,937,733	31,530,980
Streetscapes & hardscapes	11,321,104	11,321,104	-	-	11,321,104	11,321,104
Vehicles	856,651	769,942	2,320,837	1,872,618	3,177,488	2,642,560
Accumulated depreciation	(44,950,803)	(40,753,256)	(71,763,415)	(72,804,511)	(116,714,218)	(113,557,767)
Total	\$ 157,008,986	\$ 114,388,754	\$ 85,676,077	\$ 82,984,098	\$ 242,685,063	\$ 197,372,852

Additional information on the City's capital assets can be found in note 5 in the notes to the basic financial statements on pages 41-43 of this reporting package.

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had \$68,221,476 in outstanding debt consisting of general obligation bonds of \$11,572,430, revenue bonds of \$18,014,046, and intergovernmental contract payable of \$38,635,000.

CITY OF BUFORD, GEORGIA'S OUTSTANDING DEBT

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total-Primary Government</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General obligation bonds	\$ 11,572,430	\$ 21,383,452	\$ -	\$ -	\$ 11,572,430	\$ 21,383,452
Revenue bonds	-	-	18,014,046	18,806,175	18,014,046	18,806,175
Intergovernmental contract payable	<u>38,635,000</u>	<u>40,565,000</u>	<u>-</u>	<u>-</u>	<u>38,635,000</u>	<u>40,565,000</u>
Total	<u>\$ 50,207,430</u>	<u>\$ 61,948,452</u>	<u>\$ 18,014,046</u>	<u>\$ 18,806,175</u>	<u>\$ 68,221,476</u>	<u>\$ 80,754,627</u>

The City's total debt decreased by \$12,533,151 during the current fiscal year. The City reduced its outstanding general obligation bonds payable by principal repayments and amortization of bond reoffering premiums of \$9,811,022. The City made principal payments and amortization of bond reoffering premiums on revenue bonds of \$792,129. The City made principal payments on the intergovernmental contract payable of \$1,930,000.

Additional information on the City's long-term debt can be found in note 6 on pages 44-48 of this reporting package.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The area's economy continues to show strength with a particularly high level of activity in the light industrial/office/warehouse sector. Single family housing construction is healthy with several developments offering a range of housing opportunities. The retail sector continues its steady improvement. Several commercial developments are either proposed or in concept development. The City plans to continue improvements to its infrastructure, further invest in its utility systems, support planning and development in the City and focus on delivery of services to its citizens and customers.

With regards to capital projects, the City is currently constructing the new Buford City Stadium. Additionally, the City has several other projects in progress. Numerous gas and sewer extension and improvement projects were completed in 2024 supporting development, roadway projects, system safety and reliability, which will continue in 2025.

Buford Community Center and Theatre continues to host events, weddings, receptions and meetings with demand for the facility remaining strong. Buford Youth Sports Complex continues to host youth sporting events and draws teams and spectators from across Georgia and the Southeast.

**CITY OF BUFORD, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS - CONTINUED

Fiscal Year 2025 Budget

General Fund budgeted revenue and transfers in for the 2025 fiscal year total \$112,406,475, while General Fund budgeted expenditures and transfers out for the 2025 fiscal year total \$112,977,250.

Budgeted revenues for the Enterprise Funds for the 2025 fiscal year include \$3,695,180 for the Waste Water System, \$3,228,272 for the Water System, \$10,505,000 for Solid Waste and Recycling, \$28,046,800 for the Electric System, \$56,282,570 for the Gas System, \$1,555,000 for Nondivisional revenues, and \$1,226,600 for the Buford Community Center for a total of \$104,539,422. Budgeted expenditures and transfers out for the 2025 fiscal year include \$5,876,750 for the Waste Water System, \$3,687,950 for the Water System, \$5,788,000 for Solid Waste and Recycling, \$21,059,000 for the Electric System, \$26,618,913 for the Gas System, \$90,000 for Nondivisional expenditures and \$34,000,000 transfers out, and \$1,761,500 for the Buford Community Center for a total of \$98,882,113.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Buford, 2300 Buford Highway, Buford, Georgia 30518.

The financial statements of the City of Buford Board of Education are audited by the Georgia Department of Audits, as allowed by Code of Georgia Annotated 50-6-6. These component financial statements can be obtained from the City of Buford Board of Education at 2625 Sawnee Avenue, Buford, Georgia 30518.

BASIC FINANCIAL STATEMENTS

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**CITY OF BUFORD, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	06/30/23 City of Buford Board of Education	Downtown Development Authority
ASSETS					
Cash and cash equivalents	\$ 11,383,835	\$ 6,409,100	\$ 17,792,935	\$ 17,628,786	\$ 2,001,924
Investments	2,715,433	30,762,009	33,477,442	-	-
Receivables - net	993,507	7,482,052	8,475,559	3,687,739	417,750
Due from other governments	1,168,316	-	1,168,316	9,297,867	-
Leases receivable - due within one year	-	346,253	346,253	-	-
Internal balances	(69,279)	69,279	-	-	-
Prepaid items	533,188	1,583,184	2,116,372	27,850	-
Inventories	-	-	-	37,549	-
Property held for resale	-	-	-	-	5,788,045
Restricted cash and investments on hand with fiscal agent	-	-	-	36,932,110	-
Restricted investments	-	8,083,787	8,083,787	-	-
Intergovernmental contract receivable	11,572,430	-	11,572,430	-	-
Capital assets being depreciated - net	79,451,928	85,393,128	164,845,056	153,576,888	-
Capital assets not being depreciated	77,557,058	282,949	77,840,007	8,683,624	2,290,000
Total assets	<u>185,306,416</u>	<u>140,411,741</u>	<u>325,718,157</u>	<u>229,872,413</u>	<u>10,497,719</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on bond refunding	2,291,140	-	2,291,140	2,484,139	-
Pension related deferred outflows	4,523,597	3,701,124	8,224,721	44,928,996	-
OPEB related deferred outflows	2,816,410	2,399,164	5,215,574	10,081,960	-
Total deferred outflows of resources	<u>9,631,147</u>	<u>6,100,288</u>	<u>15,731,435</u>	<u>57,495,095</u>	<u>-</u>
LIABILITIES					
Accounts payable	8,919,856	3,339,040	12,258,896	5,401,834	-
Accrued interest	673,448	306,350	979,798	917,498	-
Other accrued liabilities	63,369	344,022	407,391	10,486,794	-
Unearned revenue	2,798,451	1,679,357	4,477,808	63,252	-
Long-term liabilities:					
due within one year:					
Intergovernmental contract payable	1,955,000	-	1,955,000	18,160,837	-
Bonds payable	391,021	822,128	1,213,149	-	-
SBITA payable	-	-	-	157,308	-
due in more than one year:					
Customer deposits	-	8,083,787	8,083,787	-	-
Accrued compensated absences	324,206	271,892	596,098	-	-
Intergovernmental contract payable	36,680,000	-	36,680,000	62,896,457	-
Bonds payable	11,181,409	17,191,918	28,373,327	-	-
SBITA payable	-	-	-	111,733	-
Net pension liability	3,553,789	2,907,646	6,461,435	86,269,483	-
Net OPEB liability	7,848,644	6,685,882	14,534,526	28,221,494	-
Total liabilities	<u>74,389,193</u>	<u>41,632,022</u>	<u>116,021,215</u>	<u>212,686,690</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Lease related deferred inflows	-	338,263	338,263	-	-
Deferred gain on bond refunding	80,415	-	80,415	-	-
Pension related deferred inflows	866,273	708,768	1,575,041	449,053	-
OPEB related deferred inflows	2,845,036	2,423,549	5,268,585	16,878,001	-
Total deferred inflows of resources	<u>3,791,724</u>	<u>3,470,580</u>	<u>7,262,304</u>	<u>17,327,054</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	157,008,986	67,662,031	224,671,017	120,877,045	2,290,000
Restricted for:					
Capital projects	8,654,487	-	8,654,487	-	-
Debt service	199	-	199	37,434	-
Education	4,004	-	4,004	-	-
Unrestricted (deficit)	(48,911,030)	33,747,396	(15,163,634)	(63,560,715)	8,207,719
Total net position	<u>\$ 116,756,646</u>	<u>\$ 101,409,427</u>	<u>\$ 218,166,073</u>	<u>\$ 57,353,764</u>	<u>\$ 10,497,719</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 492,170	\$ 555,371	\$ 4,275,936	\$ 7,651,296
Financial administration	4,873,386	-	-	-
Public safety, Marshal and Code enforcement	575,790	15,382	-	-
Highway and street	10,069,751	-	-	1,352,922
Building inspection	825,999	1,259,696	-	-
Culture and recreation	1,786,499	277,143	-	-
Maintenance	1,403,722	-	-	-
Board of Education	58,433,711	-	-	-
Downtown Development Authority	293,045	-	-	-
Interest and fiscal charges	<u>1,767,871</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>80,521,944</u>	<u>2,107,592</u>	<u>4,275,936</u>	<u>9,004,218</u>
Business-type activities:				
Gas system	25,546,220	52,662,366	-	413,315
Electric system	20,396,529	27,563,928	-	302,667
Solid waste and recycling	7,316,297	11,016,241	-	-
Wastewater system	4,522,735	3,584,105	-	-
Water system	3,791,520	1,330,546	-	-
Non-divisional utility	424,168	1,548,085	-	-
Community Center	<u>1,605,429</u>	<u>485,913</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>63,602,898</u>	<u>98,191,184</u>	<u>-</u>	<u>715,982</u>
Total primary government	<u>\$ 144,124,842</u>	<u>\$ 100,298,776</u>	<u>\$ 4,275,936</u>	<u>\$ 9,720,200</u>
Component Units				
City of Buford Board of Education	\$ 92,871,735	\$ 4,230,942	\$ 54,515,109	\$ 2,367,848
Downtown Development Authority	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>293,045</u>
Total component units	<u>\$ 92,901,735</u>	<u>\$ 4,230,942</u>	<u>\$ 54,515,109</u>	<u>\$ 2,660,893</u>

General revenues:
Taxes:
 Property
 Sales, excise, and other
Franchise fees
Investment income
Gain on sale of assets
Miscellaneous
Transfers

Total general revenues and transfers

Change in net position

Net position at beginning of year, restated
for City of Buford BOE

Net position at end of year

Net (Expense) Revenue and Changes in Net Position			Component Units	
Primary Government			06/30/23 City of Buford Board of Education	Downtown Development Authority
Governmental Activities	Business-Type Activities	Total		
\$ 11,990,433	\$ -	\$ 11,990,433	\$ -	\$ -
(4,873,386)	-	(4,873,386)	-	-
(560,408)	-	(560,408)	-	-
(8,716,829)	-	(8,716,829)	-	-
433,697	-	433,697	-	-
(1,509,356)	-	(1,509,356)	-	-
(1,403,722)	-	(1,403,722)	-	-
(58,433,711)	-	(58,433,711)	-	-
(293,045)	-	(293,045)	-	-
(1,767,871)	-	(1,767,871)	-	-
(65,134,198)	-	(65,134,198)	-	-
-	27,529,461	27,529,461	-	-
-	7,470,066	7,470,066	-	-
-	3,699,944	3,699,944	-	-
-	(938,630)	(938,630)	-	-
-	(2,460,974)	(2,460,974)	-	-
-	1,123,917	1,123,917	-	-
-	(1,119,516)	(1,119,516)	-	-
-	35,304,268	35,304,268	-	-
\$(65,134,198)	\$ 35,304,268	\$(29,829,930)	\$ -	\$ -
\$ -	\$ -	\$ -	\$(31,757,836)	\$ -
-	-	-	-	263,045
\$ -	\$ -	\$ -	\$(31,757,836)	\$ 263,045
\$ 33,031,226	\$ -	\$ 33,031,226	\$ 31,490,154	\$ -
7,301,586	-	7,301,586	11,589,362	-
1,185,876	-	1,185,876	-	-
254,950	1,878,861	2,133,811	37,987	1,973
114,291	-	114,291	-	275,969
161,859	2,632,790	2,794,649	6,351,468	30,000
55,812,354	(55,812,354)	-	-	-
97,862,142	(51,300,703)	46,561,439	49,468,971	307,942
32,727,944	(15,996,435)	16,731,509	17,711,135	570,987
84,028,702	117,405,862	201,434,564	39,642,629	9,926,732
\$ 116,756,646	\$ 101,409,427	\$ 218,166,073	\$ 57,353,764	\$ 10,497,719

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	General	2017 GOB Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 477,063	\$ 199	\$ 10,906,573	\$ 11,383,835
Investments – certificates of deposit	2,715,433	-	-	2,715,433
Property taxes receivable - net	787,845	-	-	787,845
Sales, excise, and other taxes receivable	-	-	104,415	104,415
Other receivables	101,247	-	-	101,247
Due from other governments	472,663	-	695,653	1,168,316
Interfund balances	154,475	-	-	154,475
Prepaid items	<u>533,188</u>	<u>-</u>	<u>-</u>	<u>533,188</u>
Total assets	\$ <u>5,241,914</u>	\$ <u>199</u>	\$ <u>11,706,641</u>	\$ <u>16,948,754</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 8,900,653	\$ -	\$ 19,203	\$ 8,919,856
Accrued expenses	63,369	-	-	63,369
Interfund balances	-	-	223,754	223,754
Unearned revenue	<u>-</u>	<u>-</u>	<u>2,798,451</u>	<u>2,798,451</u>
Total liabilities	<u>8,964,022</u>	<u>-</u>	<u>3,041,408</u>	<u>12,005,430</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	<u>719,371</u>	<u>-</u>	<u>-</u>	<u>719,371</u>
Total deferred inflows of resources	<u>719,371</u>	<u>-</u>	<u>-</u>	<u>719,371</u>
FUND BALANCES				
Non-spendable:				
Prepaid items	533,188	-	-	533,188
Restricted for:				
Capital projects	-	-	8,654,487	8,654,487
Debt service	-	199	-	199
Education	4,004	-	-	4,004
Unassigned (deficit)	<u>(4,978,671)</u>	<u>-</u>	<u>10,746</u>	<u>(4,967,925)</u>
Total fund balances (deficit)	<u>(4,441,479)</u>	<u>199</u>	<u>8,665,233</u>	<u>4,223,953</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>5,241,914</u>	\$ <u>199</u>	\$ <u>11,706,641</u>	\$ <u>16,948,754</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS

**CITY OF BUFORD, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2024**

Total fund balance - total governmental funds	\$ 4,223,953
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in the governmental funds balance sheet.	157,008,986
Long-term receivables applicable to governmental activities are not due and receivable in the current period and accordingly are not reported in the governmental funds balance sheet:	
Intergovernmental contract receivable	11,572,430
Other long-term assets are not available to pay for current period expenditures, and therefore, are reported as deferred inflows of resources in governmental funds:	
Property tax revenue	719,371
Deferred outflows of resources are not due and payable in the current period, and therefore, are not reported in the funds:	
Pension related experience differences, assumption changes, differences between projected and actual earnings on pension plan investments, and contributions	4,523,597
OPEB related experience differences, assumption changes, differences between projected and actual earnings on OPEB plan investments, and contributions	2,816,410
Deferred loss on bond refunding	2,291,140
Deferred inflows of resources are not available to pay for current-period expenditures, and therefore, are not reported in the funds:	
Pension related differences between expected and actual experience	(866,273)
OPEB related differences between expected and actual experience	(2,845,036)
Deferred gain on bond refunding	(80,415)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported in fund liabilities. Interest on long-term debt is not accrued in governmental funds, but is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position:	
General obligation bonds - 2017 issue	(9,810,000)
Reoffering premium - 2017 issue	(1,762,430)
Intergovernmental contract payable	(38,635,000)
Accrued interest payable	(673,448)
Compensated absences	(324,206)
Net pension liability	(3,553,789)
OPEB liability	(7,848,644)
Net position of governmental activities	\$ <u>116,756,646</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS

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

	General	2017 GOB Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes - property	\$ 33,000,460	\$ -	\$ -	\$ 33,000,460
Taxes - sales, excise, and other	6,716,659	-	584,927	7,301,586
Intergovernmental	4,388,377	10,381,500	6,776,565	21,546,442
Charges for services	2,107,592	-	-	2,107,592
Franchise fees	1,185,876	-	-	1,185,876
Investment income	251,680	1	11,221	262,902
Miscellaneous	<u>161,859</u>	<u>-</u>	<u>-</u>	<u>161,859</u>
Total revenues	<u>47,812,503</u>	<u>10,381,501</u>	<u>7,372,713</u>	<u>65,566,717</u>
EXPENDITURES				
Current operating:				
General government:				
General	42,339,580	-	-	42,339,580
Financial administration	4,947,361	-	-	4,947,361
Public safety:				
Public safety, Marshal and code enforcement	563,064	-	-	563,064
Public services:				
Highway and street	7,404,396	-	-	7,404,396
Building inspection	848,727	-	-	848,727
Culture and recreation	3,616,767	-	69,229	3,685,996
Maintenance	1,402,724	-	-	1,402,724
Intergovernmental:				
Buford Board of Education	58,433,711	-	-	58,433,711
Capital outlay	-	-	614,144	614,144
Debt Service				
Principal retirement	-	9,420,000	1,930,000	11,350,000
Interest and fiscal charges	<u>-</u>	<u>962,225</u>	<u>874,496</u>	<u>1,836,721</u>
Total expenditures	<u>119,556,330</u>	<u>10,382,225</u>	<u>3,487,869</u>	<u>133,426,424</u>
Excess (deficiency) of revenues over (under) expenditures	(<u>71,743,827</u>)	(<u>724</u>)	<u>3,884,844</u>	(<u>67,859,707</u>)
OTHER FINANCING SOURCES (USES)				
Sales of surplus property	139,526	-	-	139,526
Transfers in	60,096,024	725	1,000	60,097,749
Transfers out	(<u>1,218,045</u>)	(<u>30,035</u>)	(<u>3,037,315</u>)	(<u>4,285,395</u>)
Total other financing sources (uses)	<u>59,017,505</u>	(<u>29,310</u>)	(<u>3,036,315</u>)	<u>55,951,880</u>
Net change in fund balance	(12,726,322)	(30,034)	848,529	(11,907,827)
Fund balance - beginning	<u>8,284,843</u>	<u>30,233</u>	<u>7,816,704</u>	<u>16,131,780</u>
Fund balance (deficit) - ending	\$ (<u>4,441,479</u>)	\$ <u>199</u>	\$ <u>8,665,233</u>	\$ <u>4,223,953</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Net change in fund balances - total governmental funds **\$(11,907,827)**

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

**Governmental funds report capital outlays as expenditures. However, in the
Government-wide statement of activities, the cost of those assets is allocated
over their estimated useful lives as depreciation expense. When assets are sold
or retired, the difference between the sales proceeds, if any, and the net book
value of the assets is reported in the statement of activities as a gain or loss:**

Capital asset additions	47,994,871
Depreciation expense	(5,056,359)
Loss on disposal of assets	(318,280)

**Revenues in the government-wide statement of activities that do not provide
current financial resources are not reported as revenues in the funds. This
is the increase (decrease) during the current year in deferred inflows or resources
that are earned but not collected:**

Property tax revenue	30,766
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**In the governmental funds, payments received on long-term intergovernmental contracts
receivable are reported as intergovernmental revenues. However, in the statement of
activities, the intergovernmental contracts receivable, is recorded in the year it is
created and repayments serve to reduce the long-term receivable. This is the net
effect of these differences in the current year:**

(9,811,022)

**The issuance of long-term debt (e.g. bonds) provides current financial resources
to governmental funds while the repayment of the principal of long-term debt
consumes current financial resources of governmental funds. Neither transaction,
however, has any effect on net position. Also, governmental funds report the effect
of issuance cost, premiums, discounts, and similar items when debt is first issued,
whereas the amounts are deferred and amortized in the government-wide statement
of activities:**

Principal payments on general obligation bonds	9,420,000
Principal payments on intergovernmental contract payable	1,930,000
Amortization of bond reoffering premiums	391,022
Amortization of gain on advance bond refunding	17,870
Amortization of loss on advance bond refunding	(193,070)

**Some expenses reported in the government-wide statement of activities do not
require the use of current financial resources, and therefore, are not reported
as expenditures in governmental funds:**

Accrued interest	244,050
Compensated absences	(76,295)
Pension cost	267,004
OPEB cost	(204,786)

Change in net position of governmental activities **\$ 32,727,944**

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

CITY OF BUFORD, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund			Variance with Final budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes - property	\$ 31,690,800	\$ 31,690,800	\$ 33,000,460	\$ 1,309,660
Taxes - sales, excise, and other	5,187,000	5,187,000	6,716,659	1,529,659
Intergovernmental	3,382,195	3,382,195	4,388,377	1,006,182
Charges for services	1,179,500	1,179,500	2,107,592	928,092
Franchise fees	1,200,000	1,200,000	1,185,876	(14,124)
Investment income	40,000	40,000	251,680	211,680
Miscellaneous	<u>149,980</u>	<u>149,980</u>	<u>161,859</u>	<u>11,879</u>
Total revenues	<u>42,829,475</u>	<u>42,829,475</u>	<u>47,812,503</u>	<u>4,983,028</u>
EXPENDITURES				
Current operating:				
General government:				
General	25,240,000	42,339,580	42,339,580	-
Financial administration	4,533,000	4,947,361	4,947,361	-
Public safety:				
Public safety, Marshal and Code enforcement	881,000	563,064	563,064	-
Public services:				
Highway and street	6,325,000	7,404,396	7,404,396	-
Building inspection	500,000	848,727	848,727	-
Culture and recreation	3,637,000	3,616,767	3,616,767	-
Maintenance	1,203,000	1,402,724	1,402,724	-
Intergovernmental:				
Board of Education	<u>56,671,000</u>	<u>58,433,711</u>	<u>58,433,711</u>	-
Total expenditures	<u>98,990,000</u>	<u>119,556,330</u>	<u>119,556,330</u>	-
Excess (deficiency) of revenues over (under) expenditures	(<u>56,160,525</u>)	(<u>76,726,855</u>)	(<u>71,743,827</u>)	<u>4,983,028</u>
OTHER FINANCING SOURCES (USES)				
Sales of surplus equipment	20,000	20,000	139,526	119,526
Transfers in	70,175,000	70,175,000	60,096,024	(10,078,976)
Transfers out	(<u>800,750</u>)	(<u>1,218,045</u>)	(<u>1,218,045</u>)	-
Net other financing sources (uses)	<u>69,394,250</u>	<u>68,976,955</u>	<u>59,017,505</u>	(<u>9,959,450</u>)
Net change in fund balance	13,233,725	(7,749,900)	(12,726,322)	(4,976,422)
Fund balance - beginning	<u>8,284,843</u>	<u>8,284,843</u>	<u>8,284,843</u>	-
Fund balance (deficit) - ending	\$ <u>21,518,568</u>	\$ <u>534,943</u>	\$ (<u>4,441,479</u>)	\$ (<u>4,976,422</u>)

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 6,389,501	\$ 19,599	\$ 6,409,100
Investments	30,762,009	-	30,762,009
Accounts receivable, net	7,482,052	-	7,482,052
Leases receivable	346,253	-	346,253
Due from other funds	-	69,279	69,279
Prepaid items	<u>1,481,038</u>	<u>102,146</u>	<u>1,583,184</u>
Total current assets	<u>46,460,853</u>	<u>191,024</u>	<u>46,651,877</u>
Noncurrent assets:			
Restricted assets:			
Restricted investments	8,083,787	-	8,083,787
Capital assets - net	<u>85,257,450</u>	<u>418,627</u>	<u>85,676,077</u>
Total noncurrent assets	<u>93,341,237</u>	<u>418,627</u>	<u>93,759,864</u>
Total assets	<u>139,802,090</u>	<u>609,651</u>	<u>140,411,741</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	3,536,630	164,494	3,701,124
Deferred outflows of resources related to OPEB	<u>2,399,164</u>	<u>-</u>	<u>2,399,164</u>
Total deferred outflows of resources	<u>5,935,794</u>	<u>164,494</u>	<u>6,100,288</u>
LIABILITIES			
Current liabilities:			
Accounts payable	3,319,743	19,297	3,339,040
Accrued interest	306,350	-	306,350
Other accrued liabilities	339,389	4,633	344,022
Unearned revenue	1,544,712	134,645	1,679,357
Revenue bonds payable	<u>822,128</u>	<u>-</u>	<u>822,128</u>
Total current liabilities	<u>6,332,322</u>	<u>158,575</u>	<u>6,490,897</u>
Noncurrent liabilities:			
Customer deposits payable	8,083,787	-	8,083,787
Accrued compensated absences	271,892	-	271,892
Revenue bonds payable	17,191,918	-	17,191,918
Net pension liability	2,778,417	129,229	2,907,646
Net OPEB liability	<u>6,685,882</u>	<u>-</u>	<u>6,685,882</u>
Total noncurrent liabilities	<u>35,011,896</u>	<u>129,229</u>	<u>35,141,125</u>
Total liabilities	<u>41,344,218</u>	<u>287,804</u>	<u>41,632,022</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources leases	338,263	-	338,263
Deferred inflows of resources related to pensions	677,268	31,500	708,768
Deferred inflows of resources related to OPEB	<u>2,423,549</u>	<u>-</u>	<u>2,423,549</u>
Total deferred inflows of resources	<u>3,439,080</u>	<u>31,500</u>	<u>3,470,580</u>
NET POSITION			
Net investment in capital assets	67,243,404	418,627	67,662,031
Unrestricted	<u>33,711,182</u>	<u>36,214</u>	<u>33,747,396</u>
Total net position	<u>\$ 100,954,586</u>	<u>\$ 454,841</u>	<u>\$ 101,409,427</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

CITY OF BUFORD, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
OPERATING REVENUES			
Charges for services:			
Gas	\$ 52,662,366	\$ -	\$ 52,662,366
Electric	27,563,928	-	27,563,928
Solid waste and recycling	11,016,241	-	11,016,241
Wastewater	3,584,105	-	3,584,105
Water	1,330,546	-	1,330,546
Penalties	1,261,202	-	1,261,202
Service charges	286,883	-	286,883
Buford Community Center	<u>-</u>	<u>485,913</u>	<u>485,913</u>
Total charges for services	<u>97,705,271</u>	<u>485,913</u>	<u>98,191,184</u>
Miscellaneous:			
Other	<u>167,054</u>	<u>221</u>	<u>167,275</u>
Total miscellaneous	<u>167,054</u>	<u>221</u>	<u>167,275</u>
Total operating revenues	<u>97,872,325</u>	<u>486,134</u>	<u>98,358,459</u>
OPERATING EXPENSES			
Utilities purchased for resale	34,449,202	-	34,449,202
Personal services	9,683,313	480,151	10,163,464
Contractual services	7,322,744	239,651	7,562,395
Depreciation	5,204,282	56,022	5,260,304
Materials and supplies	2,982,618	57,901	3,040,519
Utilities	1,085,355	139,958	1,225,313
Repairs and maintenance	676,504	161,976	838,480
Event expenses	-	453,139	453,139
Other operating	<u>127,880</u>	<u>16,631</u>	<u>144,511</u>
Total operating expenses	<u>61,531,898</u>	<u>1,605,429</u>	<u>63,137,327</u>
Income (loss) from operations	<u>36,340,427</u>	<u>(1,119,295)</u>	<u>35,221,132</u>
NONOPERATING REVENUES (EXPENSES)			
Refunds and rebates	3,181,497	-	3,181,497
Investment earnings (losses)	1,878,830	31	1,878,861
Amortization	147,129	-	147,129
Interest expense	<u>(612,700)</u>	<u>-</u>	<u>(612,700)</u>
Total nonoperating revenues (expenses)	<u>4,594,756</u>	<u>31</u>	<u>4,594,787</u>
Income (loss) before transfers	<u>40,935,183</u>	<u>(1,119,264)</u>	<u>39,815,919</u>
TRANSFERS	<u>(57,097,953)</u>	<u>1,285,599</u>	<u>(55,812,354)</u>
Total transfers	<u>(57,097,953)</u>	<u>1,285,599</u>	<u>(55,812,354)</u>
Change in net position	<u>(16,162,770)</u>	<u>166,335</u>	<u>(15,996,435)</u>
Total net position at beginning of year	<u>117,117,356</u>	<u>288,506</u>	<u>117,405,862</u>
Total net position at end of year	<u>\$ 100,954,586</u>	<u>\$ 454,841</u>	<u>\$ 101,409,427</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>			
Receipts from customers	\$ 95,381,061	\$ 509,026	\$ 95,890,087
Receipts from other operating sources	167,054	221	167,275
Receipts from interfund services provided	664,920	-	664,920
Payments to suppliers for goods and services	(48,990,513)	(1,153,647)	(50,144,160)
Payments for personal services	(9,622,175)	(488,634)	(10,110,809)
Net cash provided (used) by operating activities	<u>37,600,347</u>	<u>(1,133,034)</u>	<u>36,467,313</u>
<i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</i>			
Transfers from other funds	2,734,430	1,285,599	4,020,029
Proceeds from refunds and rebates	2,465,515	-	2,465,515
Increase in bank overdraft	-	(12,744)	(12,744)
Transfers to other funds	(57,097,953)	-	(57,097,953)
Net cash provided (used) by noncapital financing activities	<u>(51,898,008)</u>	<u>1,272,855</u>	<u>(50,625,153)</u>
<i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i>			
Receipts from refunds and rebates	715,982	-	715,982
Purchases of capital assets	(7,832,030)	(120,253)	(7,952,283)
Principal payments on capital debt	(645,000)	-	(645,000)
Interest paid on capital debt	(625,600)	-	(625,600)
Prepayments of principal and interest on capital debt	(17,100)	-	(17,100)
Net cash provided (used) by capital and related financing activities	<u>(8,403,748)</u>	<u>(120,253)</u>	<u>(8,524,001)</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES:</i>			
Sales of investments	21,489,952	-	21,489,952
Purchases of investments	(2,241,719)	-	(2,241,719)
Interest and dividends	<u>1,793,381</u>	<u>31</u>	<u>1,793,412</u>
Net cash provided (used) by investing activities	<u>21,041,614</u>	<u>31</u>	<u>21,041,645</u>
Increase (decrease) in cash and cash equivalents	(1,659,795)	19,599	(1,640,196)
Cash and cash equivalents at beginning of year	<u>8,049,296</u>	<u>-</u>	<u>8,049,296</u>
Cash and cash equivalents at end of year	<u>\$ 6,389,501</u>	<u>\$ 19,599</u>	<u>\$ 6,409,100</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

CITY OF BUFORD, GEORGIA
STATEMENT OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Income (loss) from operations	\$ 36,340,427	\$(1,119,295)	\$ 35,221,132
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:			
Cash flows reported in other categories:			
Depreciation	5,204,282	56,022	5,260,304
Changes in assets and liabilities:			
Accounts receivable	(1,462,257)	-	(1,462,257)
Leases receivable	406,646	-	406,646
Due from other funds	-	8,279	8,279
Prepaid items	(91,894)	(91,998)	(183,892)
Deferred outflows pension	(572,005)	(56,276)	(628,281)
Deferred outflows OPEB	(125,936)	-	(125,936)
Accounts payable	(2,262,746)	(2,616)	(2,265,362)
Other accrued liabilities	40,714	2,130	42,844
Unearned revenue	(371,431)	23,113	(348,318)
Customer deposits payable	173,667	-	173,667
Compensated absences	69,701	-	69,701
Net pension liability	621,829	50,507	672,336
Net OPEB liability	826,564	-	826,564
Lease related deferred inflows	(405,915)	-	(405,915)
Deferred inflows of pension	(265,116)	(2,900)	(268,016)
Deferred inflows OPEB	(526,183)	-	(526,183)
Net cash provided (used) by operating activities	\$ <u>37,600,347</u>	\$(<u>1,133,034</u>)	\$ <u>36,467,313</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 12,452,336
Investments	15,478,278
Intergovernmental receivable	<u>135,295</u>
Total assets	<u>28,065,909</u>
 LIABILITIES	
Accounts payable	635,760
Unearned revenue	<u>13,824,310</u>
Total liabilities	<u>14,460,070</u>
 NET POSITION	
Restricted for:	
City of Buford Board of Education	<u>13,605,839</u>
Total net position	\$ <u>13,605,839</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	Custodial Funds
ADDITIONS	
Intergovernmental	\$ 23,612,140
Investment income	<u>1,012,623</u>
Total additions	<u>24,624,763</u>
DEDUCTIONS	
Intergovernmental	26,125,941
Investment losses	<u>1,102</u>
Total deductions	<u>26,127,043</u>
Net increase (decrease) in fiduciary net position	(1,502,280)
Total net position at beginning of year	<u>15,108,119</u>
Total net position at end of year	\$ <u>13,605,839</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

NOTES TO BASIC FINANCIAL STATEMENTS

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Buford, Georgia (the "City") have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

These financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This Statement established financial reporting requirements for state and local governments throughout the United States. As part of the implementation of GASB Statement No. 34, the City has prepared required supplementary information titled *Management's Discussion and Analysis*, which precedes the financial statements.

REPORTING ENTITY

The City was incorporated December 23, 1937, under Code of Georgia Annotated Title 69-1 and reincorporated under a revised City Charter in 2003. The City operates under a Commission-Manager form of government and is vested with all rights, powers, and privileges incident to a Municipal corporation. The City's charter authorizes the following services: public safety (public safety, marshal and code enforcement), highways and streets, culture and recreation, maintenance, sanitation and utility services, education and general administrative services.

The City for financial reporting purposes includes all of the funds relevant to the operations of the City of Buford. The Government Accounting Standards Board has set forth criteria to determine if legally separate organizations are considered to be component units in which the City is considered to be financially accountable or other organizations whose nature and significant relationship with the City is such that exclusion would cause the City's financial statements to be incomplete or misleading. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and accordingly, data from these units are combined with data of the City. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. The component units discussed below should be included in the City's reporting entity because of their operational or financial relationship with the City.

Discretely Presented Component Units

City of Buford Board of Education - The City of Buford Board of Education ("BOE") is the governing authority of the City School System. There are five members on the Board. Four of them are elected by the public, and one is the Chairman of the City of Buford Board of Commissioners. The BOE is a legally separate entity with the power to sue or be sued. The BOE has decision-making authority, the power to designate management, the power to incur indebtedness, and the ability to significantly influence operations. The BOE controls the employment of all personnel and has the final decision on how its funds are disbursed. However, the City Commission holds the authority to levy taxes and determines the amount of tax revenue flowing to the BOE. The City approves the property tax millage, levies the tax and remits the school portion of the tax to the board. In addition, the City provides additional funds as necessary to ensure that the quality of educational facilities and services provided are maintained at the highest level possible. Finally, the City may, and has, approved the issuance of bonded debt for the use of the BOE and is legally responsible for that debt. Thus, the BOE is a component unit of the City because it is fiscally dependent on the City. The amounts on the government-wide financial statements are from the BOE's audited financial statements for the year ending June 30, 2023, which were released on January 23, 2024 and are the latest available as of the date of our report.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

REPORTING ENTITY - CONTINUED

Discretely Presented Component Units - Continued

The financial statements of the City of Buford Board of Education noted above were audited by other independent auditors. These component financial statements can be obtained from the City of Buford Board of Education at 2625 Sawnee Avenue, Buford, Georgia 30518.

Note information in these Notes to Basic Financial Statements does not include any data related to the City of Buford Board of Education. GASBS No. 14, paragraph 63 states that "determining which discretely presented component unit disclosures are essential to fair presentation is a matter of professional judgment and should be done on a component unit-by-component unit basis." Because of the fact that these financial statements are primarily concerned with the Primary Government of the City of Buford, and due to the fact that the BOE has separately issued financial statements that are readily available to users, this information is not included in these notes.

City of Buford Downtown Development Authority – The City of Buford Downtown Development Authority ("DDA") is governed by a board appointed by the City of Buford Board of Commissioners. The DDA is responsible for the revitalization and redevelopment of the geographical area within the corporate limits of the City.

The DDA did not issue separate financial statements for the year ended June 30, 2024.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

Government-Wide Financial Statements

The City of Buford's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position and report information on all of the activities of the City. The statements present summaries of governmental and business-type activities of the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the City's assets and liabilities, including capital assets as well as infrastructure assets acquired after July 1, 1980 and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues of the City are reported in three categories: (1) charges for services, (2) operating grants and contributions, and (3) capital grants and contributions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column. In the Statement of Activities, transactions of a service type nature between the governmental activities and the business-type activities have not been eliminated.

The City applies all applicable GASB pronouncements, including all NCGA Statements and Interpretations currently in effect.

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - CONTINUED

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all governmental funds. An accompanying schedule is presented to reconcile and explain differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The City has presented all funds that meet those qualifications.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures in the current period. Accordingly, revenues are recorded when received in cash, except those revenues that are subject to accrual (generally sixty days after year-end) which are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City are property tax, sales tax, intergovernmental revenues and other taxes. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The City has presented the following major governmental funds:

General Fund - The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

2017 General Obligation Bond Debt Service Fund – This fund is used to service the governmental long-term debt related to the 2017 General Obligation Bonds used to finance the construction of educational facilities related to the City of Buford Board of Education.

Other governmental funds that are not considered major include the following:

Special Revenue Funds

Special revenue funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City’s special revenue funds:

American Rescue Plan Act Fund– used to account for receipt and allocation of the City’s Coronavirus State and Local Fiscal Recovery Funds. Use of these monies is limited by law to responding to the COVID-19 public health emergency or its negative economic impacts, replace lost public sector revenue, provide premium pay for eligible workers performing essential work, or to invest in water, sewer, and broadband infrastructure.

Hotel/Motel Tax Fund- used to account for receipt and allocation of the City’s hotel/motel tax. Use of this tax is limited by law to promotion of tourism. The City hotel/motel tax rate for its three hotels was 7% during the fiscal year ending June 30, 2024.

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - CONTINUED

Special Revenue Funds - Continued

Governmental Fund Financial Statements - Continued

Auto Rental Excise Tax Fund – used to account for receipt and allocation of the City’s rental motor vehicle excise tax. Use of this tax is limited by law to promote industry, trade, commerce, and tourism; for the provision of convention, trade, sports, and recreational facilities. The City’s rental motor vehicle excise tax rate was 3% during the fiscal year ending June 30, 2024.

Debt Service Funds

The debt service funds account for the accumulation of resources for, and the payment of governmental long-term debt principal, interest, and fiscal charges. The following is a description of the City’s debt service funds:

2015 General Obligation Bond Debt Service Fund – used to service the governmental long-term debt related to the 2015 General Obligation Bonds used to finance the construction of educational facilities related to the City of Buford Board of Education.

Buford BOE Intergovernmental Payable Debt Service Fund – This fund is used to service the governmental long-term debt related to the City’s intergovernmental contract payable to the City of Buford Board of Education for the repayment of the City of Buford Board of Education Refunding Revenue Bonds Taxable Series 2021 which were used to advance refund previously issued City of Buford General Obligation Bonds that had been used to finance the construction of educational facilities for the City of Buford Board of Education.

Capital Project Funds

Capital project funds account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the General and Enterprise Funds. The following is a description of the City’s capital projects funds:

Gwinnett County 2009 SPLOST Fund - used to account for the construction and financing of projects funded by the Gwinnett County 2009 SPLOST.

Gwinnett County 2017 SPLOST Fund - used to account for the construction and financing of projects funded by the Gwinnett County 2017 SPLOST.

Gwinnett County 2023 SPLOST Fund - used to account for the construction and financing of projects funded by the Gwinnett County 2023 SPLOST.

Hall County 2009 SPLOST Fund - used to account for the construction and financing of projects funded by the Hall County 2009 SPLOST.

Hall County 2015 SPLOST Fund - used to account for the construction and financing of projects funded by the Hall County 2015 SPLOST.

Hall County 2020 SPLOST Fund - used to account for the construction and financing of projects funded by the Hall County 2020 SPLOST.

Rest Haven 2001 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Rest Haven 2001 SPLOST.

Rest Haven 2005 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Rest Haven 2005 SPLOST.

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - CONTINUED

Proprietary Funds Financial Statements

Proprietary funds financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major proprietary fund and aggregated non-major funds.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the funds. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the funds. All other expenses are reported as non-operating expenses.

The City has presented the following major proprietary fund:

Utilities Fund - used to account for the provision of electric, gas, water, waste water, sanitation and recycling services to the residents of the City of Buford and its surrounding areas. Activities of the fund include administration, operations and maintenance of the utility systems, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for enterprise fund debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure the integrity of the fund.

Other proprietary funds that are not considered major include the following:

Buford Community Center Fund - used to account for the activity of the Buford Community Center, Town Park and Theatre.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's Fiduciary Funds represent custodial funds. The custodial funds use the "*economic resources*" measurement focus and the accrual basis of accounting like the proprietary funds explained above. Custodial funds of the City are related to Buford Board of Education SPLOST funds from Gwinnett and Hall Counties.

USE OF RESTRICTED/UNRESTRICTED NET POSITION

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

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FICAL YEAR ENDING JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted for the General, Special Revenue, and Proprietary (Enterprise) Funds. Capital Projects are budgeted over the life of the projects. Debt Service is budgeted through either the General or Proprietary (Enterprise) Fund depending on the type of debt. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget for the Proprietary (Enterprise) Fund is adopted on a GAAP basis, except that depreciation expense is not budgeted. Budget amounts are as originally adopted, or as amended by the Board of Commissioners.

Budgeting Policy

- The prior year's actual revenues and expenditures/expenses for the General and Proprietary (Enterprise) Funds are compared to budget amounts for that year.
- Adjustments are made to the prior year's budgeted revenues and expenditures/expenses to make budgeted amounts agree with actual amounts. These are the proposed budgets for the coming year.
- The proposed budgets are submitted to the Board of Commissioners, who make adjustments to the proposed budgets as it deems necessary.
- The proposed budgets are revised in accordance with the Board of Commissioners recommendations and resubmitted to the Board of Commissioners for their approval.
- After reviewing the budget revisions, the Board of Commissioners approves and adopts the budgets.
- All budget amendments must be approved by the Board of Commissioners.
- All appropriations lapse at the end of the fiscal year.

CASH, CASH EQUIVALENTS AND INVESTMENTS

For purposes of the Statement of Cash Flows, the City considers cash, demand deposits, certificates of deposit, cash with agents and all highly liquid investments with original maturities of three months or less when purchased to be cash and cash equivalents. All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City generally holds all investments until maturity.

INTERFUND RECEIVABLES AND PAYABLES

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

TRANSACTIONS BETWEEN FUNDS

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both the Governmental and Proprietary Funds.

PAYMENTS BETWEEN CITY AND BUFORD BOARD OF EDUCATION CUSTODIAL FUNDS

Resource flows between the City and the custodial funds related to the Buford Board of Education SPLOST funds are reported as external transactions - that is, as revenues and expenses/expenditures in the financial statements.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

ACCOUNTS RECEIVABLE AND UNEARNED REVENUES

Accounts receivable are recorded in the General, Special Revenue, Capital Project and Proprietary Funds. Receivables are stated at their net realizable value (face value less the allowance for uncollectible accounts). Delinquent taxes receivable are fully reserved by the deferral of the related revenues until payment is received. Utility revenue is recorded when earned. The accrual of earned, but unbilled receivables is made at year-end and included in the accompanying financial statements. The Utilities Fund grants credit to utility customers, all of whom are located in North Georgia Counties. Allowances for doubtful accounts totaled \$201,484 for the General Fund and \$4,362,725 for the Utilities Fund. No allowance was considered necessary for any receivables in the special revenue or capital project funds.

LEASES

The City is a lessor for a noncancellable lease for the operation of the City's landfill. At the commencement of a lease, the City initially measures the lease receivable at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is also recorded for each lease at lease commencement in an amount equal to the initial recording of the lease receivable. The lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is recognized as revenue on a straight-line basis over the life of the lease term. All leases are deemed to be fully collectible by management.

Key estimates and judgments related to leases include how the Authority 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 uses the interest rate as the discount rate. When the interest rate is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for the leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments that the lessee is reasonably certain to exercise.

PREPAID ITEMS

Prepaid balances are for payments made by the City in the current year for services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of the fund balance is not available for subsequent expenditures ("nonspendable fund balance").

RESTRICTED CASH AND INVESTMENTS

Certain funds are held in the Capital Project Funds, Debt Service Funds, and Utilities Fund in accounts restricted for capital outlay and debt service. These funds are held in cash or investments as allowed by State law and the requirements of the related debt agreements. The investments are stated at fair value and the City records all investment revenue earned on these investments in the appropriate fund.

INVENTORIES

There are no inventories of supplies or materials recorded at June 30, 2024, as amounts stored for supplies and materials were not of a material nature at that date.

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The amounts that qualify for reporting in this category are related to deferred loss on bond refunding, pensions and other post-employment benefits (OPEB).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The amounts that qualify for reporting in this category are related to deferred inflows from lease receipts, deferred gain on bond refunding, pensions, and other post-employment benefits (OPEB).

In addition to liabilities, governmental activities fund balance will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The amounts that qualify for reporting in this category are related to property taxes.

MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures or expenses during the reporting period. Accordingly, actual results could differ from those estimates.

PROPERTY TAX

Property Taxes - City property tax revenues are recognized when levied to the extent that they result in current receivables. Receivables outstanding more than 60 days after the fiscal year-end are recorded as deferred revenue in governmental funds. Taxes were levied on August 7, 2023, which is the date that the millage rate was established. Taxes are payable by December 20 and become delinquent and attach as an enforceable lien on that date. The City bills and collects property taxes through the General Fund and the funds are entirely related to and for the use of the Buford Board of Education and transferred along with additional funding appropriations as set by the City Commission in the budget process. The millage rate for the 2023 tax digest was set at 12.50 mills.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

CAPITAL ASSETS

Capital assets, which include property, plant and equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Capital assets utilized in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements and in the fund financial statements for proprietary funds. Repairs and maintenance are recorded as expenses and expenditures; renewal and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over one year of useful life. Infrastructure assets capitalized have an original cost of \$10,000 or more. Depreciation has been calculated on depreciable assets using the straight-line method. Estimated useful lives are as follows:

Buildings and improvements	15-50 years
Park improvements	5-25 years
Equipment	5-10 years
Furniture and fixtures	10 years
Sidewalks	16 years
Streets, streetscapes and hardscapes	5-20 years
Utility Plant - Electric	10-25 years
Utility Plant - Gas	10-25 years
Utility Plant - Waste Water	10-25 years
Utility Plant - Water	10-25 years
Vehicles	5-10 years

The City has elected not to capitalize collections and works of art. Collections such as works of art and historical artifacts meet the definition of a capital asset. The requirement for capitalization is waived, however, for collections that meet the following conditions:

- The collection is held for reasons other than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

The sale or disposal of capital assets is recorded by removing the cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, drainage, sidewalks, etc. The City finalized implementation of the general provisions of GASB Statement No. 34 related to retroactive infrastructure provisions in the fiscal year ending June 30, 2007. All infrastructure acquired after years ending June 30, 1980 is included in these financial statements.

COMPENSATED ABSENCES

Compensated absences are recorded on the statement of activities in the government-wide financial statements and the statement of revenues, expenses, and changes in net position in the proprietary fund financial statements. The City's policy for compensated absences is as follows. Vacation is accrued at the rate of ten days per year for employees with zero through four years of service, at a rate of fifteen days per year for employees with five years to nine years of service, at a rate of twenty days per year for employees with ten through 19 years of service, and at a rate of twenty-five days per year for employees with twenty or more years of service. Unused vacation leave, not to exceed thirty days, may be carried into the next calendar year. Any annual vacation leave above thirty days will be paid at the end of the calendar year. Sick leave accrues at the rate of five days per year. Unused sick leave may be carried into the next calendar year, not to exceed ten days.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Long-term liabilities expected to be financed from governmental fund types are not recorded in the governmental fund financial statements. Any related interest expense is recorded on the statement of activities in the government-wide financial statements and the statement of revenues, expenses, and changes in net position in the proprietary fund financial statements. Payments of principal and interest are recorded as expenditures on the statement of revenues, expenditures and changes in fund balance in the governmental fund financial statements.

Bond discounts and premiums are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources. Bond issuance costs are reported as debt service expenditures.

GOVERNMENTAL FUND BALANCES

In accordance with GASB Statement No. 54 Fund *Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable fund balance - amounts that cannot be spent because they are not in a spendable form, such as prepaid expenses or inventory, or because they are legally or contractually required to be maintained intact.

Restricted fund balance - constraints are placed on the use of specific purposes by their providers, such as grantors, creditors and bondholders, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City of Buford Board of Commissioners. The Board of Commissioners is the City's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board. Committed fund balance should also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - amounts that are constrained by the City's intent to use for a specific purpose, but are neither restricted nor committed. The intent should be expressed by the Board of Commission.

Unassigned fund balance – the residual classification representing fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the fund. These are amounts that are available for any purpose; positive amounts are reported only in the General Fund.

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the City Commission through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service, or for other purposes).

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, then Assigned, and lastly, Unassigned.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk - the risk that, in the event of the failure of a depository institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits to be 110% collateralized by depository insurance, obligations of the United States or certain obligations guaranteed by the U.S. Government, obligations of the State of Georgia, or industrial revenue bonds or bonds of public or development authorities, counties, or municipalities of the State of Georgia. The collateral pledged by the banks' trust department in the City's name is composed of bonds of U.S. Government Agencies. The City's policy on custodial credit risk is to comply with the requirements of the State of Georgia.

Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the City or applicable public trust. The City has not adopted a formal deposit policy.

Investments

State statutes authorize the City to invest only in certificates of deposit of banks and savings and loan associations which have deposits insured by the FDIC with any uninsured amounts collateralized by direct obligations of the United States or the State of Georgia; obligations of the United States and of its agencies and instrumentalities; or bonds or certificates of indebtedness of the State of Georgia and of its agencies and its instrumentalities. The City has not adopted a formal investment policy.

At June 30, 2024, the City's primary government investments were classified as follows:

Investments	\$ 33,477,442
Restricted investments	<u>8,083,787</u>
Total primary government investments	\$ <u>41,561,229</u>

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

<u>Investment</u>	<u>Rating</u>	<u>Maturity</u>	<u>Fair Value</u>
<u>Primary Government</u>			
<u>Governmental activities</u>			
Certificates of Deposit	N/A	365 day	\$ 2,715,433
<u>Business-type activities</u>			
Certificates of Deposit	N/A	365 day	33,856,522
Municipal Competitive Trust:			
Flexible Operating Account	N/A	07/01/24-12/12/25	1,368,086
Intermediate Extended Maturity	N/A	07/01/24-01/01/37	<u>3,621,188</u>
Total primary government			\$ <u>41,561,229</u>

The City is involved in an external investment pool, the Municipal Competitive Trust, which is administered by the Municipal Electric Authority of Georgia ("MEAG"), a governmental entity. The City entered into a Municipal Competitive Trust agreement with MEAG. The City purchases for resale, electric power from MEAG. The City is a beneficiary of this trust, and the City and MEAG deposit monies in the trust from time to time. All monies are held by the trustee, Municipal Competitive Trust, for the City's benefit and are invested in investment securities. The City has recorded the assets in the Enterprise Fund. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia. The fair value of the City's position in the pool changes with market conditions, and is calculated based on the fair market value of net position held in the pool at the close of each business day.

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 2 - DEPOSITS AND INVESTMENTS - CONTINUED

Investments - Continued

Credit Risk - the City's policy regarding credit risk is to follow state statute. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia.

Custodial Credit Risk - for an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. An investment in money market funds is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in the funds. Fund shares are not guaranteed by the US Government. The fund is a managed portfolio and its holdings are subject to change. The fund shares are held in an investment account in the City's name. Custodial Credit Risk is not required for external investment pools; therefore, the Municipal Competitive Trust is exempt from this requirement. The City has no policy on custodial credit risk.

Interest Rate Risk - interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. The portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investments to rising interest rates. In general, the longer the WAM, the more susceptible the fund is to rising interest rates. The US Treasury Money Market interest rate risk is based on WAM. The Municipal Competitive Trust interest rate risk is based on the maximum duration of maturity of its investments.

Concentration of Credit Risk - the City places no limit on the amount that the City may invest in any one issuer. External investment pools are excluded from the concentration of credit risk requirement; therefore, the Municipal Competitive Trust is exempt from this requirement.

Foreign Currency Risk - The City has no foreign currency risk as all investments are in U.S. dollar-denominated assets.

Fair Value Measurements – The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City's fair value measurements follow:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Primary Government				
Municipal Competitive Trust:				
Short-term Portfolio	\$ -	\$ 1,368,086	\$ -	\$ 1,368,086
Intermediate Extended Maturity	-	<u>3,621,188</u>	-	<u>3,621,188</u>
Total investments measured at fair value	<u>\$ -</u>	<u>\$ 4,989,274</u>	<u>\$ -</u>	<u>\$ 4,989,274</u>
Investments recorded at cost:				
Certificates of deposit				<u>36,571,955</u>
Total primary government investments				<u>\$ 41,561,229</u>

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 - RECEIVABLES

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
Current receivables:			
Property taxes	\$ 787,845	\$ -	\$ 787,845
Sales and excise tax receivable	104,415	-	104,415
Accounts	-	7,482,052	7,482,052
Other	<u>101,247</u>	<u>-</u>	<u>101,247</u>
Total current receivables	\$ <u>993,507</u>	\$ <u>7,482,052</u>	\$ <u>8,475,559</u>

Governmental Activities

Intergovernmental contract receivable

The City has entered into an intergovernmental contract with the City of Buford Board of Education (BOE) regarding the issuance, use of proceeds, and payment of General Obligation Bonds Series 2017A and 2017B. The Bonds were issued to provide funds, together with other available funds of the BOE to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the BOE and the costs of issuance of the bonds including capitalized interest. The intergovernmental contract states that the BOE's payment obligations consist of the payments of all amounts coming due as principal and interest on the Bonds. The BOE will fund the bonds with ESPLOST revenues, and thus the City has an intergovernmental contract receivable from the BOE for the outstanding Bonds. The outstanding principal balance on the Bonds was \$9,810,000 with a premium outstanding of \$1,762,430 for total intergovernmental contract receivable of \$11,572,430 at June 30, 2024.

Business-type Activities

Leases receivable

The City entered into a lease as lessor for the use of the City's landfill. An initial lease receivable was recorded in the amount of \$1,150,093. As of the June 30, 2024, the value of the lease receivable was \$346,253. The lessee is required to make monthly fixed payments of \$35,000. The lease has an imputed discount rate of 2.354%. The value of the deferred inflow of resources as of June 30, 2024 was \$338,263, and the City recognized lease revenue of \$405,915 during the year.

Leases receivable due in one year	\$ 346,253
Leases receivable - long-term	<u>-</u>
Total leases receivable	\$ <u>346,253</u>

Principal and Interest Expected to Maturity
Year Ending December 31,

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ <u>346,253</u>	\$ <u>3,747</u>	\$ <u>350,000</u>
Total	\$ <u>346,253</u>	\$ <u>3,747</u>	\$ <u>350,000</u>

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 - INTERFUND RECEIVABLES/PAYABLES AND TRANSACTIONS

Interfund balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded, and payment between funds are made. All interfund receivable/payable amounts are classified as short-term.

Interfund receivables/payables are as follows at June 30, 2024:

Fund	Interfund Receivables	Interfund Payables
General Fund		
Due from Other Governmental Funds	\$ <u>154,475</u>	\$ <u>-</u>
Total General Fund	<u>154,475</u>	<u>-</u>
Other Governmental Funds		
Due to General Fund	-	154,475
Due to Buford Community Center Enterprise Fund	<u>-</u>	<u>69,279</u>
Total Non-Major Governmental Funds	<u>-</u>	<u>223,754</u>
Non-Major Proprietary Fund – Buford Community Center Fund		
Due from Other Governmental Funds	<u>69,279</u>	<u>-</u>
Total Non-Major Proprietary Fund	<u>69,279</u>	<u>-</u>
Total	\$ <u>223,754</u>	\$ <u>223,754</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 - INTERFUND RECEIVABLES/PAYABLES AND TRANSACTIONS - CONTINUED

Interfund transactions consisted of the following for the year ending June 30, 2024:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>General Fund:</u>		
Utilities Fund	\$ 57,097,953	\$ -
2017 GOB Debt Service Fund	30,035	725
Other Governmental Funds	2,968,036	1,000
Buford Community Center Fund	<u>-</u>	<u>1,216,320</u>
Total General Fund	<u>60,096,024</u>	<u>1,218,045</u>
<u>2017 GOB Debt Service Fund:</u>		
General Fund	<u>725</u>	<u>30,035</u>
Total 2017 GOB Debt Service Fund	<u>725</u>	<u>30,035</u>
<u>Other Governmental Funds:</u>		
General Fund	1,000	2,968,036
Buford Community Center Fund	<u>-</u>	<u>69,279</u>
Total Other Governmental Funds	<u>1,000</u>	<u>3,037,315</u>
<u>Proprietary Funds:</u>		
<u>Utilities Fund:</u>		
General Fund	<u>-</u>	<u>57,097,953</u>
Total Utilities Fund	<u>-</u>	<u>57,097,953</u>
<u>Buford Community Center Fund:</u>		
General Fund	1,216,320	-
Other Governmental Funds	<u>69,279</u>	<u>-</u>
Total Buford Community Center Fund	<u>1,285,599</u>	<u>-</u>
Totals	\$ <u>61,383,348</u>	\$ <u>61,383,348</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund and Utilities Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. (c) Transfer funds to finance the debt service funds in fulfillment of debt obligations. (d) Transfers of funds from the Gwinnett County 2017 SPLOST Fund (other governmental funds) and Gwinnett County 2023 SPLOST Fund (other governmental funds) were to refund the General Fund for allowable costs incurred in prior years on SPLOST eligible capital projects that were funded up front by the General Fund.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 - CAPITAL ASSETS

Following is a summary of changes in the capital assets of governmental activities:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
GOVERNMENTAL ACTIVITIES:				
Not being depreciated:				
Land	\$ 21,723,490	\$ 3,200,986	\$ (318,280)	\$ 24,606,196
Land - schools	8,085,162	-	-	8,085,162
Construction in progress	<u>8,902,037</u>	<u>38,076,081</u>	<u>(2,112,418)</u>	<u>44,865,700</u>
Subtotal	<u>38,710,689</u>	<u>41,277,067</u>	<u>(2,430,698)</u>	<u>77,557,058</u>
Other capital assets:				
Buildings and improvements	47,357,255	113,490	(480,725)	46,990,020
City parks	21,769,347	4,200,716	-	25,970,063
Equipment	794,378	113,215	(73,361)	834,232
Furniture and fixtures	639,349	-	-	639,349
Sidewalks	2,248,966	847,490	(242,877)	2,853,579
Streets	31,530,980	3,406,753	-	34,937,733
Streetscapes and hardscapes	11,321,104	-	-	11,321,104
Vehicles	<u>769,942</u>	<u>148,558</u>	<u>(61,849)</u>	<u>856,651</u>
Subtotal	<u>116,431,321</u>	<u>8,830,222</u>	<u>(858,812)</u>	<u>124,402,731</u>
Accumulated depreciation:				
Buildings and improvements	(15,636,425)	(1,570,341)	480,725	(16,726,041)
City parks	(3,011,019)	(912,901)	-	(3,923,920)
Equipment	(336,458)	(110,145)	73,361	(373,242)
Furniture and fixtures	(639,349)	-	-	(639,349)
Sidewalks	(842,867)	(141,642)	242,877	(741,632)
Streets	(14,386,195)	(1,601,855)	-	(15,988,050)
Streetscapes and hardscapes	(5,572,832)	(570,160)	-	(6,142,992)
Vehicles	<u>(328,111)</u>	<u>(149,315)</u>	<u>61,849</u>	<u>(415,577)</u>
Subtotal	<u>(40,753,256)</u>	<u>(5,056,359)</u>	<u>858,812</u>	<u>(44,950,803)</u>
Net other capital assets	<u>75,678,065</u>	<u>3,773,863</u>	-	<u>79,451,928</u>
Total capital assets	\$ <u>114,388,754</u>	\$ <u>45,050,930</u>	\$ <u>(2,430,698)</u>	\$ <u>157,008,986</u>

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 263,343
Financial and administration	29,044
Public safety, Marshal and Code enforcement	19,800
Highway and street	2,738,828
Building inspection	8,856
Culture and recreation	1,911,535
Maintenance	<u>84,953</u>
Total governmental activities depreciation expense	\$ <u>5,056,359</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 - CAPITAL ASSETS - CONTINUED

Following is a summary of changes in the capital assets of business-type activities:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
BUSINESS-TYPE ACTIVITIES:				
<u>Not being depreciated:</u>				
Land - Gas	\$ 11,183	\$ -	\$ -	\$ 11,183
Land - Sanitation	85,000	-	-	85,000
Land - Water & waste water	106,480	-	-	106,480
Construction in progress - Water & wastewater	<u>25,487,429</u>	<u>80,286</u>	<u>(25,487,429)</u>	<u>80,286</u>
Subtotal	<u>25,690,092</u>	<u>80,286</u>	<u>(25,487,429)</u>	<u>282,949</u>
<u>Other capital assets:</u>				
Buildings and improvements - BCC	228,782	68,000	-	296,782
Equipment - Electric	66,788	10,026	-	76,814
Equipment - Gas	211,689	37,476	(51,738)	197,427
Equipment - Water & wastewater	546,592	151,026	-	697,618
Equipment - BCC	247,302	52,253	-	299,555
Utility plant - Electric	18,612,013	578,977	-	19,190,990
Utility plant - Gas	73,335,010	3,271,327	(3,035,484)	73,570,853
Utility plant - Water & wastewater	34,977,723	28,680,210	(3,152,266)	60,505,667
Vehicles - Electric	387,069	188,412	(5,519)	569,962
Vehicles - Gas	573,390	60,001	(7,358)	626,033
Vehicles - Solid waste & recycling	762,146	261,718	(43,516)	980,348
Vehicles - Water & wastewater	116,205	-	(5,519)	110,686
Vehicles - BCC	<u>33,808</u>	<u>-</u>	<u>-</u>	<u>33,808</u>
Subtotal	<u>130,098,517</u>	<u>33,359,426</u>	<u>(6,301,400)</u>	<u>157,156,543</u>
<u>Accumulated depreciation:</u>				
Buildings and improvements - BCC	(83,290)	(18,652)	-	(101,942)
Equipment - Electric	(16,030)	(7,760)	-	(23,790)
Equipment - Gas	(117,150)	(21,141)	51,738	(86,553)
Equipment - Water & wastewater	(163,973)	(61,743)	-	(225,716)
Equipment - BCC	(61,500)	(30,608)	-	(92,108)
Utility plant - Electric	(14,884,769)	(307,945)	-	(15,192,714)
Utility plant - Gas	(38,304,422)	(2,819,745)	3,035,484	(38,088,683)
Utility plant - Water & wastewater	(18,200,861)	(1,729,725)	3,152,266	(16,778,320)
Vehicles - Electric	(177,638)	(58,720)	5,519	(230,839)
Vehicles - Gas	(364,793)	(86,238)	7,358	(443,673)
Vehicles - Solid waste & recycling	(334,754)	(92,227)	43,516	(383,465)
Vehicles - Water & waste water	(84,625)	(19,038)	5,519	(98,144)
Vehicles - BCC	<u>(10,706)</u>	<u>(6,762)</u>	<u>-</u>	<u>(17,468)</u>
Subtotal	<u>(72,804,511)</u>	<u>(5,260,304)</u>	<u>6,301,400</u>	<u>(71,763,415)</u>
Net other capital assets	<u>57,294,006</u>	<u>28,099,122</u>	<u>-</u>	<u>85,393,128</u>
Net capital assets	<u>\$ 82,984,098</u>	<u>\$ 28,179,408</u>	<u>\$(25,487,429)</u>	<u>\$ 85,676,077</u>

CITY OF BUFORD, GEORGIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS - CONTINUED

Depreciation was charged to functions as follows:

Business-type activities:	
Electric	\$ 374,425
Gas	2,927,124
Solid Waste and Recycling System	92,227
Waste Water	905,253
Water	905,253
Buford Community Center	<u>56,022</u>
Total business-type activities depreciation expense	\$ <u>5,260,304</u>

Following is a summary of changes in the capital assets of the Downtown Development Authority:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
DOWNTOWN DEVELOPMENT AUTHORITY:				
<u>Not being depreciated:</u>				
Land	\$ <u>2,290,000</u>	\$ _____ -	\$ _____ -	\$ <u>2,290,000</u>
Net capital assets	\$ <u>2,290,000</u>	\$ _____ -	\$ _____ -	\$ <u>2,290,000</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 - LONG-TERM DEBT

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

Type of Debt	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Amounts Due within One Year
Governmental activities:					
General Obligation Bonds	\$ 19,230,000	\$ -	\$ (9,420,000)	\$ 9,810,000	\$ -
Reoffering premium	<u>2,153,452</u>	<u>-</u>	<u>(391,022)</u>	<u>1,762,430</u>	<u>391,021</u>
General Obligation Bonds - net	21,383,452	-	(9,811,022)	11,572,430	391,021
Intergovernmental contract payable	40,565,000	-	(1,930,000)	38,635,000	1,955,000
Compensated absences	247,911	76,295	-	324,206	-
Net pension liability	2,624,059	929,730	-	3,553,789	-
Net OPEB liability	<u>6,878,329</u>	<u>970,315</u>	<u>-</u>	<u>7,848,644</u>	<u>-</u>
Total governmental activities Long-term liabilities	\$ <u>71,698,751</u>	\$ <u>1,976,340</u>	\$ (<u>11,741,022</u>)	\$ <u>61,934,069</u>	\$ <u>2,346,021</u>
Business-type activities:					
Revenue Bonds	\$ 16,305,000	\$ -	\$ (645,000)	\$ 15,660,000	\$ 675,000
Reoffering premium	<u>2,501,175</u>	<u>-</u>	<u>(147,129)</u>	<u>2,354,046</u>	<u>147,128</u>
Revenue Bonds - net	18,806,175	-	(792,129)	18,014,046	822,128
Compensated absences	202,191	69,701	-	271,892	-
Net pension liability	2,235,310	672,336	-	2,907,646	-
Net OPEB liability	<u>5,859,318</u>	<u>826,564</u>	<u>-</u>	<u>6,685,882</u>	<u>-</u>
Total business-type activities Long-term liabilities	\$ <u>27,102,994</u>	\$ <u>1,568,601</u>	\$ (<u>792,129</u>)	\$ <u>27,879,466</u>	\$ <u>822,128</u>

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

For governmental activities, compensated absences, net pension liability, and net OPEB liability are liquidated by the General Fund.

For business-type activities, compensated absences and net pension liability are liquidated by the Utilities Fund and the Buford Community Center Fund. Net OPEB liability is liquidated by the Utilities Fund.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 - LONG-TERM DEBT - CONTINUED

GOVERNMENTAL ACTIVITIES

As of June 30, 2024, the governmental long-term debt of the financial reporting entity consisted of the following:

GENERAL OBLIGATION BONDS PAYABLE

City of Buford General Obligation Bonds Series 2017A and Series 2017B

On November 22, 2017, the City issued The City of Buford General Obligation Bonds – Series 2017A and Series 2017B in the total amount of \$30,000,000. The City has pledged its full faith and credit and taxing power to the bonds. The Series 2017A and 2017B bonds were issued for the purpose of providing funds, together with other available funds of the Board of Education of the City of Buford ("BOE") to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the School System and the costs of issuance of the Bonds including capitalized interest, more specifically for the purpose of acquisition, construction and equipping certain additional Buford City School facilities, the addition of classrooms to existing schools, renovation of existing facilities and technology and preventive maintenance thereto in furtherance of K-12 education in the Buford City School district and other buildings and facilities useful in connection therewith, and acquiring property, real and personal, necessary thereof, and paying expenses incident thereto; to provide for the date and the maximum interest rate or rates of interest which such bonds shall bear, and the schedule of maturities of said bond issue; to provide for the levy of and collection of taxes to service said bond issue, and for other related purposes. The bonds bear an interest rate of 5.00%, with a final maturity date of January 1, 2029.

The City entered into an intergovernmental contract with the BOE in regards to issuance, use of proceeds and payment of the City of Buford General Obligation Bonds Series 2017A and Series 2017B. The contract stipulates that the BOE's payment obligations consist of the payments of all amounts coming due as principal and interest on the Bonds as set forth in the Bonds and the Bond Ordinance directly to and for the applicable account of the City as so designated by the City. The obligation of the BOE to pay promptly its obligations shall be absolute and unconditional and shall not be subject to any defense or right of setoff, counterclaim, or recoupment arising from any breach by the City of any obligation to the BOE or the breach by the BOE of any obligation to the City. In addition, the BOE has notified the State Board of Education of the issuance of the Bonds and has authorized and directed the State Board to withhold and transfer any state appropriation to which the BOE is entitled to. The Sinking Fund Custodian shall be required to transfer to the paying agent for the Bonds such amounts of monies as are necessary to provide for the payment of the principal and/or interest on the Bonds coming due each payment date.

The BOE has assigned SPLOST revenues from the Intergovernmental Agreement with the Board of Education of Gwinnett County dated July 17, 2015 for use in payment of the Bonds.

The following is a summary of the maturity of the bonds and interest thereon:

Amount of original issue at par	\$ 30,000,000
Less: amount redeemed	(20,190,000)
Net amount outstanding June 30, 2024 - total general obligation bonds payable	9,810,000
Less: current maturities	-
Long-term maturities	\$ 9,810,000

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 - LONG-TERM DEBT - CONTINUED

GOVERNMENTAL ACTIVITIES - Continued

City of Buford General Obligation Bonds Series 2017A and Series 2017B - Continued

Annual debt service requirements

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds Series 2017A and Series 2017B long-term debt as of June 30, 2024, are as follows:

	<u>Governmental Activities</u>		
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 490,500	\$ 490,500
2026	-	490,500	490,500
2027	-	490,500	490,500
2028	-	490,500	490,500
2029	<u>9,810,000</u>	<u>490,500</u>	<u>10,300,500</u>
Total	\$ <u>9,810,000</u>	\$ <u>2,452,500</u>	\$ <u>12,262,500</u>

INTERGOVERNMENTAL CONTRACT PAYABLE

Intergovernmental contract payable

The City has entered into an intergovernmental contract with the City of Buford Board of Education (BOE) regarding the issuance, use of proceeds, and payment of Board of Education of the City of Buford Refunding Revenue Bonds Taxable Series 2021. The BOE Refunding Revenue Bonds Taxable Series 2021 were issued to advance refund previously issued City of Buford General Obligation Bonds Series 2015 and 2017C and to pay the costs of issuance of the bonds. The proceeds of the BOE Series 2021 bonds were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The BOE Series 2021 bonds bear interest rates ranging from 0.886% to 2.813%, with a final maturity date of January 1, 2041. The intergovernmental contract regarding the BOE Series 2021 bonds state that the City is responsible for the payment obligations consisting of all amounts coming due as principal and interest on the BOE Series 2021 Bonds. Per the intergovernmental contract, the City is unconditionally obligated to make payments to the BOE including payment of amounts due on the bonds. Additionally, the City has pledged its full faith and credit and ad valorem taxing power, and to the extent invoked, amounts available to the BOE pursuant to the State of Georgia Intercept Program. It is anticipated that ESPLOST revenues available to the BOE will be used to pay bond debt service. The outstanding principal balance on the BOE Refunding Revenue Bonds was \$38,635,000 for total City of Buford intergovernmental contract payable of \$38,635,000 at June 30, 2024.

The BOE Series 2021 bonds were issued in order to reduce the debt service payments on City's Series 2015 bonds, and to reduce the City's Series 2017C bonds by 7 years. The BOE Series 2021 bonds will result in a decrease in total scheduled debt service payments of \$4,160,838 and an economic benefit (difference between the present value of the debt service payments on the old and new debt) of \$1,427,082. The proceeds of the BOE Series 2021 bonds issue resulted in a loss on advance refunding for both the City's Series 2015 bonds and Series 2017 bonds as follows:

Net carrying amount of City of Buford G.O. Bonds Series 2015 refunded:	
Principal balance	\$ 10,700,000
Unamortized bond issue premium	848,952
Accrued interest payable	<u>265,271</u>
City of Buford G.O. Bonds Series 2015 Bonds refunded	\$ 11,814,223
Reacquisition price of City of Buford G.O. Bonds Series 2015	<u>12,336,030</u>
Loss on advance refunding Series 2015	\$ (<u>521,807</u>)

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 - LONG-TERM DEBT - CONTINUED

GOVERNMENTAL ACTIVITIES - Continued

INTERGOVERNMENTAL CONTRACT PAYABLE – Continued

Net carrying amount of City of Buford G.O. Bonds Series 2017C refunded:	
Principal balance	\$ 24,270,000
Unamortized bond issue premium	680,676
Accrued interest	<u>423,249</u>
City of Buford G.O. Bonds Series 2017C Bonds refunded	\$ 25,373,925
Reacquisition price of City of Buford G.O. Bonds Series 2017	<u>27,625,935</u>
Loss on advance refunding Series 2017C	\$ (<u>2,252,010</u>)

Annual debt service requirements

The annual debt service requirements to maturity, including principal and interest, for the Intergovernmental Contract Payable as of June 30, 2024, is as follows:

	<u>Governmental Activities</u>		
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,955,000	\$ 856,396	\$ 2,811,396
2026	1,975,000	834,265	2,809,265
2027	2,005,000	807,326	2,812,326
2028	2,030,000	777,973	2,807,973
2029	2,060,000	744,782	2,804,782
2030-2034	10,935,000	3,108,138	14,043,138
2035-2039	12,285,000	1,759,254	14,044,254
2040-2041	<u>5,390,000</u>	<u>228,556</u>	<u>5,618,556</u>
Total	\$ <u>38,635,000</u>	\$ <u>9,116,690</u>	\$ <u>47,751,690</u>

BUSINESS-TYPE ACTIVITIES

As of June 30, 2024, the long-term debt from proprietary fund activity consisted of the following:

REVENUE BONDS PAYABLE

City of Buford Combined Utility System Revenue Bonds, Series 2020

On July 21, 2020, the City issued The City of Buford Combined Utility System Revenue Bonds, Series 2020 in the total amount of \$17,435,000. The bonds are secured by a first and prior pledge of a lien on the net revenues of the City's water, wastewater, electric, and natural gas system (collectively the "Combined System") to the bonds. The Series 2020 bonds were issued for the purpose of providing funds to be applied to (i) the financing of costs of the acquisition, construction and installation of certain additions, extensions and improvements to the water and sewerage portions of the Combined System, including without limitation, the construction and development of a new water plant and improvements to one or more existing sewer main service lines; (ii) the purchase of a municipal bond insurance policy and a debt service reserve insurance policy for the Series 2020 Bonds; and (iii) the payment of costs of issuing the Series 2020 Bonds. The bonds bear interest rates ranging from 3.00% to 4.00%, with a final maturity date of July 1, 2040, with optional redemption for all bonds maturing July 1, 2030 and thereafter at the option of the City.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 - LONG-TERM DEBT - CONTINUED

BUSINESS-TYPE ACTIVITIES - Continued

City of Buford Combined Utility System Revenue Bonds, Series 2020

As part of the bond ordinance, the City has covenanted to place in effect a schedule of rates, fees and charges for services, facilities and commodities furnished by the Combined System and as often as it shall appear necessary the City will revise and adjust such schedule of rates, fees and charges for any of its water, sewerage, gas distribution or electric distribution services and facilities, or all of them, to the extent necessary to produce funds sufficient to: (a) operate, maintain and repair the Combined System on a sound basis, and (b) produce an amount equal to 110% of the amount required to discharge the payment of principal of and the interest on the Series 2020 Bonds and any Additional Bonds as same become due and payable in the then current period commencing on July 2 in any year and ending on July 1 in the next ensuing year. At June 30, 2024, the net revenues (excluding bond interest, depreciation, amortization, capital contributions, and transfers) of the Combined System Enterprise Fund were in compliance with this requirement.

Annual debt service requirements

The annual debt service requirements to maturity, including principal and interest, for the Combined Utility System Revenue Bonds, Series 2020 long-term debt as of June 30, 2024, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 675,000	\$ 602,575	\$ 1,277,575
2026	695,000	582,025	1,277,025
2027	715,000	557,300	1,272,300
2028	740,000	528,200	1,268,200
2029	770,000	498,000	1,268,000
2030-2034	4,355,000	1,991,100	6,346,100
2035-2039	5,285,000	1,030,100	6,315,100
2040-2041	<u>2,425,000</u>	<u>97,900</u>	<u>2,522,900</u>
Total	\$ <u>15,660,000</u>	\$ <u>5,887,200</u>	\$ <u>21,547,200</u>

NOTE 7 - FUND BALANCES

The City's governmental fund balance classifications are nonspendable, restricted for specific purposes, as required by bond ordinances, higher levels of government, or unassigned. As of June 30, 2024, the City's classifications of governmental fund balances are as follows:

Governmental Funds

Nonspendable:

Prepaid items \$ 533,188

Restricted for:

Capital Projects 8,654,487
Debt Service 199
Education 4,004

Unassigned

(4,967,925)

Total governmental fund balances \$ 4,223,953

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 8 - RESTRICTED NET POSITION

Governmental Activities

Restricted net position is comprised of the following at June 30, 2024:

Restricted for:	
Capital Projects	\$ 8,654,487
Debt service	199
Education	<u>4,004</u>
Total net position restricted for governmental-type activities	\$ <u>8,658,690</u>

Business-type Activities

The City had no restricted net position for its business-type activities at June 30, 2024.

NOTE 9 - PENSION PLAN

Plan Description

The City's defined benefit pension plan, City of Buford Retirement Plan ("The BRP"), provides retirement and death benefits to plan members and beneficiaries. These retirement provisions were established by an adoption agreement executed by the City Commission. The BRP is affiliated with the Georgia Municipal Employees Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association assigns the authority to establish and amend the benefit provisions of the plans that participate in GMEBS to the respective employer entities; for the BRP, that authority rests with the City of Buford. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by written request to Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

Membership of the plan

Retirees and beneficiaries receiving benefits	78
Terminated vested participants	11
Active plan members	<u>118</u>
Total	<u>207</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 9 - PENSION PLAN - CONTINUED

Funding Policy

BRP members are not required and do not contribute to BRP. BRP is a noncontributory plan. The City is required to contribute 100% of the amount necessary to fund BRP at an actuarially determined rate; the current rate is 14.77% of expected payroll. The contribution requirements of the City are established and may be amended by the GMEBS Board of Trustees.

BRP is subject to minimum funding standards of the Georgia Public Retirement Systems Standards Law. 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. The funding policy for the plan is to contribute an amount equal to the recommended contribution each year. The recommended contribution is developed under the actuarial funding policy each year, and meets applicable state funding standards. These contributions are determined under the entry age normal actuarial cost method and the asset valuation method for developing the actuarial value of assets. The amortization of the unfunded actuarial accrued liability is level dollar over 30 years for the initial unfunded accrued liability, 15 years for actuarial gains and losses, 10 years for temporary retirement incentive programs, 20 years for other changes to plan provisions, and 30 years for actuarial assumptions and cost methods. The total amortization must be within a corridor of the 10-year and the 30-year amortization of the unfunded/(surplus) actuarial accrued liability. In a year when the 10-year or 30-year corridor applies, the following year, the prior year bases are combined into one 10-year or 30-year base. These amortization periods, if applicable, are closed for this plan year.

Investment Data

The market value of assets is based on current values as of three months preceding the valuation date (September 30, 2023) as is assumed to be current through that date. All asset data that was used in the actuarial valuation has been supplied by GMEBS. Net investment return is assumed to be 7.375% on an ongoing basis, based on the long-term expected rate of return on pension plan investments. The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2023 are summarized in the following table.

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

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 9 - PENSION PLAN - CONTINUED

NET PENSION LIABILITY

The City's net pension liability was measured as of September 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2023.

Net pension liability is calculated as follows:

Total pension liability	\$ 31,913,979
Fiduciary net position	(25,452,544)
Net pension liability	\$ 6,461,435
Fiduciary net position as a percentage of total pension liability	79.75%

Total pension liability uses Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2024 are used to measure total pension liability as of September 30, 2023. The balances as of September 30, 2023 constitute measurements of the net pension liability for the fiscal year ending June 30, 2024.

The mortality and economic 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 through June 30, 2019. Mortality rates were based on the sex-distinct Pri-2012 head count rated Healthy Mortality Table with rates multiplied by 1.25.

Assumptions on which the cost of BRP is calculated include investment return, mortality rates, retirement rates, disability rates, withdrawal rates, and salary increase rates.

Total pension liability, fiduciary net position, and net pension liability are based on a September 30, 2023 measurement date which would make them applicable to the fiscal year beginning July 1, 2023 and ending June 30, 2024.

Benefit Terms

The eligibility requirement is immediate for employees and officials. Employees and officials are vested after 10 years. The type of benefit payment is a life annuity. Death benefits are term vested Auto A death benefit effective January 1, 2003. Previously eligibility was "early or normal". The benefit formula is 2.00%. All participants are eligible to receive an annual variable cost-of-living adjustment not to exceed 3.00%. The Georgia Municipal Association has assigned the authority to the City to establish and amend the benefit provisions of the plan.

Actuarial Assumptions

The total pension liability in the January 1, 2024 actuarial valuation was based on the projected unit credit actuarial cost method and the asset valuation method for developing the actuarial value of assets. The actuarial assumptions included the following:

- Rate of return on investment 7.375% per year
- Projected salary increases 2.25% per year plus age and service based on merit increases
- Inflation rate assumption 2.25%
- Cost of living adjustments 2.10%

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 9 - PENSION PLAN - CONTINUED

Changes in Assumptions

There were no changes in assumptions for the current fiscal year.

Benefit Changes

There were no changes in benefits for the current fiscal year.

Discount Rate

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the difference between 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 the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability. The discount rate was unchanged from the plan's prior fiscal year.

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended June 30, 2024, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Beginning balance	\$ 26,026,734	\$ 21,167,365	\$ 4,859,369
Changes for the year:			
Service cost	369,356	-	369,356
Interest	1,888,032	-	1,888,032
Differences between expected and actual experience	5,221,157	-	5,221,157
Contributions – employer	-	3,054,416	(3,054,416)
Contributions – employee	-	-	-
Net investment income	-	2,851,950	(2,851,950)
Benefit payments, including refunds of employee contributions	(1,591,300)	(1,591,300)	-
Administrative expense	-	(29,887)	29,887
Other changes	-	-	-
Ending balance	\$ <u>31,913,979</u>	\$ <u>25,452,544</u>	\$ <u>6,461,435</u>

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes of the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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

1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
\$ <u>10,709,343</u>	\$ <u>6,461,435</u>	\$ <u>2,954,623</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 9 - PENSION PLAN - CONTINUED

Discount Rate - Continued

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023 and the current sharing pattern of costs between employer and employee.

PENSION EXPENSE AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS

Pension expense for the year ended June 30, 2024 is \$2,192,722.

Deferred outflows/inflows of resource related to pensions:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,528,612	\$(1,575,041)
Changes in assumptions	-	-
Changes in benefit terms	-	-
Net difference between projected and actual earnings on pension plan		
Investments	1,183,343	-
City contributions subsequent to the measurement date	<u>2,512,766</u>	<u>-</u>
Total	\$ <u>8,224,721</u>	\$ (<u>1,575,041</u>)

Employer contributions made subsequent to the measurement date of the net pension liability of \$2,512,766 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Projected recognition of deferred outflows/(inflows):

<u>Year Ended</u>	<u>Recognition</u>
June 30, 2025	\$ 1,037,835
June 30, 2026	797,503
June 30, 2027	1,504,946
June 30, 2028	796,630
June 30, 2029	-
Thereafter	<u>-</u>
Total	\$ <u>4,136,914</u>

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB

Summary of Significant Accounting Policies

The City uses accounting policies consistent with recognition of liabilities and expenses in the Government-Wide financial statements as described in Note 1 and with GASB Statement No. 75. The City has chosen the pay-as-you-go method of funding the Plan, and as of June 30, 2024, the Plan reported no assets.

CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED

General Information about the OPEB Plan

Plan administration. The City of Buford Other Postemployment Benefit Plan (OPEB) is a defined benefit postretirement healthcare, prescription drug, and life insurance plan. The Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer OPEB plan administered by the Georgia Municipal Association (GMA). The authority to establish and amend benefit provisions of the Plan rests with the City and is established by ordinance. The Plan does not issue separate financial statements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided. The Plan allows employees to continue medical, prescription drug, dental and life insurance coverage beyond retirement, depending on whether the retiree had those coverages at the time they retire. Spouse benefits are the same as benefits for retirees except for life insurance. Benefits are payable to a spouse regardless of when the retiree dies. Retiree and spouse contribution rates are periodically reset by City ordinance.

City Contributions. The City has not elected to advance fund the OPEB Plan, but rather maintains the OPEB Plan on a "pay-as-you-go" basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulated restricted funds. The plan is noncontributory in that the City contributes 100% of the benefit payments to the plan. The GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS.

Employees eligible for the plan include the following:

Elected officials: officials and their dependents are eligible for a period equal to their years of service.

Appointed positions and department heads: employees and their dependents are eligible for a period equal to their years of service in which they held an appointed position.

Regular employees: After thirty years of service, the employee and their dependents are eligible for life.

Employees covered by the benefit terms. At January 1, 2022, City plan membership consisted of the following:

Retired members or beneficiaries currently receiving benefits	7
Vested terminated members entitled to but not yet receiving benefits	0
Active members	<u>115</u>
Total	<u>122</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED

Total OPEB Liability

The City's Net OPEB liability was measured as of June 30, 2023. The Plan Fiduciary Net Positions (plan assets, if any) were valued as of the measurement dates and the Total OPEB liability was determined from actuarial valuations using data as of January 1, 2022.

Actuarial assumptions and other inputs. The total OPEB liability was measured as of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

Inflation	2.25%
Salary increases	2.25%, plus service-based merit increases
Discount rate	3.65%
Healthcare cost trends	Medical and Prescription Drug: 17.00% in the first year, then 7.00%, trended down to 4.50% over 10 years Dental: 0.00% in the first year, -.80% in the second year, then 3.00% thereafter
Mortality rates	Sex-distinct Pri-2002 head-count weighted Healthy Mortality Table with rate multiplied by 1.25.

The discount rate was based on the index of the General Obligation, 20-year, Municipal Bond Rate as of each measurement date.

The actuarial assumptions used for the June 30, 2023 measurement date were based on the results of an actuarial experience study for the period January 1, 2015 to June 30, 2019.

Changes in the Total OPEB Liability of the City. The changes in the components of the total OPEB liability of the City for the year ended June 30, 2024, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) – (b)
Beginning balance	\$ 12,737,647	\$ -	\$ 12,737,647
Changes for the year:			
Service cost	392,275	-	392,275
Interest	461,214	-	461,214
Differences between expected and actual experience	38,466	-	38,466
Changes of assumptions	1,109,264	-	1,109,264
Contributions – employer	-	204,340	(204,340)
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	(204,340)	(204,340)	-
Administrative expense	-	-	-
Ending balance	\$ <u>14,534,526</u>	\$ <u>-</u>	\$ <u>14,534,526</u>

Benefit Changes

There were no plan changes in benefit provisions reflected for the June 30, 2023 measurement date.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED

Changes of Assumptions

Reflected for the June 30, 2023 measurement date

- The discount rate from the 20-year Bond GO Index for June 30, 2023 was 3.65%. For June 30, 2022 it was 3.54%.
- Healthcare trend rates were updated to reflect the most recent claims experience.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate.

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Total OPEB liability	\$ <u>18,244,781</u>	\$ <u>14,534,526</u>	\$ <u>11,761,289</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

	<u>1% Decrease In Healthcare Cost Trend Rates</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase in Healthcare Cost Trend Rates</u>
Total OPEB liability	\$ <u>11,481,640</u>	\$ <u>14,534,526</u>	\$ <u>18,713,085</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense of \$654,237. At June 30, 2024, the City reported deferred outflows/inflows of resource related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,970,928	\$ 213,329
Changes in assumptions or other inputs	2,969,641	5,055,256
City contributions subsequent to the measurement date	<u>275,005</u>	<u>-</u>
Total	\$ <u>5,215,574</u>	\$ <u>5,268,585</u>

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

Employer contributions made subsequent to the measurement date of the total OPEB liability of \$275,005 are reported as deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Projected recognition of deferred outflows/(inflows):

<u>Year Ended</u>	<u>Recognition</u>
June 30, 2025	\$(199,254)
June 30, 2026	34,232
June 30, 2027	116,287
June 30, 2028	(46,728)
June 30, 2029	(64,934)
Thereafter	(167,619)
Total	\$(328,016)

NOTE 11 - HOTEL/MOTEL LODGING TAX

The City has levied a hotel/motel lodging tax under OCGA 48-13-51(b). The City levies excise taxes at the rate of 7%. 3/7 (42.86%) goes into the general fund; 2/7 (28.57%) is remitted to the Cities destination marketing organizations (e.g. Gwinnett Convention and Visitors Bureau and Lake Lanier Convention and Visitors Bureau); the remaining 2/7 (28.57%) is spent on "tourism product development" such as the Buford Community Center or as defined in 48-13-50.2 under the definition tourism product development. A summary of the transactions for the year ending June 30, 2024 follows:

Total hotel/motel tax receipts collected @ 7%	\$ 242,302
Less: 71.43% of hotel/motel tax collected @ 7% to be remitted to City of Buford General Fund and Buford Community Center Fund	(173,073)
Tax collected to be expended for the promotion of tourism, conventions and trade shows	69,229
Expenditures for promotion of tourism, conventions and trade shows remitted to the Gwinnett and Lake Lanier Convention & Visitors Bureaus	(69,229)
Collections over (under) expenditures for year ended June 30, 2024	\$ -

NOTE 12 – AUTO RENTAL EXCISE TAX

The City has levied a rental motor vehicle excise tax. OCGA 48-13-93 requires that all motor rental vehicle excise taxes be expended for the purpose of promoting industry, trade, commerce, and tourism; for the provision of convention, trade, sports, and recreational facilities. During the year ended June 30, 2024, the City recognized \$342,625 in revenue from rental motor vehicle excise tax. Of this amount \$342,625, was expended for these purposes.

NOTE 13 - EXCESS EXPENDITURES OR EXPENSES OVER APPROPRIATIONS

The City had no excess expenditures or expenses over appropriations for the year ending June 30, 2024.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 14 - DEFICIT FUND BALANCES/NET POSITION

The City's General Fund had a deficit fund balance of \$4,441,479 at June 30, 2024. This deficit is a result of inadequate revenues to cover expenditures for the current year due to an increase in expenditures related to construction of capital projects during the current fiscal year. The City will need to make increased transfers from the Utilities Fund and/or reduce expenditures in order to eliminate this deficit. The City had no other deficits in fund balances or net position as of June 30, 2024.

NOTE 15 - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation plan is not available to employees until termination, retirement, death or unforeseeable emergencies.

In accordance with Section 457 of the Internal Revenue Code, plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and liabilities of the deferred compensation plans are not included in the accompanying financial statements.

NOTE 16 - LITIGATION

The City is a party to one legal proceeding and one claim with no legal proceedings, which normally occur in the course of governmental operations. The legal proceeding and claim are not likely to have a material adverse impact on the affected funds of the City, and accordingly, no provision for losses has been recorded.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

The City has *Potential Liability under MEAG Contracts* as follows:

Electrical System. The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia ("MEAG") pursuant to which the City purchases electric power and energy for resale to its customers. MEAG was created by the State of Georgia for the purpose of owning and operating electric generation and transmission facilities to supply bulk electric power to political subdivisions of Georgia which owned and operated electric distribution systems as of March 18, 1975.

Under the terms of its Power Sales Contracts with MEAG, the City is obligated to take from MEAG, and MEAG is obligated to provide, all electric power and energy required by the City in excess of the amount received by the City as an allotment from federally owned projects through the Southeastern Power Administration ("SEPA"). Such allotment of SEPA power has been assigned by the City to MEAG and is transmitted to the City by MEAG through Georgia's Integrated Transmission System for a separate charge. Under its Power Sales Contracts with MEAG, the City has the right to receive additional power as needed from the Integrated Transmission System. The price paid by the City to MEAG under its Power Sales Contracts is intended to cover the City's share of all the costs of MEAG, including debt service on MEAG's long-term debt. The amounts required to be paid to MEAG under the Power Sales Contracts are payable first from revenues of the City's electrical system. To the extent the required payments are not made from revenues of the City's electric system or other funds, the City is required to include in its general revenue or appropriation measure or annual tax levy amounts sufficient to make such payments. Payments by the City are required to be made by the City whether or not MEAG's facilities or any part thereof are operating or operable or the output there from is interrupted, interfered with, curtailed or terminated in whole or in part. In addition, the City may be obligated to purchase additional power, subject to contractual limitations, in the event other MEAG participants default.

MEAG has issued bonds for the purpose of providing power generation and transmission and telecommunication facilities. The City is contingently liable for their pro rata share of the bonds as a power purchase cost until they are retired. The City's contingent contractual obligation varies by individual MEAG project and totals approximately \$109,694,134 as of June 30, 2024. The contingent obligations of the City are general obligations of the City to which the City's full faith credit and taxing powers are pledged.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 17 – COMMITMENTS AND CONTINGENCIES - CONTINUED

The City has *Potential Liability under MGAG Contracts* as follows:

Gas System. The City has entered into the Gas Supply Contract and certain Supplemental Gas Supply Contracts with the Municipal Gas Authority of Georgia ("MGAG") under which the City buys natural gas for resale to its customers. Under such contracts with MGAG, the City is obligated to take from MGAG, and MGAG is obligated to provide, all of the City's natural gas requirements. The price paid by the City to MGAG under its contracts is intended to cover the City's share of all the costs of MGAG, including scheduled debt service of MGAG. Such payments are required to be made by the City whether or not MGAG's facilities or natural gas properties or any part thereof are operating or operable or the output there from is interrupted, interfered with, curtailed or terminated in whole or in part, or whether or not any of its natural gas suppliers or transporters defaults in its obligations under its gas supply or transportation contracts with MGAG. To the extent the required payments are not made from the revenues of the System or other funds, the City is required to include in its general revenue or appropriation measure or annual tax levy amounts sufficient to make such payments. The City is contingently liable for its pro-rata share of MGAG's debt until it is retired in the amount of \$5,160,677 of as June 30, 2024. The contingent obligations of the City are general obligations of the City to which the City's full faith credit and taxing powers are pledged.

Gwinnett County and City of Buford Wholesale Sewage Agreement

The City entered into an agreement with Gwinnett County on May 2, 2018 to purchase water reclamation services from Gwinnett. The agreement is for a period of 50 years, or until it is dissolved or revised by mutual consent by both Gwinnett and the City. The payment terms of the agreement are for the City to make an annual payment to Gwinnett in the amount of \$1,375,000 per year over 12 years totaling \$16,500,000. The agreement provides for an annual increase in the amount of instantaneous daily flow that the City can send to Gwinnett with an initial daily flow maximum of 83,333 gallons per day increasing annually by 83,333 gallons per day until the daily maximum flow reaches 1,000,000 gallons per day in year 12. Payments are to be made annually unless the daily max flow sent from the City to Gwinnett exceeds the current allotted daily max flow. If the City exceeds its daily maximum flow then the City will be required to make a payment to Gwinnett that corresponds with the daily max flow tier level that occurred in the previous month. The City has made payments totaling \$11,000,000 as of June 30, 2024.

Construction of Stadium

The City is in the process of constructing a new City Stadium and has entered into a construction contract in the adjusted amount of \$65,623,260. At June 30, 2024, the City had expended \$26,247,037 for construction costs on the contract.

Current Economic Environment

The current economic environment presents municipalities with circumstances and challenges, which in some cases could result in declines in the volume of tax collections, other general revenues, municipal utility billings; constraints on liquidity and difficulty obtaining financing. These financial statements have been prepared using fair values and information currently available to the City, which are susceptible to change in the future based on economic conditions.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 18 - 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. Significant losses in these areas are all covered by commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 19 - TRANSACTIONS WITH COMPONENT UNITS AND OTHER RELATED ENTITIES

City of Buford Board of Education

For the year ended June 30, 2024, The City incurred the following intergovernmental transactions relating to the City of Buford Board of Education, a component unit of the City. For additional information, see Note 1.

General Fund

Operating transfers to City of Buford Board of Education	\$ 45,900,000
Other transfers for capital projects and expenditures to City of Buford Board of Education	<u>12,533,711</u>
Total intergovernmental expenditures relating to City of Buford Board of Education	\$ <u>58,433,711</u>

2017 GOB Debt Service Fund

The City received intergovernmental revenue of \$10,381,500 from the City of Buford Board of Education's ESPLOST funds to use for debt service payments on the City's 2017 General Obligation Bonds.

Buford BOE Intergovernmental Contract Payable Debt Service Fund

The City received intergovernmental revenue of \$2,803,496 from the City of Buford Board of Education's ESPLOST funds to use for debt service payments on the City's Intergovernmental Contract payable to the Board of Education for the Board of Education's 2021 Refunding Revenue Bonds.

Fiduciary Custodial Funds

Net position amounts from Education SPLOST funds held in trust for the City of Buford Board of Education totaled \$13,605,839 as of June 30, 2024.

City of Buford Downtown Development Authority

For the year ended June 30, 2024, The City transferred properties with book values of \$293,045 to the City of Buford Downtown Development Authority, a component unit of the City. Additionally, the Authority paid \$30,000 to the City of Buford General Fund during the year.

City of Buford Housing Authority

The City of Buford Housing Authority is a related organization of the City. The Authority provides safe and sanitary dwelling accommodations for persons of low income. The City appoints a voting majority of the Authority's board, but is not financially accountable for the Authority. The City has no significant influence over the management, budget, or policies of the Authority. The Authority reports independently. The City received no payment in lieu of taxes from the Authority for the year ended June 30, 2024.

**CITY OF BUFORD, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 20 - JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the 10 county metro Atlanta area, is a member of the Atlanta Regional Commission ("ARC"). The City pays no annual dues to ARC. Membership in a Regional Commission ("RC") is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of an RC in Georgia. The ARC Board membership includes each county commission chairman in the region, one mayor from each county (except Fulton County) chosen by a caucus of mayors, one mayor from the northern half and one mayor from the southern half of Fulton County elected by a caucus of mayors within northern and southern Fulton County, the mayor of the City of Atlanta, one member of the Atlanta City Council, fifteen private citizens, one from each of the 15 multi-jurisdictional districts of roughly equal population, elected by the 23 public officials, and one member appointed by the Board of the Georgia Department of Community Affairs. OCGA Section 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from Atlanta Regional Commission, 229 Peachtree St NE, Atlanta, GA 30303 or the Northeast Georgia Regional Commission, 305 Research Drive, Athens, GA 30605-2725.

NOTE 21 - GRANTS

In the normal course of operations, the City receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed by management to have a direct and material effect on the financial statements taken as a whole.

NOTE 22 - MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE

The City's municipal solid waste landfill located at Peachtree Industrial Boulevard and McEver Road (The "landfill") ceased accepting waste in 1986. In 1998 the landfill was capped with a minimum of two-foot thick soil cover to close the site under existing EPD rules and regulations, then grassed, and has since been routinely maintained by the City to preserve its integrity. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years from the time of closure, and since 1997, the landfill has been the subject of routine ground water and methane monitoring and reporting in conformance with EPD rules and regulations. The City previously recognized a liability for closure and postclosure care costs, which was fully amortized as of June 30, 2018. There is no remaining estimated total current cost of closure and postclosure care remaining to be recognized. The percentage of landfill capacity used to date is 100%, and it has an estimated remaining landfill life of zero years. The City is and will maintain the landfill as a grassed area to discourage erosion. There are no assets restricted for payment of closure and postclosure care costs. The City continued to perform routine ground water and methane monitoring and testing at the site during the current year, and expended \$75,899 on the monitoring and testing. Even though there is no remaining liability for closure and postclosure care costs, the City could potentially be subject to additional costs due to changes in requirements of and decisions made by the EPD in relation to the landfill, inflation, or changes in technology.

The City is listed on the State of Georgia's Hazardous Site Inventory and, as such, is eligible for reimbursement of certain costs. Any reimbursable amounts have not been included in cost estimates due to the uncertainty of amounts to be reimbursed. The City is not under any closure and post closure financial assurance requirements per EPD rule 391-3-4-.13 due to its closing prior to October 8, 1993.

NOTE 23 – SUBSEQUENT EVENTS

Management of the City has evaluated subsequent events through January 6, 2025. The City received intergovernmental revenues of \$5,304,208 from the City of Buford Board of Education during October 2024 for reimbursements related to the City funding construction of several capital projects for the Board of Education.

**SUPPLEMENTARY INFORMATION
REQUIRED BY GASB**

CITY OF BUFORD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 369,356	\$ 372,517	\$ 377,401	\$ 338,466	\$ 260,982	\$ 295,792	\$ 290,915	\$ 282,761	\$ 242,345	\$ 229,426
Interest	1,888,032	1,999,646	1,950,548	1,752,387	1,325,206	1,237,995	1,141,107	1,064,758	860,448	814,082
Differences between Expected and actual Experience	5,221,157	(2,391,177)	(350,838)	1,758,441	75,920	705,887	643,809	392,980	910,203	74,088
Changes in assumptions	-	-	-	-	1,620,701	-	277,477	-	-	23,680
Changes of benefit terms	-	-	-	-	3,891,754	-	-	-	1,281,817	-
Benefit payments, including Refunds of employee Contributions	(1,591,300)	(1,391,157)	(1,221,835)	(1,180,765)	(1,139,797)	(944,292)	(788,624)	(722,078)	(595,041)	(490,971)
Net change in total pension Liability	5,887,245	(1,410,171)	755,276	2,668,529	6,034,766	1,295,382	1,564,684	1,018,421	2,699,772	650,305
Total pension liability – Beginning	26,026,734	27,436,905	26,681,629	24,013,100	17,978,334	16,682,952	15,118,268	14,099,847	11,400,075	10,749,770
Total pension liability – Ending (a)	\$ 31,913,979	\$ 26,026,734	\$ 27,436,905	\$ 26,681,629	\$ 24,013,100	\$ 17,978,334	\$ 16,682,952	\$ 15,118,268	\$ 14,099,847	\$ 11,400,075
Plan Fiduciary Net Position										
Contributions – employer	\$ 3,054,416	\$ 2,313,365	\$ 2,240,681	\$ 1,851,972	\$ 1,851,747	\$ 1,926,160	\$ 1,991,281	\$ 1,966,440	\$ 806,632	\$ 740,510
Contributions – employee	-	-	-	-	-	-	-	-	-	-
Net Investment income	2,851,950	(4,102,067)	4,607,773	1,786,142	455,009	1,320,193	1,593,046	953,798	80,385	770,232
Benefit payments, including Refunds of employee Contributions	(1,591,300)	(1,391,157)	(1,221,835)	(1,180,765)	(1,139,797)	(944,292)	(788,624)	(722,078)	(595,041)	(490,971)
Administrative expense	(29,887)	(29,097)	(28,110)	(26,454)	(25,878)	(25,152)	(25,331)	(14,366)	(15,919)	(12,688)
Other	-	-	-	-	-	-	-	-	-	-
Net change in fiduciary Net position	4,285,179	(3,208,956)	5,598,509	2,430,895	1,141,081	2,276,909	2,770,372	2,183,794	276,057	1,007,083
Plan fiduciary net position – Beginning	21,167,365	24,376,321	18,777,812	16,346,917	15,205,836	12,928,927	10,158,555	7,974,761	7,698,704	6,691,621
Plan fiduciary net position – Ending (b)	\$ 25,452,544	\$ 21,167,365	\$ 24,376,321	\$ 18,777,812	\$ 16,346,917	\$ 15,205,836	\$ 12,928,927	\$ 10,158,555	\$ 7,974,761	\$ 7,698,704
Net Position Liability										
Net pension liability – Ending (a) – (b)	\$ 6,461,435	\$ 4,859,369	\$ 3,060,584	\$ 7,903,817	\$ 7,666,183	\$ 2,772,498	\$ 3,754,025	\$ 4,959,713	\$ 6,125,086	\$ 3,701,371
Plan's fiduciary net position										
As a percentage of the Total pension liability	79.75%	81.33%	88.85%	70.38%	68.07%	84.58%	77.50%	67.19%	56.56%	67.53%
Covered-employee payroll	\$ 6,878,909	\$ 6,340,412	\$ 6,432,620	\$ 6,360,617	\$ 5,785,007	\$ 5,477,581	\$ 6,066,224	\$ 5,655,240	\$ 5,475,883	\$ 5,393,065
Net pension liability as a Percentage of covered-Employee payroll	93.93%	76.64%	47.58%	124.26%	132.52%	50.62%	61.88%	87.70%	111.86%	68.63%

**CITY OF BUFORD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	*	\$ 1,177,993	\$ 1,358,489	\$ 1,201,412	\$ 735,492	\$ 888,965	\$ 938,559	\$ 1,008,855	\$ 757,901	\$ 758,076
Contributions in relation to The actuarially determined Contribution	*	3,291,200	2,245,282	2,201,412	1,736,642	1,888,965	1,938,559	2,008,855	1,952,301	758,076
Contribution deficiency (excess)	*	(2,113,207)	(886,793)	(1,000,000)	(1,001,150)	(1,000,000)	(1,000,000)	(1,000,000)	(1,194,400)	-
Covered-employee payroll	*	\$ 6,340,412	\$ 6,432,620	\$ 6,360,617	\$ 5,785,007	\$ 5,477,581	\$ 6,066,224	\$ 5,655,240	\$ 5,475,883	\$ 5,393,065
Contributions as a percentage Of covered-employee Payroll	*	51.91%	34.90%	34.61%	30.02%	34.49%	31.96%	35.52%	35.65%	14.06%

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

**CITY OF BUFORD, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - RECOMMENDED CONTRIBUTION

The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the BRP. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly).

NOTE 2 – VALUATION DATE

The actuarially determined contribution rate was determined as of January 1, 2024, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2025.

NOTE 3 – METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES:

Actuarial Cost Method – Entry Age Normal

Amortization Method – Closed level dollar for remaining unfunded liability

Remaining Amortization Period – Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset Valuation Method – Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Actuarial Assumptions:

- Rate of return on investment 7.375% per year
- Projected salary increases 2.25% per year plus service-based merit increases
- Cost of living adjustments 2.10%

Normal Retirement Age – 65+5 or 60+30 or Rule of 75

Early Retirement Age – 55+10

The mortality and economic 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 through June 30, 2019. Mortality rates were based on the Pri-2012 head-count weighted Healthy Mortality Table with rates multiplied by 1.25.

**CITY OF BUFORD, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 - CHANGES OF ASSUMPTIONS

There were no changes of assumptions for the current fiscal year.

NOTE 5 - BENEFIT CHANGES

There were no changes in benefits for the current fiscal year.

CITY OF BUFORD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	CITY OF BUFORD OPEB PLAN				
	2024	2023	2022	2021	2020
Total OPEB Liability					
Service cost	\$ 392,275	\$ 659,430	\$ 557,154	\$ 426,621	\$ 303,320
Interest	461,214	347,733	294,654	432,725	402,317
Changes of benefit terms	-	-	-	-	-
Differences between Expected and actual Experience	38,466	2,572,319	(54,501)	(358,525)	18,451
Changes in assumptions	1,109,264	(6,208,730)	2,023,713	504,178	1,285,673
Benefit payments, including Refunds of employee Contributions	(204,340)	(144,058)	(170,419)	(161,791)	(170,196)
Net change in total OPEB Liability	1,796,879	(2,773,306)	2,650,601	843,208	1,839,565
Total OPEB liability – Beginning	<u>12,737,647</u>	<u>15,510,953</u>	<u>12,860,352</u>	<u>12,017,144</u>	<u>10,177,579</u>
Total OPEB liability – Ending (a)	<u>\$ 14,534,526</u>	<u>\$ 12,737,647</u>	<u>\$ 15,510,953</u>	<u>\$ 12,860,352</u>	<u>\$ 12,017,144</u>
Plan fiduciary net position					
Contributions – employer	\$ 204,340	\$ 144,058	\$ 170,419	\$ 161,791	\$ 170,196
Net investment income	-	-	-	-	-
Benefit payments	(204,340)	(144,058)	(170,419)	(161,791)	(170,196)
Administrative expense	-	-	-	-	-
Net Change in plan fiduciary Net position	-	-	-	-	-
Plan fiduciary net position – Beginning	-	-	-	-	-
Plan fiduciary net position – Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability – Ending (a) - (b)	<u>\$ 14,534,526</u>	<u>\$ 12,737,647</u>	<u>\$ 15,510,953</u>	<u>\$ 12,860,352</u>	<u>\$ 12,017,144</u>
Plan's fiduciary net position As a percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 6,577,354	\$ 6,432,620	\$ 5,915,170	\$ 5,785,007	\$ 5,785,007
Total OPEB liability as a Percentage of covered-Employee payroll	220.98%	198.02%	262.22%	222.30%	207.73%
				185.80%	169.42%

**CITY OF BUFORD, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 - PLAN ASSETS

There were no assets accumulated in a trust that meets the criteria in GASB 75, Paragraph 4 to pay related benefits.

NOTE 2 - CHANGES OF ASSUMPTIONS

Changes of Assumptions: Reflected for the June 30, 2023 Measurement Date

- The discount rate from the 20-year Bond GO Index for June 30, 2023 was 3.65%. For June 30, 2022 it was 3.54%.
- Healthcare trend rates were updated to reflect the most recent trend experience.

NOTE 3 - BENEFIT CHANGES

There were no plan changes in benefit provisions reflected for the June 30, 2023 measurement date.

OTHER CONTENTS OF THE FINANCIAL SECTION

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COMBINING FINANCIAL STATEMENTS NON-MAJOR GOVERNMENTAL FUNDS

Nonmajor Governmental Funds are funds in which total fund assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures are less than 10% of total governmental funds, and total fund assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures are less than 5% of total governmental and business-type funds. These funds are made up of funds used to account for resources, which are required legally or by sound financial management to be accounted for in a fund other than the General Fund.

SPECIAL REVENUE FUND

The Special Revenue Funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's Special Revenue Fund:

American Rescue Plan Act Fund - used to account for receipt and allocation of the City's Coronavirus State and Local Fiscal Recovery Funds. Use of these monies is limited by law to responding to the COVID-19 public health emergency or its negative economic impacts, replace lost public sector revenue, provide premium pay for eligible workers performing essential work, or to invest in water, sewer, and broadband infrastructure.

Hotel/Motel Tax Fund - used to account for receipt and allocation of the City's hotel/motel tax. Use of this tax is limited by law to promotion of tourism. The City hotel/motel tax rate for its three hotels was 7% during the fiscal year ending June 30, 2024.

Auto Rental Excise Tax Fund – used to account for the receipt and allocation of the City's auto rental excise tax. Use of this tax is limited by law to promote industry, trade, commerce, and tourism, certain capital outlay projects, and maintenance and operating expenses or security and public safety expenses associated with those capital outlay projects. The City auto rental excise tax rate was 3% during the fiscal year ending June 30, 2024.

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of resources for, and the payment of governmental long-term debt principal, interest, and fiscal charges. The governmental long-term debt serviced by the Debt Service Funds consist of the 2015 General Obligation Bonds, and Buford BOE Intergovernmental Contract Payable.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the General and Proprietary Funds. The following is a description of the City's non-major Capital Projects Funds.

Gwinnett County 2009 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Buford 2009 SPLOST.

Gwinnett County 2017 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Buford 2017 SPLOST.

Gwinnett County 2023 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Buford 2023 SPLOST.

Hall County 2009 SPLOST Fund - used to account for the construction and financing of projects funded by the Hall County 2009 SPLOST.

Hall County 2015 SPLOST Fund - used to account for the construction and financing of projects funded by the Hall County 2015 SPLOST.

Hall County 2020 SPLOST Fund - used to account for the construction and financing of projects funded by the Hall County 2020 SPLOST.

Rest Haven 2001 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Rest Haven 2001 SPLOST.

Rest Haven 2005 SPLOST Fund - used to account for the construction and financing of projects funded by the City of Rest Haven 2005 SPLOST.

**CITY OF BUFORD, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2024**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and cash equivalents	\$ 2,947,739	\$ -	\$ 7,958,834	\$ 10,906,573
Sales, excise, and other tax receivable	104,415	-	-	104,415
Due from other governments	<u>-</u>	<u>-</u>	<u>695,653</u>	<u>695,653</u>
Total assets	\$ <u>3,052,154</u>	\$ <u>-</u>	\$ <u>8,654,487</u>	\$ <u>11,706,641</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 19,203	\$ -	\$ -	\$ 19,203
Interfund balances	223,754	-	-	223,754
Unearned revenue	<u>2,798,451</u>	<u>-</u>	<u>-</u>	<u>2,798,451</u>
Total liabilities	<u>3,041,408</u>	<u>-</u>	<u>-</u>	<u>3,041,408</u>
FUND BALANCES				
Restricted for:				
Capital projects	-	-	8,654,487	8,654,487
Debt Service	-	-	-	-
Tourism, conventions and trade shows	-	-	-	-
Unassigned	<u>10,746</u>	<u>-</u>	<u>-</u>	<u>10,746</u>
Total fund balances	<u>10,746</u>	<u>-</u>	<u>8,654,487</u>	<u>8,665,233</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>3,052,154</u>	\$ <u>-</u>	\$ <u>8,654,487</u>	\$ <u>11,706,641</u>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING JUNE 30, 2024

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
REVENUES				
Taxes – sales, excise, and other	\$ 584,927	\$ -	\$ -	\$ 584,927
Intergovernmental revenue	-	2,803,496	3,973,069	6,776,565
Investment income	<u>3,269</u>	<u>-</u>	<u>7,952</u>	<u>11,221</u>
Total revenues	<u>588,196</u>	<u>2,803,496</u>	<u>3,981,021</u>	<u>7,372,713</u>
EXPENDITURES				
Current operating:				
Public services:				
Culture and recreation	69,229	-	-	69,229
Capital outlay	-	-	614,144	614,144
Debt service:				
Principal retirement	-	1,930,000	-	1,930,000
Interest and fiscal agent fees	<u>-</u>	<u>874,496</u>	<u>-</u>	<u>874,496</u>
Total expenditures	<u>69,229</u>	<u>2,804,496</u>	<u>614,144</u>	<u>3,487,869</u>
Excess (deficiency) of revenues over (under) expenditures	<u>518,967</u>	<u>(1,000)</u>	<u>3,366,877</u>	<u>3,884,844</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,000	-	1,000
Transfers out	<u>(515,822)</u>	<u>(7,201)</u>	<u>(2,514,292)</u>	<u>(3,037,315)</u>
Net other financing sources (uses)	<u>(515,822)</u>	<u>(6,201)</u>	<u>(2,514,292)</u>	<u>(3,036,315)</u>
Net change in fund balance	3,145	(7,201)	852,585	848,529
Fund balance - beginning	<u>7,601</u>	<u>7,201</u>	<u>7,801,902</u>	<u>7,816,704</u>
Fund balance - ending	\$ <u>10,746</u>	\$ <u>-</u>	\$ <u>8,654,487</u>	\$ <u>8,665,233</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF JUNE 30, 2024**

NON-MAJOR SPECIAL REVENUE FUNDS				
	American Rescue Plan Act Fund	Hotel/ Motel Tax Fund	Auto Rental Excise Tax Fund	Total Nonmajor Special Revenue Funds
ASSETS				
Cash and cash equivalents	\$ 2,809,197	\$ 138,542	\$ -	\$ 2,947,739
Sales, excise, and other taxes receivable	<u>-</u>	<u>53,858</u>	<u>50,557</u>	<u>104,415</u>
Total assets	\$ <u>2,809,197</u>	\$ <u>192,400</u>	\$ <u>50,557</u>	\$ <u>3,052,154</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 19,203	\$ -	\$ 19,203
Interfund balances	-	173,197	50,557	223,754
Unearned revenue	<u>2,798,451</u>	<u>-</u>	<u>-</u>	<u>2,798,451</u>
Total liabilities	<u>2,798,451</u>	<u>192,400</u>	<u>50,557</u>	<u>3,041,408</u>
FUND BALANCE				
Restricted for:				
Tourism, conventions, and trade shows	-	-	-	-
Unassigned	<u>10,746</u>	<u>-</u>	<u>-</u>	<u>10,746</u>
Total fund balance	<u>10,746</u>	<u>-</u>	<u>-</u>	<u>10,746</u>
Total liabilities and fund balance	\$ <u>2,809,197</u>	\$ <u>192,400</u>	\$ <u>50,557</u>	\$ <u>3,052,154</u>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 AS OF JUNE 30, 2024

	NON-MAJOR SPECIAL REVENUE FUNDS			
	American Rescue Plan Act Fund	Hotel/ Motel Tax Fund	Auto Rental Excise Tax Fund	Total Nonmajor Special Revenue Funds
REVENUES				
Taxes – sales, excise, and other	\$ -	\$ 242,302	\$ 342,625	\$ 584,927
Investment income	<u>3,145</u>	<u>124</u>	<u>-</u>	<u>3,269</u>
Total revenues	<u>3,145</u>	<u>242,426</u>	<u>342,625</u>	<u>588,196</u>
EXPENDITURES				
Culture and recreation	<u>-</u>	<u>69,229</u>	<u>-</u>	<u>69,229</u>
Total expenditures	<u>-</u>	<u>69,229</u>	<u>-</u>	<u>69,229</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,145</u>	<u>173,197</u>	<u>342,625</u>	<u>518,967</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>(173,197)</u>	<u>(342,625)</u>	<u>(515,822)</u>
Net other financing sources (uses)	<u>-</u>	<u>(173,197)</u>	<u>(342,625)</u>	<u>(515,822)</u>
Net change in fund balance	3,145	-	-	3,145
Fund balance - beginning	<u>7,601</u>	<u>-</u>	<u>-</u>	<u>7,601</u>
Fund balance – ending	\$ <u>10,746</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>10,746</u>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 AS OF JUNE 30, 2024

NON-MAJOR DEBT SERVICE FUNDS			
	2015 GOB Debt Service Fund	Buford BOE Intergovernmental Contract Payable Debt Service Fund	Total Nonmajor Debt Service Funds
ASSETS			
Restricted cash and cash equivalents	\$ _____ -	\$ _____ -	\$ _____ -
Total assets	\$ _____ -	\$ _____ -	\$ _____ -
FUND BALANCES			
Restricted for: Debt Service	\$ _____ -	\$ _____ -	\$ _____ -
Total fund balances	\$ _____ -	\$ _____ -	\$ _____ -

SEE INDEPENDENT AUDITOR’S REPORT.

CITY OF BUFORD, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
AS OF JUNE 30, 2024

NON-MAJOR DEBT SERVICE FUNDS			
	2015 GOB Debt Service Fund	Buford BOE Intergovernmental Contract Payable Debt Service Fund	Total Nonmajor Debt Service Funds
REVENUES			
Intergovernmental	\$ -	\$ 2,803,496	\$ 2,803,496
Investment income	-	-	-
Total revenues	-	2,803,496	2,803,496
EXPENDITURES			
Debt service:			
Principal retirement	-	1,930,000	1,930,000
Interest and fiscal charges	-	874,496	874,496
Total expenditures	-	2,804,496	2,804,496
Excess (deficiency) of revenues over (under) expenditures	-	(1,000)	(1,000)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,000	1,000
Transfers out	(7,201)	-	(7,201)
Net other financing sources (uses)	(7,201)	1,000	(6,201)
Net change in fund balance	(7,201)	-	(7,201)
Fund balance - beginning	7,201	-	7,201
Fund balance - ending	\$ -	\$ -	\$ -

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 AS OF JUNE 30, 2024

	NON-MAJOR CAPITAL PROJECTS FUNDS				
	GWINNETT COUNTY 2009 SPLOST	GWINNETT COUNTY 2017 SPLOST	GWINNETT COUNTY 2023 SPLOST	HALL COUNTY 2009 SPLOST	HALL COUNTY 2015 SPLOST
ASSETS					
Cash and cash equivalents	\$ 2,784,031	\$ 738,323	\$ 1,601,911	\$ 92,360	\$ 758,559
Due from other governments	<u>-</u>	<u>-</u>	<u>625,078</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,784,031</u>	<u>\$ 738,323</u>	<u>\$ 2,226,989</u>	<u>\$ 92,360</u>	<u>\$ 758,559</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted for:					
Capital projects	<u>2,784,031</u>	<u>738,323</u>	<u>2,226,989</u>	<u>92,360</u>	<u>758,559</u>
Total fund balances	<u>2,784,031</u>	<u>738,323</u>	<u>2,226,989</u>	<u>92,360</u>	<u>758,559</u>
Total liabilities and fund balances	<u>\$ 2,784,031</u>	<u>\$ 738,323</u>	<u>\$ 2,226,989</u>	<u>\$ 92,360</u>	<u>\$ 758,559</u>

HALL COUNTY 2020 SPLOST	REST HAVEN 2001 SPLOST	REST HAVEN 2005 SPLOST	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$ 1,392,266 <u>70,575</u>	\$ 19,214 <u>-</u>	\$ 572,170 <u>-</u>	\$ 7,958,834 <u>695,653</u>
\$ <u>1,462,841</u>	\$ <u>19,214</u>	\$ <u>572,170</u>	\$ <u>8,654,487</u>
\$ - <u>-</u>	\$ - <u>-</u>	\$ - <u>-</u>	\$ - <u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,462,841</u>	<u>19,214</u>	<u>572,170</u>	<u>8,654,487</u>
<u>1,462,841</u>	<u>19,214</u>	<u>572,170</u>	<u>8,654,487</u>
\$ <u>1,462,841</u>	\$ <u>19,214</u>	\$ <u>572,170</u>	\$ <u>8,654,487</u>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	NON-MAJOR CAPITAL PROJECTS FUNDS				
	GWINNETT COUNTY 2009 SPLOST	GWINNETT COUNTY 2017 SPLOST	GWINNETT COUNTY 2023 SPLOST	HALL COUNTY 2009 SPLOST	HALL COUNTY 2015 SPLOST
REVENUES					
Intergovernmental revenue	\$ -	\$ -	\$ 3,565,867	\$ -	\$ -
Investment income	<u>2,838</u>	<u>1,394</u>	<u>1,099</u>	<u>92</u>	<u>756</u>
Total revenues	<u>2,838</u>	<u>1,394</u>	<u>3,566,966</u>	<u>92</u>	<u>756</u>
EXPENDITURES					
Capital outlay	-	614,144	-	-	-
Total expenditures	-	614,144	-	-	-
Excess (deficiency) of Revenues over (under) Expenditures	<u>2,838</u>	<u>(612,750)</u>	<u>3,566,966</u>	<u>92</u>	<u>756</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(314,520)	(2,199,772)	-	-
Net other financing sources (uses)	-	(314,520)	(2,199,772)	-	-
Net change in fund balance	2,838	(927,270)	1,367,194	92	756
Fund balance - beginning	<u>2,781,193</u>	<u>1,665,593</u>	<u>859,795</u>	<u>92,268</u>	<u>757,803</u>
Fund balance - ending	\$ <u>2,784,031</u>	\$ <u>738,323</u>	\$ <u>2,226,989</u>	\$ <u>92,360</u>	\$ <u>758,559</u>

HALL COUNTY 2020 SPLOST	REST HAVEN 2001 SPLOST	REST HAVEN 2005 SPLOST	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$ 407,202	\$ -	\$ -	\$ 3,973,069
<u>1,184</u>	<u>19</u>	<u>570</u>	<u>7,952</u>
<u>408,386</u>	<u>19</u>	<u>570</u>	<u>3,981,021</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>614,144</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>614,144</u>
<u>408,386</u>	<u>19</u>	<u>570</u>	<u>3,366,877</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,514,292)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,514,292)</u>
408,386	19	570	852,585
<u>1,054,455</u>	<u>19,195</u>	<u>571,600</u>	<u>7,801,902</u>
\$ <u>1,462,841</u>	\$ <u>19,214</u>	\$ <u>572,170</u>	\$ <u>8,654,487</u>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - AMERICAN RESCUE PLAN ACT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment income	<u>2,500</u>	<u>3,145</u>	<u>645</u>
Total revenues	<u>2,500</u>	<u>3,145</u>	<u>645</u>
 EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,500</u>	<u>3,145</u>	<u>645</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,500	3,145	645
Fund balance - beginning	<u>7,601</u>	<u>7,601</u>	<u>-</u>
Fund balance - ending	\$ <u><u>10,101</u></u>	\$ <u><u>10,746</u></u>	\$ <u><u>645</u></u>

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Taxes – sales, excise, and other	\$ 300,000	\$ 242,302	\$(57,698)
Investment income	<u>200</u>	<u>124</u>	<u>(76)</u>
Total revenues	<u>300,200</u>	<u>242,426</u>	<u>(57,774)</u>
 EXPENDITURES			
Current operating:			
Public services:			
Culture and recreation	<u>69,229</u>	<u>69,229</u>	<u>-</u>
Total expenditures	<u>69,229</u>	<u>69,229</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>230,971</u>	<u>173,197</u>	<u>(57,774)</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(173,197)</u>	<u>(173,197)</u>	<u>-</u>
Net other financing sources (uses)	<u>(173,197)</u>	<u>(173,197)</u>	<u>-</u>
Net change in fund balance	57,774	-	(57,774)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u>57,774</u>	\$ <u>-</u>	\$(<u>57,774</u>)

**CITY OF BUFORD, GEORGIA
 AUTO RENTAL EXCISE TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Taxes – sales, excise, and other	\$ <u>175,000</u>	\$ <u>342,625</u>	\$ <u>167,625</u>
Total revenues	<u>175,000</u>	<u>342,625</u>	<u>167,625</u>
EXPENDITURES			
Current operating:			
Public services:			
Culture and recreation	_____ -	_____ -	_____ -
Total expenditures	_____ -	_____ -	_____ -
Excess (deficiency) of revenues over (under) expenditures	<u>175,000</u>	<u>342,625</u>	<u>167,625</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(<u>342,625</u>)	(<u>342,625</u>)	_____ -
Net other financing sources (uses)	(<u>342,625</u>)	(<u>342,625</u>)	_____ -
Net change in fund balance	(167,625)	-	167,625
Fund balance - beginning	_____ -	_____ -	_____ -
Fund balance - ending	\$(<u>167,625</u>)	\$ _____ -	\$ <u>167,625</u>

**CITY OF BUFORD, GEORGIA
2015 GENERAL OBLIGATION BOND DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Interest & fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(<u>7,201</u>)	(<u>7,201</u>)	<u>-</u>
Net other financing sources (uses)	(<u>7,201</u>)	(<u>7,201</u>)	<u>-</u>
Net change in fund balance	(<u>7,201</u>)	(<u>7,201</u>)	<u>-</u>
Fund balance - beginning	<u>7,201</u>	<u>7,201</u>	<u>-</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

CITY OF BUFORD, GEORGIA
2017 GENERAL OBLIGATION BOND DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental	\$ -	\$ 10,381,500	\$ 10,381,500
Investment income	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues	<u>-</u>	<u>10,381,501</u>	<u>10,381,501</u>
EXPENDITURES			
Debt service:			
Principal retirement	9,420,000	9,420,000	-
Interest and fiscal charges	<u>962,225</u>	<u>962,225</u>	<u>-</u>
Total expenditures	<u>10,382,225</u>	<u>10,382,225</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(<u>10,382,225</u>)	(<u>724</u>)	<u>10,381,501</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	725	725
Transfers out	(<u>30,035</u>)	(<u>30,035</u>)	<u>-</u>
Net other financing sources (uses)	(<u>30,035</u>)	(<u>29,310</u>)	<u>725</u>
Net change in fund balance	(10,412,260)	(30,034)	10,382,226
Fund balance - beginning	<u>30,233</u>	<u>30,233</u>	<u>-</u>
Fund balance - ending	\$(<u>10,382,027</u>)	\$ <u>199</u>	\$ <u>10,382,226</u>

CITY OF BUFORD, GEORGIA
BUFORD BOE INTERGOVERNMENTAL CONTRACT PAYABLE DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental	\$ <u> -</u>	\$ <u>2,803,496</u>	\$ <u>2,803,496</u>
Total revenues	<u> -</u>	<u>2,803,496</u>	<u>2,803,496</u>
EXPENDITURES			
Debt service:			
Principal retirement	1,930,000	1,930,000	-
Interest and fiscal charges	<u>874,496</u>	<u>874,496</u>	<u>-</u>
Total expenditures	<u>2,804,496</u>	<u>2,804,496</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(<u>2,804,496</u>)	(<u>1,000</u>)	<u>2,803,496</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u> -</u>	<u>1,000</u>	<u>1,000</u>
Net other financing sources (uses)	<u> -</u>	<u>1,000</u>	<u>1,000</u>
Net change in fund balance	(2,804,496)	-	2,804,496
Fund balance - beginning	<u> -</u>	<u> -</u>	<u> -</u>
Fund balance - ending	\$(<u>2,804,496</u>)	\$ <u> -</u>	\$ <u>2,804,496</u>

**CITY OF BUFORD, GEORGIA
GWINNETT COUNTY 2009 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>3,000</u>	<u>2,838</u>	<u>(162)</u>
Total revenues	<u>3,000</u>	<u>2,838</u>	<u>(162)</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,000</u>	<u>2,838</u>	<u>(162)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,000	2,838	(162)
Fund balance - beginning	<u>2,781,193</u>	<u>2,781,193</u>	<u>-</u>
Fund balance - ending	\$ <u>2,784,193</u>	\$ <u>2,784,031</u>	\$(<u>162</u>)

**CITY OF BUFORD, GEORGIA
GWINNETT COUNTY 2017 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>1,600</u>	<u>1,394</u>	(<u>206</u>)
Total revenues	<u>1,600</u>	<u>1,394</u>	(<u>206</u>)
EXPENDITURES			
Capital outlay	<u>614,144</u>	<u>614,144</u>	-
Total expenditures	<u>614,144</u>	<u>614,144</u>	-
Excess (deficiency) of revenues over (under) expenditures	(<u>612,544</u>)	(<u>612,750</u>)	(<u>206</u>)
OTHER FINANCING SOURCES (USES)			
Transfers out	(<u>314,520</u>)	(<u>314,520</u>)	-
Total other financing sources (uses)	(<u>314,520</u>)	(<u>314,520</u>)	-
Net change in fund balance	(927,064)	(927,270)	(206)
Fund balance - beginning	<u>1,665,593</u>	<u>1,665,593</u>	-
Fund balance - ending	\$ <u>738,529</u>	\$ <u>738,323</u>	\$(<u>206</u>)

**CITY OF BUFORD, GEORGIA
GWINNETT COUNTY 2023 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ 3,400,000	\$ 3,565,867	\$ 165,867
Investment income	<u>-</u>	<u>1,099</u>	<u>1,099</u>
Total revenues	<u>3,400,000</u>	<u>3,566,966</u>	<u>166,966</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,400,000</u>	<u>3,566,966</u>	<u>166,966</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(<u>2,199,772</u>)	(<u>2,199,772</u>)	<u>-</u>
Total other financing sources (uses)	(<u>2,199,772</u>)	(<u>2,199,772</u>)	<u>-</u>
Net change in fund balance	1,200,228	1,367,194	166,966
Fund balance - beginning	<u>859,795</u>	<u>859,795</u>	<u>-</u>
Fund balance - ending	\$ <u>2,060,023</u>	\$ <u>2,226,989</u>	\$ <u>166,966</u>

**CITY OF BUFORD, GEORGIA
HALL COUNTY 2009 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>100</u>	<u>92</u>	(8)
Total revenues	<u>100</u>	<u>92</u>	(8)
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>100</u>	<u>92</u>	(8)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	100	92	(8)
Fund balance - beginning	<u>92,268</u>	<u>92,268</u>	<u>-</u>
Fund balance - ending	\$ <u>92,368</u>	\$ <u>92,360</u>	\$(8)

**CITY OF BUFORD, GEORGIA
HALL COUNTY 2015 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>800</u>	<u>756</u>	(<u>44</u>)
Total revenues	<u>800</u>	<u>756</u>	(<u>44</u>)
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>800</u>	<u>756</u>	(<u>44</u>)
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	800	756	(44)
Fund balance - beginning	<u>757,803</u>	<u>757,803</u>	<u>-</u>
Fund balance - ending	\$ <u>758,603</u>	\$ <u>758,559</u>	\$ (<u>44</u>)

**CITY OF BUFORD, GEORGIA
HALL COUNTY 2020 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ 350,000	\$ 407,202	\$ 57,202
Investment income	<u>800</u>	<u>1,184</u>	<u>384</u>
Total revenues	<u>350,800</u>	<u>408,386</u>	<u>57,586</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>350,800</u>	<u>408,386</u>	<u>57,586</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	350,800	408,386	57,586
Fund balance - beginning	<u>1,054,455</u>	<u>1,054,455</u>	<u>-</u>
Fund balance - ending	\$ <u>1,405,255</u>	\$ <u>1,462,841</u>	\$ <u>57,586</u>

**CITY OF BUFORD, GEORGIA
REST HAVEN 2001 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>19</u>	<u>19</u>	<u>-</u>
Total revenues	<u>19</u>	<u>19</u>	<u>-</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19</u>	<u>19</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	19	19	-
Fund balance - beginning	<u>19,195</u>	<u>19,195</u>	<u>-</u>
Fund balance - ending	\$ <u><u>19,214</u></u>	\$ <u><u>19,214</u></u>	\$ <u><u>-</u></u>

**CITY OF BUFORD, GEORGIA
REST HAVEN 2005 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
REVENUES			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>570</u>	<u>570</u>	<u>-</u>
Total revenues	<u>570</u>	<u>570</u>	<u>-</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>570</u>	<u>570</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	570	570	-
Fund balance - beginning	<u>571,600</u>	<u>571,600</u>	<u>-</u>
Fund balance - ending	\$ <u><u>572,170</u></u>	\$ <u><u>572,170</u></u>	\$ <u><u>-</u></u>

COMBINING FINANCIAL STATEMENTS FIDUCIARY FUNDS

CUSTODIAL FUNDS

The Custodial Funds account for all resources held by the City in trust for use by the City of Buford Board of Education. They are Educational SPLOST funds used for the acquisition and/or construction of major capital facilities and assets, or debt service on debt issued for the acquisition and/or construction of major capital facilities for the BOE. The following is a description of the City's Custodial Fiduciary Funds.

Gwinnett County E-SPLOST V Fund - used to account for the construction and financing of projects funded by the City of Buford Board of Education Gwinnett County E-SPLOST V.

Gwinnett County E-SPLOST VI Fund - used to account for the construction and financing of projects funded by the City of Buford Board of Education Gwinnett County E-SPLOST V.

Hall County E-SPLOST IV Fund - used to account for the construction and financing of projects funded by the City of Buford Board of Education Hall County E-SPLOST IV.

Hall County E-SPLOST V Fund - used to account for the construction and financing of projects funded by the City of Buford Board of Education Hall County E-SPLOST V.

Hall County E-SPLOST VI Fund - used to account for the construction and financing of projects funded by the City of Buford Board of Education Hall County E-SPLOST V.

CITY OF BUFORD, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
CITY OF BUFORD BOARD OF EDUCATION SPLOST FUNDS
JUNE 30, 2024

	CUSTODIAL FUNDS					
	Gwinnett County E-SPLOST V Fund	Gwinnett County E-SPLOST VI Fund	Hall County E-SPLOST IV Fund	Hall County E-SPLOST V Fund	Hall County E-SPLOST VI Fund	Total Custodial Funds
ASSETS						
Cash and cash equivalents	\$ 3,933,759	\$ 1,229,368	\$ 684,215	\$ 4,034,356	\$ 2,570,638	\$ 12,452,336
Investments	-	15,478,278	-	-	-	15,478,278
Intergovernmental receivable	-	-	-	-	135,295	135,295
Total assets	<u>3,933,759</u>	<u>16,707,646</u>	<u>684,215</u>	<u>4,034,356</u>	<u>2,705,933</u>	<u>28,065,909</u>
LIABILITIES						
Accounts payable	-	635,760	-	-	-	635,760
Unearned revenue	-	13,824,310	-	-	-	13,824,310
Total liabilities	<u>-</u>	<u>14,460,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,460,070</u>
NET POSITION						
Restricted for: City of Buford Board of Education	<u>3,933,759</u>	<u>2,247,576</u>	<u>684,215</u>	<u>4,034,356</u>	<u>2,705,933</u>	<u>13,605,839</u>
Total net position	<u>\$ 3,933,759</u>	<u>\$ 2,247,576</u>	<u>\$ 684,215</u>	<u>\$ 4,034,356</u>	<u>\$ 2,705,933</u>	<u>\$ 13,605,839</u>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 CITY OF BUFORD BOARD OF EDUCATION SPLOST FUNDS
 JUNE 30, 2024

	CUSTODIAL FUNDS					
	Gwinnett County E-SPLOST V Fund	Gwinnett County E-SPLOST VI Fund	Hall County E-SPLOST IV Fund	Hall County E-SPLOST V Fund	Hall County E-SPLOST VI Fund	Total Custodial Funds
ADDITIONS						
Intergovernmental	\$ 12,940,946	\$ 7,457,312	\$ -	\$ 1,646,507	\$ 1,567,375	\$ 23,612,140
Investment income	<u>30,368</u>	<u>976,782</u>	<u>698</u>	<u>3,056</u>	<u>1,719</u>	<u>1,012,623</u>
Total additions	<u>12,971,314</u>	<u>8,434,094</u>	<u>698</u>	<u>1,649,563</u>	<u>1,569,094</u>	<u>24,624,763</u>
DEDUCTIONS						
Intergovernmental	13,184,995	12,940,946	-	-	-	26,125,941
Investment losses	<u>1,102</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,102</u>
Total deductions	<u>13,186,097</u>	<u>12,940,946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,127,043</u>
Net increase (decrease) in fiduciary net position	(214,783)	(4,506,852)	698	1,649,563	1,569,094	(1,502,280)
Total net position at beginning of year	<u>4,148,542</u>	<u>6,754,428</u>	<u>683,517</u>	<u>2,384,793</u>	<u>1,136,839</u>	<u>15,108,119</u>
Total net position at end of year	\$ <u>3,933,759</u>	\$ <u>2,247,576</u>	\$ <u>684,215</u>	\$ <u>4,034,356</u>	\$ <u>2,705,933</u>	\$ <u>13,605,839</u>

SEE INDEPENDENT AUDITOR'S REPORT.

SINGLE AUDIT SECTION

WILCOX & BIVINGS, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

4485 Tench Road, Suite 1320

Suwanee, GA 30024

Phone: 770-904-0419

Email: swilcoxcpa@yahoo.com

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

To the Honorable Members of the Board of Commissioners
City of Buford, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Buford, Georgia (the "City"), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 6, 2025. Our report includes a reference to other auditors who audited the financial statements of the City of Buford Board of Education, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 financial statements. 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*.

To the Honorable Members of the Board of Commissioners
City of Buford, Georgia

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.

Wilcox & Bivings, P.C.

Suwanee, Georgia
January 6, 2025

WILCOX & BIVINGS, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

4485 Tench Road, Suite 1320

Suwanee, GA 30024

Phone: 770-904-0419

Email: swilcoxcpa@yahoo.com

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

To the Honorable Members of the Board of Commissioners
City of Buford, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

The City's basic financial statements include the operations of the City of Buford Board of Education, a discretely presented component unit of the City, which expended \$5,216,544 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended June 30, 2024. Our audit, described below, did not include the operations of the City of Buford Board of Education because the City of Buford Board of Education engaged other auditors to perform an audit of compliance.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

To the Honorable Members of the Board of Commissioners
City of Buford, Georgia

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

**To the Honorable Members of the Board of Commissioners
City of Buford, Georgia**

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

Wilcox & Birings, P.C.

**Suwanee, Georgia
January 6, 2025**

**CITY OF BUFORD, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

<u>Federal Grantor/Program or Cluster Title/Pass-through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Office of Community Planning and Development: Community Development Block Grants-Entitlement Grants/ Gwinnett County	14.218	CDBGPF-2021-002	\$ 440,374
Community Development Block Grants-Entitlement Grants/ Gwinnett County	14.218	CDBGPF-2021-003	11,971
Community Development Block Grants-Entitlement Grants/ Gwinnett County	14.218	CDBG-PF-001	425,000
Community Development Block Grants-Entitlement Grants/ Gwinnett County	14.218	CDBG-PF-CB-001	<u>545,000</u>
Total U.S. Department of Housing and Urban Development			<u>1,422,345</u>
<u>U.S. Department of Transportation:</u>			
Highway Planning and Construction/ Surface Transportation Block Grant Program/ State of Georgia	20.205	PI 0019212	<u>188,265</u>
Total U.S. Department of Transportation			<u>188,265</u>
<u>U.S. Environmental Protection Agency:</u>			
Drinking Water State Revolving Fund/ Georgia Environmental Finance Authority	66.468	DWLSL2022116	<u>30,121</u>
Total Environmental Protection Agency			<u>30,121</u>
Total Expenditures of Federal Awards			\$ <u>1,640,731</u>

See accompanying notes to schedule of expenditures of federal awards.

**CITY OF BUFORD, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Buford, Georgia, under programs of the federal government for the fiscal year ending June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (The Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of, the basic financial statements.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C - *DE MINIMIS* INDIRECT COST RATE

The 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance does not apply to the City's federal awards.

NOTE D - SUBRECIPIENTS

The City had no subrecipients under its federal awards.

**CITY OF BUFORD, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

SECTION I-SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Auditor's Report Issued:

- ❖ Unmodified opinion.

Internal Control Over Financial Reporting:

- ❖ Material weaknesses - none reported.
- ❖ Significant deficiencies - none reported.
- ❖ Noncompliance material to the financial statements - none reported.

FEDERAL AWARDS

Types of Auditors' Report Issued on Compliance for Major Programs:

- ❖ Unmodified opinion.

Internal Control Over Major Programs:

- ❖ Material weaknesses - none reported.
- ❖ Significant deficiencies - none reported.

Audit findings:

- ❖ No audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a).

Identification of Major Programs:

- ❖ CFDA #14.218 - United States Department of Housing and Urban Development/Community Development Block Grants-Entitlement Grants.

Dollar Threshold Used to Distinguish Between Type A and Type B Programs:

- ❖ The threshold for distinguishing Types A and B programs was \$750,000.

Auditee status:

- ❖ The City of Buford, Georgia did not qualify as a low-risk auditee.

SECTION II - FINANCIAL STATEMENT AUDIT - FINDINGS

- ❖ No matters reported.

SECTION III – MAJOR FEDERAL AWARD PROGRAMS AUDIT - FINDINGS AND QUESTIONED COSTS

- ❖ No matters reported.

**CITY OF BUFORD, GEORGIA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

Financial Statement Findings:

- ❖ No matters reported.

Federal Award Findings and Questioned Costs:

- ❖ No matters reported.

**CITY OF BUFORD, GEORGIA
2300 BUFORD HIGHWAY
BUFORD, GEORGIA 30518
770-945-6761**

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2024**

- ❖ As there were no findings for the year ended June 30, 2024, there are no corrective actions.

**SCHEDULE REQUIRED BY THE
STATE OF GEORGIA**

CITY OF BUFORD, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

PROJECT DESCRIPTION	Original Estimate Amount	Current Estimate Amount	Amount Expended In Prior Years	Amount Expended In Current Year	Total	Estimated Percentage of Completion
<i>REST HAVEN 2001 SPLOST</i>						
Recreational Facilities	\$ -	\$ 91,093	\$ 71,879	\$ -	\$ 71,879	78.94%
Total Rest Haven 2001 SPLOST	\$ -	\$ 91,093	\$ 71,879	\$ -	\$ 71,879	
<i>REST HAVEN 2005 SPLOST</i>						
Transportation	\$ 296,785	\$ 572,170	\$ -	\$ -	\$ -	0.00%
Total Rest Haven 2005 SPLOST	\$ 296,785	\$ 572,170	\$ -	\$ -	\$ -	
<i>HALL COUNTY 2009 SPLOST</i>						
Transportation	\$ 25,732	\$ 92,360	\$ -	\$ -	\$ -	0.00%
Total Hall County 2009 SPLOST	\$ 25,732	\$ 92,360	\$ -	\$ -	\$ -	
<i>GWINNETT COUNTY 2009 SPLOST</i>						
Transportation	\$ 5,960,000	\$ 4,739,324	\$ 2,179,281	\$ -	\$ 2,179,281	45.98%
Recreational Facilities	1,677,101	1,333,611	1,200,000	-	1,200,000	89.98%
Water & Sewer	2,000,000	1,590,377	1,500,000	-	1,500,000	94.32%
Total Gwinnett County 2009 SPLOST	\$ 9,637,101	\$ 7,663,312	\$ 4,879,281	\$ -	\$ 4,879,281	
<i>HALL COUNTY 2015 SPLOST</i>						
Transportation	\$ 111,249	\$ 118,649	\$ -	\$ -	\$ -	0.00%
Water & Sewer	600,000	639,910	-	-	-	0.00%
Total Hall County 2015 SPLOST	\$ 711,249	\$ 758,559	\$ -	\$ -	\$ -	
<i>GWINNETT COUNTY 2017 SPLOST</i>						
Parking Facilities	\$ 3,765,543	\$ 3,765,543	\$ 3,765,543	\$ -	\$ 3,765,543	100.00%
Recreational Facilities & Equipment	6,932,788	8,370,737	8,370,737	-	8,370,737	100.00%
Transportation	941,677	1,116,143	187,479	928,664*	1,116,143	100.00%
Total Gwinnett County 2017 SPLOST	\$ 11,640,008	\$ 13,252,423	\$ 12,323,759	\$ 928,664	\$ 13,252,423	
<i>HALL COUNTY 2020 SPLOST</i>						
Transportation	\$ 1,427,215	\$ 1,462,841	\$ -	\$ -	\$ -	0.00%
Total Hall County 2020 SPLOST	\$ 1,427,215	\$ 1,462,841	\$ -	\$ -	\$ -	
<i>GWINNETT COUNTY 2023 SPLOST</i>						
Transportation	\$ 15,445,208	\$ 15,445,208	\$ -	\$ 2,199,772^	\$ 2,199,772	14.24%
Recreation Facilities & Equipment	5,000,000	5,000,000	-	-	-	0.00%
Total Gwinnett County 2023 SPLOST	\$ 20,445,208	\$ 20,445,208	\$ -	\$ 2,199,772	\$ 2,199,772	

* Reported \$314,520 of total as a transfer as amount was transferred to the General Fund to reimburse previous allowable expenditures for SPLOST approved projects.

^ Reported as a transfer as amount was transferred to the General Fund to reimburse previous allowable expenditures for SPLOST approved projects.

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Appendix C

PROPOSED FORM OF LEGAL OPINIONS OF BOND COUNSEL

The form of Legal Opinion included in this Appendix C has been prepared by Alston & Bird, LLP, Atlanta, Georgia, Bond Counsel, and are substantially the forms to be given in connection with the delivery of the Bonds.

_____, 2025

U.S. Bank National Association
Atlanta, Georgia

Urban Redevelopment Agency of the City of Buford, Georgia
Buford, Georgia

City of Buford, Georgia
Buford, Georgia

Re: \$ _____ Urban Redevelopment Agency of the City of Buford,
Georgia Revenue Bonds, Series 2025

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and delivery on this date by the Urban Redevelopment Agency of the City of Buford, Georgia (the “Agency”) of \$ _____ in original aggregate principal amount of revenue bonds designated “Urban Redevelopment Agency of the City of Buford, Georgia, Revenue Bonds, Series 2025” dated the date hereof (the “Bonds”).

We have examined the Constitution and the laws of the State of Georgia and such certified proceeds and other papers authorizing and relating to the Bonds as we deem necessary to render this opinion, including the following:

1. Chapter 61 of Title 36 of the Official Code of Georgia Annotated, known as the Urban Redevelopment Law (the “Urban Redevelopment Law”);
2. Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, known as the Revenue Bonds Law (the “Revenue Bond Law”);
3. The Charter of the City of Buford, Georgia, a municipal corporation and a political subdivision of the State of Georgia (the “City”);
4. The Bond Resolution of the Agency adopted on _____, 2025, as supplemented on _____, 2025 (together, the “Bond Resolution”);

5. Certified transcript of the validation proceedings in the Superior Court of Gwinnett County, Georgia, resulting in a final judgement entered on _____, 2025, validating and confirming the Bonds and the security therefor;
6. Certified copy of a resolution of the Board of Commissioners of the City creating the Agency (the “Authorizing Resolution”) adopted on September 3, 2024;
7. Certified copy of a resolution of the Board of Commissioners of the City, adopted on September 3, 2024, finding that one or more pockets of blight exist within the City, and the rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of the City and designating such areas as urban redevelopment areas within the meaning of the Urban Redevelopment Law (the “Resolution of Necessity”);
8. Certified copy of a resolution of the Board of Commissioners of the City, adopted on July 21, 2025, approving the Buford Urban Redevelopment Plan (the “Plan”), including a list of urban redevelopment projects described therein; and
9. Fully executed Intergovernmental Contract (the “Contract”), dated as of _____ 1, 2025, between the Agency and the City.

In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Bond Resolution.

The Bonds are being issued under and pursuant to the Urban Redevelopment Law, the Revenue Bond Law, and the Bond Resolution for the purpose of providing funds to (i) finance the costs of the an urban redevelopment project consisting of the acquisition of approximately ____ acres of land and (ii) pay costs of issuance of the Bonds. Pursuant to the terms of the Contract, the Agency has agreed to issue and the Bonds and has assigned for the benefit of the holders of the Bonds issued pursuant to the Bond Resolution, all right, title and interest of the Agency (except for its right to receive notices and to indemnification) in and to the Contract, and the City has agreed to, among other things, acquire the Project and pay the Agency amounts sufficient to enable the Agency to pay the principal and interest on the Bonds as they come due (the “Contract Payments”).

The Bonds do not constitute a debt of the Agency or a pledge of the faith and credit of the Agency, and the Agency is not subject to any pecuniary liability thereon. The Bonds shall not be payable from, nor a charge upon, any funds other than the revenues pledged to the payment thereof. The Contract provides that the City’s obligation to make the Contract Payments constitutes a general obligation of the City and a pledge of its full faith, credit and taxing power of the City within its corporate limits to provide sufficient funds to make the Contract Payments. The Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the Agency.

As to matters of fact material to our opinion, we have relied upon the representations of the Agency contained in the Bond Resolution and of the City and the Agency contained in the Contract and in the certified proceedings and other certifications of public officials furnished to us, including the Validation Proceeding, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Agency is validly organized and existing under Georgia law with full power and authority under the Urban Redevelopment law to execute and deliver the Bond Resolution and the Contract and to issue and sell the Bonds.

2. The Bond Resolution has been adopted by the Agency and constitutes a valid and binding obligation of enforceable upon the Agency.

3. The Contract has been authorized, executed and delivered by the Agency and the City and constitutes the valid obligation of the Agency and the City, respectively, enforceable against them in accordance with its terms.

4. Pursuant to the Urban Redevelopment Law and the Revenue Bond Law, the Bond Resolution creates a valid and enforceable lien on the funds pledged by the Bond Resolution to secure the Bonds on a parity with any additional parity bonds to be issued under the terms of the Bond Resolution.

5. The Bonds have been duly authorized, executed, issued and delivered by the Agency and are valid and binding limited obligations of the Agency, payable solely from the Revenues as provided for in the Bond Resolution.

6. Under current law, interest on the Bonds is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Bonds is not treated as a specific item of tax preference under Section 57 of the Code in calculating the federal alternative minimum income tax imposed by Section 55 of the Code; however, such interest may have to be taken into account by applicable corporations (as defined in Section 59(k) of the Code). The opinions expressed in this paragraph assume continuous compliance subsequent to the date hereof with all requirements of the Code that must be satisfied in order that interest thereon not be included in gross income for federal income tax purposes. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

7. Interest on the Bonds is exempt from present state income taxation within the State of Georgia.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds, the Bond Resolution and the Contract may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We have not been engaged and have not undertaken to examine the accuracy, completeness or sufficiency of any offering material of the Agency relating to the Bonds, and we express no opinion relating thereto, nor do we express any opinion as to the compliance by the Agency or the purchaser of the Bonds with any federal or state statute, regulation or ruling with respect to the sale (other than the initial sale by the Agency) or distribution of the Bonds except as specifically set forth in this opinion. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof and we assume no obligations to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

ALSTON & BIRD LLP

By: _____
Partner

Appendix D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of November 1, 2025, is executed and delivered by and among the Urban Redevelopment Agency of the City of Buford, Georgia (the “Agency”), the City of Buford, Georgia (the “City”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to assist the Agency and the City in processing certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the City through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the City or anyone on the City’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a “Municipal Advisor” as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f) hereof, by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report containing Annual Financial Information described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the annual financial statements of the City for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the City and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the City pursuant to Section 9 hereof.

“Disclosure Representative” means Bryan Kerlin or his designee, or such other person as the City shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Failure to File Event” means the City’s failure to file an Annual Report on or before the Annual Filing Date.

“Financial Obligation” as used in this Disclosure Agreement is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the City, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the City and Agency in connection with the issue of the Bonds, as listed in Exhibit A.

“Trustee” means the institution, if any, identified as such in the document under which the Bonds were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The City shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than nine calendar months following the end of each fiscal year of the City, commencing with the fiscal year ending June 30, 2025. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the City of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the City will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the City irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the City are prepared but not available prior to the Annual Filing Date, the City shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, if any, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the City pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:
 1. "Principal and interest payment delinquencies;"
 2. "Non-Payment related defaults, if material;"
 3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"
 4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"
 6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 7. "Modifications to rights of securities holders, if material;"
 8. Bond calls, if material, and tender offers;
 9. "Defeasances;"
 10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
 11. "Rating changes;"
 12. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
 13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 14. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
 15. "Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;" and
 16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the City pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:
1. "amendment to continuing disclosure undertaking;"

2. “change in obligated person;”
 3. “notice to investors pursuant to bond documents;”
 4. “certain communications from the Internal Revenue Service;” other than those communications included in the Rule;
 5. “secondary market purchases;”
 6. “bid for auction rate or other securities;”
 7. “capital or other financing plan;”
 8. “litigation/enforcement action;”
 9. “change of tender agent, remarketing agent, or other on-going party;” and
 10. “other event-based disclosures.”
- (vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the City pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:
1. “quarterly/monthly financial information;”
 2. “change in fiscal year/timing of annual disclosure;”
 3. “change in accounting standard;”
 4. “interim/additional financial information/operating data;”
 5. “budget;”
 6. “investment/debt/financial policy;”
 7. “information provided to rating agency, credit/liquidity provider or other third party;”
 8. “consultant reports;” and
 9. “other financial/operating data.”
- (viii) provide the City evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The City may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided,

however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain the specific nature of the information which is in ‘Appendix D: FORM OF CONTINUING DISCLOSURE CERTIFICATE’ in the Official Statement.

(c) Audited Financial Statements as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then unaudited financial statements, prepared in accordance with Generally Accepted Accounting Principles, as described in the Official Statement will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the City is an “obligated person” (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City will clearly identify each such document so incorporated by reference.

The City will reserve the right to modify from time to time the specific type of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City; provided that the City will agree that any such modification will be done in a manner consistent with the Rule.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The City shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the City or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the City determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the City as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall

promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. The City will provide the Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds.

SECTION 6. Additional Disclosure Obligations. The City acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the City, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The City acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The City may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the City as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The City may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the City as prescribed in this Section 7(b) hereof to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the City is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the City or Agency from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Agency, City and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the City is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination

Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The City has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The City may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the City or DAC, the City agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the City shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the City.

SECTION 10. Remedies in Event of Default. In the event of a failure of the City or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the City has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the City and shall not be deemed to be acting in any fiduciary capacity for the City, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the City's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the City has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the City at all times.

The obligations of the City under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the City.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Agency, City and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the City and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the City or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the City. No such amendment shall become effective if the City shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Agency, City, the Trustee, if any, for the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent, City and the Agency have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as
Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

URBAN REDEVELOPMENT AGENCY
OF THE CITY OF BUFORD, GEORGIA, as Agency

By: _____
Name: _____
Title: _____

CITY OF BUFORD, GEORGIA, as City

By: _____
Name: _____
Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer Urban Redevelopment Agency of the City of Buford, Georgia
Obligated Person(s) City of Buford, Georgia
Name of Bond Issue: Urban Redevelopment Agency of the City of Buford, Georgia Revenue Bonds,
Series 2025
Date of Issuance: November 12, 2025
Date of Official Statement November 3, 2025

CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____

Name of Issuer _____
Obligated Person(s) _____
Name of Bond Issue: _____
Date of Issuance: _____
Date of Official Statement: _____

CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer Urban Redevelopment Agency of the City of Buford, Georgia

Obligated Person(s) City of Buford, Georgia

Name of Bond Issue: Urban Redevelopment Agency of the City of Buford, Georgia
Revenue Bonds, Series 2025

Date of Issuance: November 12, 2025

Date(s) of Disclosure November 1, 2025

CUSIP Number: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Issuer

cc:

**EXHIBIT C-1
EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" may be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

URBAN REDEVELOPMENT AGENCY OF THE CITY OF BUFORD

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;" Tender offers;
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. _____ "Merger, consolidation, or acquisition of the obligated person, if material;"
14. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15. _____ "Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;" and
16. _____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of November 1, 2025 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking;"
2. _____ "change in obligated person;"
3. _____ "notice to investors pursuant to bond documents;"
4. _____ "certain communications from the Internal Revenue Service;"
5. _____ "secondary market purchases;"
6. _____ "bid for auction rate or other securities;"
7. _____ "capital or other financing plan;"
8. _____ "litigation/enforcement action;"
9. _____ "change of tender agent, remarketing agent, or other on-going party; and"
10. _____ "other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying “voluntary financial disclosure” may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of November 1, 2025 between the Issuer and DAC.

Issuer’s and/or Other Obligated Person’s Name:

Issuer’s Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Financial Disclosure (Check One):

1. _____ “quarterly/monthly financial information;”
2. _____ “change in fiscal year/timing of annual disclosure;”
3. _____ “change in accounting standard;”
4. _____ “interim/additional financial information/operating data;”
5. _____ “budget;”
6. _____ “investment/debt/financial policy;”
7. _____ “information provided to rating agency, credit/liquidity provider or other third party;”
8. _____ “consultant reports;” and
9. _____ “other financial/operating data.”

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date:

