

CITY OF CARROLLTON, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2024

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CITY OF CARROLLTON, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2024

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing

standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Carrollton, Georgia's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 4 through 11 and 70 through 78 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carrollton, Georgia's basic financial statements. The accompanying combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also

not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Carrollton, Georgia's basic financial statements for the year ended June 30, 2023, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carrollton's basic financial statements as a whole. The combining and individual fund financial statements and schedules related to the financial statements for the year ended June 30, 2023, 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 related directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2023 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024, on our consideration of the City of Carrollton, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Carrollton, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Carrollton, Georgia's internal control over financial reporting and compliance.

Rushton, LLC

Certified Public Accountants

Gainesville, Georgia
December 18, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Carrollton's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the City's financial statements, which begin on page 12.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (pages 12 and 14) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 15. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page 12. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position – the difference between assets and liabilities – as one way to measure the City's financial health, or financial position. Over time, increases and decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors; however, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

- Governmental activities – Most of the City's basic services are reported here, including the police, fire, streets, general government, and recreation departments. Property tax, franchise fees, sales tax, occupation tax, and fines and forfeitures finance most of these activities.

- Business-type activities – The City charges fees to customers to help it cover the costs of certain services it provides. The City water/sewer and sanitation operations are reported here.

- Component units – The City includes three separate legal entities in its report – Carrollton Area Convention & Visitors' Association, Inc., Main Street Carrollton, and Carrollton Redevelopment Authority. Although legally separate, these component units are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

Fund Financial Statements

Our analysis of the City's major funds begins on page 15 and provides detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law and by bond covenants. The City's three kinds of funds – governmental, proprietary, and fiduciary – use different accounting approaches.

•Governmental Funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

•Proprietary Funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. These funds are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

•Fiduciary Funds – When the City collects funds on behalf of others and holds them in trust, these services are reported in fiduciary funds. Fiduciary funds are not reported in the Statement of Net Position. However, these funds consist of assets and liabilities and the associated changes in those net positions. The City has a custodial fund for its Municipal Court fines as reported on page 27 of this report.

The City as a Whole

Net Position

The City's combined net position increased from $213,900,150 in 2023 to $227,504,054 in 2024, an increase of $13,603,904 (6.4%). Our analysis below focuses on the net position (Table 1) of the City's governmental and business-type activities.

The net position for governmental activities increased from $131,590,848 in 2023 to $143,740,198, an increase of $12,149,350 (9.2%). Unrestricted net position for governmental activities increased from $10,658,480 in 2023 to $18,709,993 in 2024, an increase of $8,051,513 (76.0%).

Total net position for business-type activities increased from $82,309,302 in 2023 to $83,763,856, an increase of $1,454,554 (1.8%). Unrestricted net position for business-type activities increased from $8,773,769 in 2023 to $10,105,803, an increase of $1,332,034 (15.2%).

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current assets	$ 43,282,903	$ 32,489,596	$ 16,726,537	$ 20,034,893	$ 60,009,440	$ 52,524,489
Restricted assets	21,123	20,163	299,041	305,441	320,164	325,604
Lease receivable	0	0	1,483,677	0	1,483,677	0
Captial assets, net	119,210,265	116,130,926	92,654,650	81,436,470	211,864,915	197,567,396
Total assets	162,514,291	148,640,685	111,163,905	101,776,804	273,678,196	250,417,489
Total deferred outflows	5,714,903	6,917,552	1,843,429	2,236,852	7,558,332	9,154,404
Current liabilities	3,969,682	4,390,466	4,558,645	6,943,951	8,528,327	11,334,417
Noncurrent liabilities	19,713,141	18,661,337	22,832,317	14,339,278	42,545,458	33,000,615
Total liabilities	23,682,823	23,051,803	27,390,962	21,283,229	51,073,785	44,335,032
Total deferred inflows	806,173	915,586	1,852,516	421,125	2,658,689	1,336,711
Net position:						
Net investment in captial assets	117,652,586	115,170,439	73,658,053	73,535,533	191,310,639	188,705,972
Restricted						
Capital outlay	3,013,540	2,205,664	0	0	3,013,540	2,205,664
Other purposes	4,364,079	3,556,265	0	0	4,364,079	3,556,265
Unrestricted	18,709,993	10,658,480	10,105,803	8,773,769	28,815,796	19,432,249
Total net position	$ 143,740,198	$ 131,590,848	$ 83,763,856	$ 82,309,302	$ 227,504,054	$ 213,900,150

Changes in Net Position

The City's combined change in net position increased from $9,713,376 in 2023 to $13,603,904 in 2024. Our analysis below focuses on the changes in net assets (Table 2) of the City's governmental and business-type activities.

Governmental Activities

Revenues for the City's governmental activities totaled $40,597,948 (excluding transfers). This total represents a decrease of $7,330,570 (15.3%) over the FY 2023 total of $47,928,518. The majority of this decrease is from a $10,032,460 one-time grant from the American Rescue Plan reported in operating grants and contributions in FY23. This decrease was partially offset by increases in capital grants and contributions of $1,173,025. Additionally, the City experienced an increase in property taxes from an increased tax digest, increases in sales tax revenues and other tax revenues. The City also had a decrease in charges for services of $498,840 from FY23 primarily related to a reduction in fines and forfeitures through the West Metro Regional Drug Enforcement Office and the police department from the prior year. The City also experienced a $391,244 increase in interest and investment earnings due to rising interest rates.

Program expenses for the City's governmental activities totaled $39,948,389 (excluding transfers). This total represents a decrease of $8,168,807 (17.0%) over the FY 2023 total of $48,117,196. The majority of this decrease is due to a one-time $10 million intergovernmental transfer within the general government function that occurred in FY 2023 that heavily impacted prior year figures. This decrease was offset by increases in public safety expenses for personal services of $741,838, including $606,992 and $134,846 in the police and fire departments, respectively. Also, $439,362 and $289,856 of additional retirement and insurance benefits within the public safety function related to these positions.

Business-Type Activities

Revenues for the City's business-type activities totaled $29,745,732. This represents an increase of $3,302,085 (12.5%) over the FY 2023 total of $26,443,647. Expenses for the City's business-type activities totaled $16,791,387 (excluding transfers), an increase of $249,794 (1.5%) over the FY 2023 total of $16,541,593. Revenue changes are primarily related to standard increases in utility rates as well as water and sewer tap fees related to new construction in FY24. Expense increases are related primarily to personal services and benefits for retirement and insurance.

The operating revenues are as follows:

	2024	2023
Charges for services:		
Water and sewer fees & charges	$ 22,157,191	$ 19,786,093
Garbage and landfill fees	6,838,115	6,152,567
Total	$ 28,995,306	$ 25,938,660

Table 2 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	$ 4,603,053	$ 5,101,893	$ 28,995,306	$ 25,938,660	$ 33,598,359	$ 31,040,553
Operating grants and contributions	3,002,023	12,589,190	0	0	3,002,023	12,589,190
Capital grants and contributions	8,249,821	7,076,796	418,089	169,225	8,667,910	7,246,021
General revenues						
Property taxes	7,147,327	6,330,617	0	0	7,147,327	6,330,617
Franchise & public service taxes	2,938,573	2,957,635	0	0	2,938,573	2,957,635
Sales taxes	7,024,922	6,764,688	0	0	7,024,922	6,764,688
Other taxes	6,444,646	6,380,688	0	0	6,444,646	6,380,688
Interest and investment earnings	870,745	479,501	175,833	151,947	1,046,578	631,448
Gain on sale of assets	9,792	18,107	41,407	0	51,199	18,107
Other	307,046	229,403	115,097	183,815	422,143	413,218
Total revenues	40,597,948	47,928,518	29,745,732	26,443,647	70,343,680	74,372,165
Expenses						
Program Expenses						
General government	4,115,230	14,133,812	0	0	4,115,230	14,133,812
Public safety	20,086,957	18,487,726	0	0	20,086,957	18,487,726
Public works	4,696,809	4,670,733	0	0	4,696,809	4,670,733
Culture and recreation	9,221,358	8,840,376	0	0	9,221,358	8,840,376
Housing and development	1,822,060	1,973,807	0	0	1,822,060	1,973,807
Water and sewer	0	0	12,135,028	11,960,530	12,135,028	11,960,530
Sanitation	0	0	4,656,359	4,581,063	4,656,359	4,581,063
Interest on long-term debt	5,975	10,742	0	0	5,975	10,742
Total expenses	39,948,389	48,117,196	16,791,387	16,541,593	56,739,776	64,658,789
Indirect costs	(3,349,791)	(4,032,111)	3,349,791	4,032,111	0	0
Excess (deficiency) before transfers	3,999,350	3,843,433	9,604,554	5,869,943	13,603,904	9,713,376
Transfers	8,150,000	3,035,832	(8,150,000)	(3,035,832)	0	0
Change in net position	12,149,350	6,879,265	1,454,554	2,834,111	13,603,904	9,713,376
Net position, beginning of year	131,590,848	124,711,583	82,309,302	79,475,191	213,900,150	204,186,774
Net position, end of year	$ 143,740,198	$ 131,590,848	$ 83,763,856	$ 82,309,302	$ 227,504,054	$ 213,900,150

The City's Funds

As the City completed FY 2024, its governmental funds (as presented in the balance sheet on page 15) reported a combined fund balance of $39,158,224. This total represents an increase of $11,064,492 (39.4%) over the FY2023 combined fund balance of $28,093,732. The City's proprietary funds (as presented in the statement of net position on page 21 & 22 reported combined unrestricted net position available for appropriation in the amount of $10,105,803. This total represents an increase of $1,332,034 (15.2%) from the FY 2023 amount of $8,773,769.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues

General Fund revenue highlights discussed below are shown in Table 3. Total actual revenue was over total budgeted revenue in the amount of $2,361,805. Of this amount, tax revenue realized on property was over budget in the amount of $663,246. Property and motor vehicle taxes exceeded budget by $373,151 and $252,717, respectively as a result of digest increases and rising cost of automobiles. Local option sales tax revenue exceeded budgeted revenue in the amount of $774,922. Intergovernmental revenue was over budget by $275,893, related primarily to the Homeowner's Tax Relief grant under the State of Georgia in the amount of $199,274. Under charges for services, recreation fee revenue was over projections by $267,903. Cultural arts fees were $36,954 over budgeted revenue. Interest income was over budgeted revenue in the amount of $446,154. Other income related to facility rentals and miscellaneous items were down $333,484 from budgeted projections. The City remains in a strong financial position due to these revenue results and the fiscal management of budgeted expenditures as discussed below.

Table 3 - General Fund Revenues

	2024			2023		
	Budget	Actual	Variance	Budget	Actual	Variance
Taxes	$ 20,399,275	$ 21,964,221	$ 1,564,946	$ 19,838,109	$ 21,297,802	$ 1,459,693
Licenses and permits	650,000	695,394	45,394	675,000	659,276	(15,724)
Intergovernmental	2,169,527	2,445,420	275,893	2,031,025	2,023,931	(7,094)
Charges for services	4,932,990	5,437,611	504,621	5,546,116	6,118,613	572,497
Fines and forfeitures	1,000,000	858,281	(141,719)	1,000,000	977,553	(22,447)
Interest on invested funds	354,310	800,464	446,154	406,500	400,716	(5,784)
Other	638,850	305,366	(333,484)	565,656	199,503	(366,153)
Total	$ 30,144,952	$ 32,506,757	$ 2,361,805	$ 30,062,406	$ 31,677,394	$ 1,614,988

Expenditures

General Fund expenditure highlights are in Table 4. The City completed FY2024 with a total of $31,863,920 in General Fund operating expenditures. The operating budget for these expenditures totaled $34,403,157 resulting in expenditures being realized at an amount of $2,539,237 under budget.

General Government
Expenditures for General Government came in at $518,609 under budget. These positive budget variances can be attributed to budgeted vacant personnel positions and capital outlay technology purchases that are anticipated to be spent in the coming fiscal year. Detailed variances can be found on page 86 of our report.

Public Safety
Expenditures for Public Safety were $717,641 under budget. Expenditures for the Police Department and Fire Department came in at $199,836 and $512,439 under budget, respectively. These positive budget variances can be attributed to budgeted vacant personnel positions that will be filled in the coming fiscal year. See page 87 for more details.

Street Department
Expenditures for the City's Street Department totaled $159,613 coming in at $60,087 under budget. Capital outlay infrastructure projects throughout the City were funded during the year with 2021 SPLOST funds. Please refer to page 87 of our report for a detailed analysis of these variances.

Engineering
Expenditures for Engineering totaled $1,228,815 coming in at $250,389 under budget. Please refer to page 87 of our report for a detailed analysis of these variances.

Cultural Arts & Recreation
Expenditures for Cultural Arts and Recreation totaled $7,043,948, coming in at $397,807 under budget. Of this amount, expenditures for Recreation Athletics came in at $227,006 under budget and Recreation Parks came in $193,682 under budget. Please refer to page 88 of our report for a detailed analysis of these variances.

Table 4 - General Fund Operating Expenditures

	2024			2023		
	Budget	Actual	Variance	Budget	Actual	Variance
General government	$ 4,174,143	$ 3,655,534	$ 518,609	$ 14,900,852	$ 13,764,097	$ 1,136,755
Public safety	18,905,652	18,188,011	717,641	17,080,912	16,677,162	403,750
Public w orks	2,239,959	1,820,985	418,974	2,257,624	1,954,760	302,864
Cultural and recreation	7,441,755	7,043,948	397,807	7,564,370	7,290,283	274,087
Housing and development	1,361,148	874,998	486,150	1,216,785	758,752	458,033
Debt service	280,500	280,444	56	161,500	161,444	56
Total operating expenditures	$ 34,403,157	$ 31,863,920	$ 2,539,237	$ 43,182,043	$ 40,606,498	$ 2,575,545

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2024, the City had $211,864,915 invested in a broad range of capital assets, including public safety equipment, buildings, recreation/cultural arts facilities, and water/sewer infrastructure. Please refer to our analysis below for a breakdown of the City's capital assets and the notes to the financial statements for more information. During FY 2024, the City was able to transfer $8,500,000 in available fund balance reserves to form a new General Capital Projects fund to assist with future capital needs.

Table 5 - Capital Assets at June 30, 2024, Net of Depreciation

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	$ 17,394,022	$ 17,394,022	$ 8,933,978	$ 8,933,978	$ 26,328,000	$ 26,328,000
Land Improvements	20,635,068	17,945,655	0	0	20,635,068	17,945,655
Buildings and improvements	33,076,947	33,694,581	2,655,752	2,797,959	35,732,699	36,492,540
Equipment	6,097,370	4,556,685	2,176,743	2,037,008	8,274,113	6,593,693
Infrastructure	38,537,426	39,864,674	61,038,627	61,563,595	99,576,053	101,428,269
Right to use subscription assets	1,021,260	0	0	0	1,021,260	0
Construction in progess	2,448,172	2,675,309	17,849,550	6,103,930	20,297,722	8,779,239
Totals	$ 119,210,265	$ 116,130,926	$ 92,654,650	$ 81,436,470	$ 211,864,915	$ 197,567,396

DEBT

The total long-term debt of the City outstanding at June 30, 2024 was $18,148,161. The City has $2,850,000 in revenue bond debt outstanding. Notes payable balances reported in the business-type activities relate to improvements to the City's water and sewer systems. The bulk of this notes payable balance is attributable to a $15 million note payable on construction in progress of a pre-settlement pond with a 0.13% interest rate through the Georgia Environmental Finance Authority. The current year subscription liabilities are relative to Flock camera agreements within our police department for public safety purposes recorded in FY 2024 under GASB 96. Please refer to our analysis below for the breakdown of the City's outstanding debt and notes to the financial statements for more information.

Table 6 - Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Bonds from direct placement	$ 0	$ 0	$ 2,850,000	$ 3,090,000	$ 2,850,000	$ 3,090,000
Notes from direct borrowings	156,494	308,191	15,141,667	5,556,130	15,298,161	5,864,321
Subscription liabilities	989,205	0	0	0	989,205	0
Totals	$ 1,145,699	$ 308,191	$ 17,991,667	$ 8,646,130	$ 19,137,366	$ 8,954,321

ECONOMIC FACTORS AND NEXT YEARS BUDGETS AND RATES

The City's elected and appointed officials considered many factors when preparing the FY 2025 budget, millage rates, and user fees that will be charged for business-type activities. The growth in the property tax digest, as well as the projected collection rate in property taxes is taken into account when the millage rate is approved by the Mayor and City Council. Also, growth rates in other General Fund revenue categories such as sales tax, automobile tax, utility franchise fees, and occupation tax are taken into account when preparing the General Fund budget.

The above indicators were taken into account when adopting the General Fund budget for FY 2025. The fiscal year 2025 General Fund budget totals $34,027,445, an increase of $956,272 (2.9%) over the FY 2024 original budget.

If these estimates are realized, the City's General Fund balance is expected to remain flat for FY 2025. These results are expected to be achieved by utilizing current resources and no fund balance reserve. With a rebounding economy and prudent financial management, the City expects that the financial condition for the City's general funds will continue to thrive.

As for the City's business-type activities, we expect that the FY 2025 results will continue to show solid financial performance with moderate utility increases being utilized to fund debt service requirements for new infrastructure to strengthen water supply.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's financial position, and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the Finance Office at the City of Carrollton, 315 Bradley Street, Carrollton, GA. 30117.

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BASIC FINANCIAL STATEMENTS

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 37,768,169	$ 11,571,999	$ 49,340,168	$ 427,588
Certificates of deposits	1,000,000	0	1,000,000	0
Restricted assets				
Cash and cash equivalents	21,123	299,041	320,164	0
Receivables (net)				
Accounts	1,175,533	3,657,747	4,833,280	0
Intergovernmental	1,711,970	616,341	2,328,311	105,382
Interest	38,274	0	38,274	0
Lease	0	20,221	20,221	0
Other	5,967	0	5,967	0
Taxes	1,315,605	0	1,315,605	0
Internal balances	(46,582)	46,582	0	0
Inventories	0	604,430	604,430	0
Prepaid items	313,967	209,217	523,184	0
Total current assets	43,304,026	17,025,578	60,329,604	532,970
Noncurrent assets				
Leases receivable	0	1,483,677	1,483,677	0
Capital assets				
Non-depreciable	19,842,194	26,783,528	46,625,722	0
Depreciable (net)	98,346,811	65,871,122	164,217,933	0
Right-to-use subscription assets, net	1,021,260	0	1,021,260	0
Total noncurrent assets	119,210,265	94,138,327	213,348,592	0
Total assets	162,514,291	111,163,905	273,678,196	532,970
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflows of resources	5,283,203	1,586,371	6,869,574	0
OPEB deferred outflows of resources	431,700	257,058	688,758	0
Total deferred outflows of resources	5,714,903	1,843,429	7,558,332	0
LIABILITIES				
Current liabilities				
Accounts payable	1,079,886	1,196,596	2,276,482	178,089
Accrued liabilities	602,202	187,352	789,554	0
Retainages payable	51,407	749,486	800,893	0
Compensated absences	426,055	108,238	534,293	0
Accrued interest payable	3,892	0	3,892	0
Unearned revenue	121,544	946,523	1,068,067	0
Due to others	1,298,209	0	1,298,209	0
Subscription liabilities	229,993	0	229,993	
Notes payable	156,494	584,409	740,903	0
Bonds payable	0	487,000	487,000	0
Liabilities payable from restricted assets				
Customer deposits payable	0	299,041	299,041	0
Total current liabilities	3,969,682	4,558,645	8,528,327	178,089

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Net pension liability	$ 16,440,456	$ 5,099,513	$ 21,539,969	$ 0
Net OPEB liability	2,513,473	812,546	3,326,019	0
Subscription liabilities	759,212	0	759,212	0
Notes payable	0	14,557,258	14,557,258	0
Bonds payable	0	2,363,000	2,363,000	0
Total noncurrent liabilities	19,713,141	22,832,317	42,545,458	0
Total liabilities	23,682,823	27,390,962	51,073,785	178,089
DEFERRED INFLOWS OF RESOURCES				
Leases	0	1,445,633	1,445,633	0
Pension deferred inflows of resources	0	168,856	168,856	0
OPEB deferred inflows of resources	806,173	238,027	1,044,200	0
Total deferred inflows of resources	806,173	1,852,516	2,658,689	0
NET POSITION				
Net investment in capital assets	117,652,586	73,658,053	191,310,639	0
Restricted for:				
Public Safety	2,850,356	0	2,850,356	0
Housing and Development	1,461,164	0	1,461,164	0
Capital outlay	3,013,540	0	3,013,540	0
Grant specifications	52,559	0	52,559	0
Unrestricted	18,709,993	10,105,803	28,815,796	354,881
Total net position	$ 143,740,198	$ 83,763,856	$ 227,504,054	$ 354,881

CITY OF CARROLLTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2024

FUNCTIONS/PROGRAMS	Expenses	Indirect Costs	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government						
Governmental activities						
General Government	$ 4,115,230	$ (3,349,791)	$ 263,252	$ 0	$ 76,648	$ (425,539)
Public Safety	20,086,957	0	2,125,954	2,556,206	1,890,660	(13,514,137)
Public Works	4,696,809	0	51,173	0	3,963,171	(682,465)
Culture and Recreation	9,221,358	0	1,616,056	322,786	2,319,342	(4,963,174)
Health and Welfare	0	0	0	123,031	0	123,031
Housing and Development	1,822,060	0	546,618	0	0	(1,275,442)
Interest on long-term debt	5,975	0	0	0	0	(5,975)
Total governmental activities	39,948,389	(3,349,791)	4,603,053	3,002,023	8,249,821	(20,743,701)
Business-type activities						
Water and Sewerage	12,135,028	2,315,099	22,157,191	0	418,089	8,125,153
Sanitation	4,656,359	1,034,692	6,838,115	0	0	1,147,064
Total business-type activities	16,791,387	3,349,791	28,995,306	0	418,089	9,272,217
Total primary government	56,739,776	0	33,598,359	3,002,023	8,667,910	(11,471,484)
Component Unit						
Carrollton Area Convention & Visitors' Association, Inc.	392,808	0	0	0	0	(392,808)
Carrollton Redevelopment Authority	609	0	0	0	0	(609)
Total component units	393,417	0	0	0	0	(393,417)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Change in net position				
Net (expense) revenue	$ (20,743,701)	$ 9,272,217	$ (11,471,484)	$ (393,417)
General revenues				
Taxes				
Property	7,147,327	0	7,147,327	0
Sales	7,024,922	0	7,024,922	0
Insurance premium	2,370,296	0	2,370,296	0
Alcohol excise	815,981	0	815,981	0
Franchise	2,938,573	0	2,938,573	0
Occupational	1,879,673	0	1,879,673	0
Other	1,378,696	0	1,378,696	389,781
Interest and investment earnings	870,745	175,833	1,046,578	92
Gain on sale of assets	9,792	41,407	51,199	0
Other	307,046	115,097	422,143	0
Transfers	8,150,000	(8,150,000)	0	0
Total general revenues and transfers	32,893,051	(7,817,663)	25,075,388	389,873
Change in net position	12,149,350	1,454,554	13,603,904	(3,544)
Net position - beginning	131,590,848	82,309,302	213,900,150	358,425
Net position - ending	$ 143,740,198	$ 83,763,856	$ 227,504,054	$ 354,881

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	General	2021 SPLOST	General Capital Projects	Nonmajor Governmental Funds	Totals
ASSETS					
Cash and cash equivalents	$ 22,761,345	$ 1,503,269	$ 8,502,440	$ 5,001,115	$ 37,768,169
Certificates of deposit	0	0	0	1,000,000	1,000,000
Restricted assets					
Cash and cash equivalents	21,123	0	0	0	21,123
Receivables (net)					
Accounts	238,734	0	0	936,799	1,175,533
Intergovernmental	226,987	1,338,531	0	146,452	1,711,970
Taxes	1,089,041	0	0	226,564	1,315,605
Interest	0	0	0	38,274	38,274
Other	5,967	0	0	0	5,967
Prepaid items	286,152	0	0	27,815	313,967
Due from other funds	44,320	0	0	2,580	46,900
Total assets	$ 24,673,669	$ 2,841,800	$ 8,502,440	$ 7,379,599	$ 43,397,508
LIABILITIES					
Accounts payable	$ 559,745	$ 188,833	0	$ 331,308	$ 1,079,886
Accrued liabilities	602,202	0	0	0	602,202
Retainage payable	0	51,407	0	0	51,407
Unearned revenue	81,534	0	0	40,010	121,544
Due to other funds	50,085	0	0	43,397	93,482
Due to others	417,306	0	0	880,903	1,298,209
Total liabilities	1,710,872	240,240	0	1,295,618	3,246,730
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	90,211	0	0	13,079	103,290
Unavailable revenue-fines, fees, and forfeitures	0	0	0	889,264	889,264
Total deferred inflows of resources	90,211	0	0	902,343	992,554
FUND BALANCES					
Nonspendable:					
Prepaid items	286,152	0	0	27,815	313,967
Restricted for:					
Public Safety	0	0	0	2,850,356	2,850,356
Housing and Development	0	0	0	1,461,164	1,461,164
Capital outlay	0	2,601,560	0	0	2,601,560
Grant specifications	0	0	0	52,559	52,559
Committed for:					
Capital outlay	0	0	8,502,440	0	8,502,440
Assigned for:					
Housing and Development	0	0	0	789,744	789,744
Unassigned	22,586,434	0	0	0	22,586,434
Total fund balances	22,872,586	2,601,560	8,502,440	5,181,638	39,158,224
Total liabilities, deferred inflows of resources, and fund balances	$ 24,673,669	$ 2,841,800	$ 8,502,440	$ 7,379,599	$ 43,397,508

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2024

Total fund balances - total governmental funds			$ 39,158,224
Amounts reported for governmental activities in the statement of net position are different because:			
Some assets are not financial resources and therefore are not reported in the funds. These are:			
Capital assets, net of accumulated depreciation			118,189,005
Right-to-use subscription assets, net of accumulated amortization			1,021,260
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds. These are:			
Property taxes	$ 103,290		
Fines, fees and forfeitures	889,264		992,554
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds. These are:			
Deferred outflows of resources:			
Related to pensions	5,283,203		
Related to OPEB	431,700		5,714,903
Deferred inflows of resources:			
Related to pensions	0		
Related to OPEB	(806,173)		(806,173)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are:			
Compensated absences	(426,055)		
Subscription liabilities	(989,205)		
Notes payable	(156,494)		
Accrued interest payable	(3,892)		
Net pension liability	(16,440,456)		
Net OPEB liability	(2,513,473)		(20,529,575)
Net position of governmental activities			$ 143,740,198

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CITY OF CARROLLTON, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2024

	General	Formerly Major West Metro Regional Drug Enforcement	Formerly Major American Rescue Plan	2021 SPLOST
REVENUES				
Taxes	$ 21,964,221	$	$	$ 0
Licenses and permits	695,394			0
Fines, fees and forfeitures	858,281			0
Charges for services	5,437,611			0
Intergovernmental	2,445,420			7,879,715
Interest	800,464			7,481
Other	305,366			0
Total revenues	32,506,757			7,887,196
EXPENDITURES				
Current				
General Government	3,655,534			0
Public Safety	18,188,011			0
Public Works	1,820,985			0
Culture and Recreation	7,043,948			0
Housing and Development	874,998			0
Capital outlay	0			7,492,858
Debt service	280,444			0
Total expenditures	31,863,920			7,492,858
Excess (deficiency) of revenues over (under) expenditures	642,837			394,338
Other financing sources (uses)				
Transfers in	3,150,000			397,239
Transfers out	(3,500,000)			0
Inception of leases	1,108,205			0
Proceeds from sale of assets	9,792			0
Total other financing sources (uses)	767,997			397,239
Net change in fund balance	1,410,834			791,577
Fund balances, July 1 (as previously presented)	21,461,752	2,002,552	52,323	1,809,983
Change within financial reporting entity	0	(2,002,552)	(52,323)	0
Fund balances, July 1 (restated)	21,461,752			1,809,983
Fund balances, June 30	$ 22,872,586	$	$	$ 2,601,560

See accompanying notes to financial statements.

Exhibit A-5, continued

General Capital Projects	Nonmajor Governmental Funds	Totals
$ 0	$ 1,549,738	$ 23,513,959
0	0	695,394
0	569,921	1,428,202
0	9,000	5,446,611
0	567,074	10,892,209
2,440	67,841	878,226
0	1,680	307,046
2,440	2,765,254	43,161,647
0	0	3,655,534
0	869,540	19,057,551
0	0	1,820,985
0	0	7,043,948
0	1,138,834	2,013,832
0	0	7,492,858
0	0	280,444
0	2,008,374	41,365,152
2,440	756,880	1,796,495
8,500,000	0	12,047,239
0	(397,239)	(3,897,239)
0	0	1,108,205
0	0	9,792
8,500,000	(397,239)	9,267,997
8,502,440	359,641	11,064,492
0	2,767,122	28,093,732
0	2,054,875	0
0	4,821,997	28,093,732
$ 8,502,440	$ 5,181,638	$ 39,158,224

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2024

Net change in fund balances - total governmental funds			$ 11,064,492
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
	Capital outlays	$ 9,204,456	
	Depreciation and amortization	(6,487,742)	2,716,714
In the statement of activities, the gain/loss on the disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increases financial resources.			
	Cost of assets disposed	(140,458)	
	Related accumulated depreciation	140,458	0
Contributions of capital assets from developers increase net position in the statement of activities, but do not appear in the governmental funds because they do not provide or use financial resources.			362,625
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense.			
	Pension contributions	2,715,515	
	Cost of benefits earned, net of employee contributions	(3,666,225)	(950,710)
Governmental funds report OPEB contributions as expenditures. However, in the statement of activities, the cost of OPEB benefits earned, net of employee contributions, is reported as OPEB expense.			
	OPEB contributions	79,735	
	Cost of benefits earned, net of employee contributions	(671,347)	(591,612)
The proceeds of debt issuance, net of premiums, discounts and issuance costs provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.			
	Inception of leases	(1,108,205)	
	Accrued interest	3,773	
	Debt principal payments	270,697	(833,735)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
	Unavailable revenue		413,676
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.			
	Compensated absences		(32,100)
Change in net position of governmental activities			$ 12,149,350

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 20,370,000	$ 20,399,275	$ 21,964,221	$ 1,564,946
Licenses and permits	650,000	650,000	695,394	45,394
Fines, fees and forfeitures	1,000,000	1,000,000	858,281	(141,719)
Charges for services	4,932,990	4,932,990	5,437,611	504,621
Intergovernmental	1,929,333	2,169,527	2,445,420	275,893
Interest	350,000	354,310	800,464	446,154
Other	638,850	638,850	305,366	(333,484)
Total revenues	29,871,173	30,144,952	32,506,757	2,361,805
EXPENDITURES				
Current				
General Government				
Mayor and Council	187,244	187,244	168,057	19,187
City Manager	369,686	376,031	374,186	1,845
General Administration	1,318,953	1,318,953	1,187,005	131,948
Finance and Purchasing	419,935	407,015	310,805	96,210
Human Resources	512,781	512,781	448,150	64,631
Information Technology	705,363	705,363	531,016	174,347
General Maintenance	29,729	34,039	32,725	1,314
Marketing-Public Relations	383,787	392,717	365,482	27,235
Legal	240,000	240,000	238,108	1,892
Public Safety				
Police Department	10,240,115	11,381,939	11,182,103	199,836
Mental Health Crisis Response Unit	414,000	414,000	408,634	5,366
Fire Department	7,109,713	7,109,713	6,597,274	512,439
Public Works				
Street Department	219,700	219,700	159,613	60,087
Engineering	1,479,204	1,479,204	1,228,815	250,389
Garage	541,055	541,055	432,557	108,498
Culture and Recreation				
Library	312,000	312,000	312,000	0
Recreation Administration	1,002,007	1,002,007	1,027,643	(25,636)
Recreation Parks	2,477,624	2,477,624	2,283,942	193,682
Recreation Programs	1,144,142	1,144,142	1,134,206	9,936
Cultural Arts	1,219,630	1,233,630	1,240,811	(7,181)
Recreation Athletics	1,272,352	1,272,352	1,045,346	227,006
Housing and Development				
Planning Administration	471,905	572,400	563,495	8,905
Code Enforcement	208,281	208,281	173,310	34,971
Convention and Visitor's Association, Inc.	407,983	407,983	0	407,983
Main Street Division	172,484	172,484	138,193	34,291
Debt Service				
Police Department	161,500	280,500	280,444	56
Total expenditures	33,021,173	34,403,157	31,863,920	2,539,237
Excess (deficiency) of revenues over expenditures	(3,150,000)	(4,258,205)	642,837	4,901,042
Other financing sources (uses)				
Transfers in	3,150,000	3,150,000	3,150,000	0
Transfers out	0	(3,500,000)	(3,500,000)	0
Inception of leases	0	1,108,205	1,108,205	0
Gain on sale of assets	0	0	9,792	9,792
Total other financing sources (uses)	3,150,000	758,205	767,997	9,792
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(3,500,000)	1,410,834	4,910,834
Fund balances, July 1	0	3,500,000	21,461,752	17,961,752
Fund balances, June 30	$ 0	$ 0	$ 22,872,586	$ 22,872,586

See accompanying notes to financial statements.

Exhibit A-7

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 9,103,316	$ 2,468,683	$ 11,571,999
Restricted assets			
Cash and cash equivalents	299,041	0	299,041
Accounts receivable, net	2,668,658	989,089	3,657,747
Intergovernmental receivable	616,341	0	616,341
Lease receivable	20,221	0	20,221
Inventories	604,430	0	604,430
Prepaid items	159,680	49,537	209,217
Due from other funds	38,379	9,126	47,505
Total current assets	13,510,066	3,516,435	17,026,501
Noncurrent assets			
Lease receivable	1,483,677	0	1,483,677
Capital assets			
Non-depreciable	26,783,528	0	26,783,528
Depreciable (net)	65,159,807	711,315	65,871,122
Total noncurrent assets	93,427,012	711,315	94,138,327
Total assets	106,937,078	4,227,750	111,164,828
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	1,130,077	456,294	1,586,371
Deferred outflows of resources related to OPEB	197,433	59,625	257,058
Total deferred outflows of resources	1,327,510	515,919	1,843,429
LIABILITIES			
Current liabilities			
Accounts payable	978,451	218,145	1,196,596
Retainage payable	749,486	0	749,486
Accrued liabilities	141,491	45,861	187,352
Compensated absences	76,753	31,485	108,238
Unearned revenue	946,523	0	946,523
Due to other funds	0	923	923
Notes payable	584,409	0	584,409
Bonds payable	487,000	0	487,000
Liabilities payable from restricted assets			
Customer deposits payable	299,041	0	299,041
Total current liabilities	4,263,154	296,414	4,559,568
Noncurrent liabilities			
Net pension liability	3,632,720	1,466,793	5,099,513
Net OPEB liability	606,701	205,845	812,546
Notes payable	14,557,258	0	14,557,258
Bonds payable	2,363,000	0	2,363,000
Total noncurrent liabilities	21,159,679	1,672,638	22,832,317
Total liabilities	25,422,833	1,969,052	27,391,885

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	$ 1,445,633	$ 0	$ 1,445,633
Deferred inflows of resources related to pensions	133,747	35,109	168,856
Deferred inflows of resources related to OPEB	177,727	60,300	238,027
Total deferred inflows of resources	1,757,107	95,409	1,852,516
NET POSITION			
Net investment in capital assets	72,946,738	711,315	73,658,053
Unrestricted	8,137,910	1,967,893	10,105,803
Total net position	$ 81,084,648	$ 2,679,208	$ 83,763,856

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
OPERATING REVENUES			
Charges for sales and services	$ 22,157,191	$ 6,838,115	$ 28,995,306
Other	115,097	0	115,097
Total operating revenues	22,272,288	6,838,115	29,110,403
OPERATING EXPENSES			
Costs of sales and services	6,748,139	3,673,817	10,421,956
Personal services	5,018,434	1,813,195	6,831,629
Depreciation	2,584,126	157,102	2,741,228
Total operating expenses	14,350,699	5,644,114	19,994,813
Operating income (loss)	7,921,589	1,194,001	9,115,590
Non-operating revenues (expenses)			
Interest and investment earnings	157,344	18,489	175,833
Interest expense	(49,428)	(46,937)	(96,365)
Debt issuance costs	(50,000)	0	(50,000)
Gain on disposition of capital assets	0	41,407	41,407
Total non-operating revenues (expenses)	57,916	12,959	70,875
Net income (loss) before capital contributions and transfers	7,979,505	1,206,960	9,186,465
Capital contributions			
Intergovernmental	2,649	0	2,649
Capital contributions	415,440	0	415,440
Total capital contributions	418,089	0	418,089
Net income (loss) before transfers	8,397,594	1,206,960	9,604,554
Transfers in (out)			
Transfers out	(7,650,000)	(500,000)	(8,150,000)
Change in net position	747,594	706,960	1,454,554
Net position, July 1	80,337,054	1,972,248	82,309,302
Net position, June 30	$ 81,084,648	$ 2,679,208	$ 83,763,856

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
Cash flows from operating activities:			
Receipts from customers	$ 22,597,481	$ 6,733,133	$ 29,330,614
Payments to suppliers	(6,865,515)	(3,627,218)	(10,492,733)
Payments to employees	(4,747,759)	(1,768,663)	(6,516,422)
Other receipts	115,097	0	115,097
Net cash provided (used) by operating activities	11,099,304	1,337,252	12,436,556
Cash flows from non-capital financing activities:			
Receipts from other funds	134	0	134
Payments to other funds	(7,650,000)	(500,000)	(8,150,000)
Net cash provided (used) by non-capital financing activities	(7,649,866)	(500,000)	(8,149,866)
Cash flows from capital and related financing activities:			
Receipts from other governments	5,045,259	0	5,045,259
Payments for acquisitions of capital assets	(12,723,459)	(433,749)	(13,157,208)
Payment of capital related payables	(3,772,590)	0	(3,772,590)
Proceeds from disposition of capital assets	0	134,750	134,750
Principal payments - promissory notes	(25,000)	0	(25,000)
Principal payments - bonds payable	(240,000)	0	(240,000)
Proceeds from notes payable	8,994,196	0	8,994,196
Debt issuance costs paid	(50,000)	0	(50,000)
Interest paid	(49,428)	(46,937)	(96,365)
Net cash provided (used) by capital and related financing activities	(2,821,022)	(345,936)	(3,166,958)
Cash flows from investing activities			
Interest and investment earnings received	157,344	18,489	175,833
Net increase (decrease) in cash and cash equivalents	785,760	509,805	1,295,565
Cash and cash equivalents, July 1	8,616,597	1,958,878	10,575,475
Cash and cash equivalents, June 30	$ 9,402,357	$ 2,468,683	$ 11,871,040

CITY OF CARROLLTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 7,921,589	$ 1,194,001	$ 9,115,590
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	2,584,126	157,102	2,741,228
(Increase) decrease in lease receivable	(1,503,898)	0	(1,503,898)
(Increase) decrease in accounts receivable	331,487	(104,982)	226,505
(Increase) decrease in inventories	(11,052)	0	(11,052)
(Increase) decrease in prepaid items	(8,584)	(2,730)	(11,314)
(Increase) decrease in deferred outflows related to pensions	54,063	119,038	173,101
(Increase) decrease in deferred outflows related to OPEB	(22,288)	(15,689)	(37,977)
Increase (decrease) in accounts payable	(97,740)	49,329	(48,411)
Increase (decrease) in unearned revenue	173,468	0	173,468
Increase (decrease) in accrued salaries and payroll liabilities	25,290	(69,288)	(43,998)
Increase (decrease) in compensated absences	22,066	4,047	26,113
Increase (decrease) in customer deposits	(6,400)	0	(6,400)
Increase (decrease) in net pension liability	(339,498)	(29,316)	(368,814)
Increase (decrease) in net OPEB liability	240,968	81,757	322,725
Increase (decrease) in deferred inflows related to leases	1,445,633	0	1,445,633
Increase (decrease) in deferred inflows related to pensions	397,446	(7,563)	389,883
Increase (decrease) in deferred inflows related to OPEB	(107,372)	(38,454)	(145,826)
Total adjustments	3,177,715	143,251	3,320,966
Net cash provided (used) by operating activities	$ 11,099,304	$ 1,337,252	$ 12,436,556
Cash and cash equivalents reconciliation			
Cash and cash equivalents	$ 9,103,316	$ 2,468,683	$ 11,571,999
Restricted assets			
Cash and cash equivalents	299,041	0	299,041
	$ 9,402,357	$ 2,468,683	$ 11,871,040

Noncash investing, capital, and financing activities:

Acquisition of capital assets through capital related payables totaled $255,444.

Acquisition of capital assets through retainage payable totaled $224,659.

Acquisition of capital assets through developer noncash contributions totaled $415,440.

Increase in notes payable through intergovernmental receivable totaled $616,341.

CITY OF CARROLLTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

ASSETS	
Cash and cash equivalents	$ 32,898
LIABILITIES	
Due to others	32,898
NET POSITION	
Restricted for individuals, organizations and other governments	$ 0

CITY OF CARROLLTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2024

ADDITIONS		
Fines and forfeitures collected for other governments	$	361,023
DEDUCTIONS		
Distributions of fines and forfeitures to other governments		361,023
Change in net position		0
Net position, July 1		0
Net position, June 30	$	0

CITY OF CARROLLTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2024

	Carrollton Area Convention & Visitors Association, Inc.	Carrollton Redevelopment Authority	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 419,212	$ 8,376	$ 427,588
Intergovernmental receivables	105,382	0	105,382
Total current assets	524,594	8,376	532,970
LIABILITIES			
Current liabilities			
Accounts payable	178,089	0	178,089
NET POSITION			
Unrestricted	346,505	8,376	354,881
Total net position	$ 346,505	$ 8,376	$ 354,881

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2024

	Carrollton Area Convention & Visitors Association, Inc.	Carrollton Redevelopment Authority	Totals
Expenses			
Housing and Development	$ 392,808	$ 609	$ 393,417
Total expenses	392,808	609	393,417
Program revenues	0	0	0
Net (expense) revenue	(392,808)	(609)	(393,417)
General revenues			
Taxes	389,781	0	389,781
Interest and investment earnings	92	0	92
Total general revenues	389,873	0	389,873
Change in net position	(2,935)	(609)	(3,544)
Net position, July 1	349,440	8,985	358,425
Net position, June 30	$ 346,505	$ 8,376	$ 354,881

See accompanying notes to financial statements.

1. Description of Government Unit

The City of Carrollton, Georgia (the City) is located in Carroll County about 50 miles west of Atlanta. The City provides a full range of governmental services, including public safety, highways and streets, recreational and cultural programs and economic development, as well as water and sewer and sanitation services. The City is governed by an elected mayor and four-member council.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

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

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Carrollton, Georgia (the primary government) and material component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational and financial relationship with the City. In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, the financial statements of the following component units have been included as either blended or discretely presented component units.

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Component unit financial statements are available at the office of City Hall, 315 Bradley St., Carrollton, Georgia 30117.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Carrollton Area Convention and Visitors Association, Inc.

This entity superseded the Carroll County Area Convention and Visitors Association, Inc. The Association is organized under Internal Revenue Code Section 501(c)(6) and is funded from a portion of the tax assessed on area hotel and motel receipts.

Carrollton Redevelopment Authority

The Carrollton Redevelopment Authority, a Georgia non-profit organization, was created by the General Assembly of Georgia to provide for revenue bonds and other funding sources for construction in Carrollton, Georgia. The Authority operates under a board of nine directors, which are appointed by the Mayor and City Council of the City of Carrollton, Georgia.

Main Street Carrollton

Main Street Carrollton is a Georgia non-profit organization created to assist in the revitalization and economic development of the Carrollton main street area. This entity provides operational and promotional assistance for two City owned facilities (the AMP and the Historic Train Depot). Main Street Carrollton operates under a board of nine directors, which are appointed by the Mayor and City Council of the City of Carrollton, Georgia. Main Street was reorganized by the Mayor and City Council to account for Main Street operations within the City's General Fund beginning October 2015. There was no activity for Main Street Carrollton during the fiscal year.

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

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements

As discussed earlier, the government has three discretely presented component units, which are combined in a column in the government-wide financial statements. For the current year, Main Street Carrollton had no activity to report in the financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Water and Sewerage and Sanitation Enterprise Funds and the other functions of the government. Elimination of these charges would distort the direct costs of program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

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

The City reports the following major governmental funds:

General Fund - The general operating fund of the City is used to account for all financial resources except those required to be accounted for in another fund.

General Capital Projects Fund - accounts for capital projects funded by amounts committed by Mayor and Council for capital outlay.

2021 SPLOST Capital Projects Fund - accounts for projects funded by the 2021 special one percent local option sales tax levies.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

The City reports the following major proprietary funds:

Water and Sewerage Fund - accounts for activities in providing water and wastewater services to the public.

Sanitation Fund - accounts for activities in providing sanitation services to the public.

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds - This fund type is used to account for financial resources to be used for the acquisition or construction of capital assets (other than those financed by the proprietary or fiduciary funds).

Fiduciary Fund Types

Custodial Funds – These funds are fiduciary in nature and are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held for others. The City has a custodial fund to account for the activity of the Municipal Court.

Proprietary Fund Types

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Interfund Activity

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

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

E. Measurement Focus and Basis of Accounting

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

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

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses

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

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer and Sanitation Funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

G. Budgets and Budgetary Accounting

The City Council adopts an operating budget for all governmental fund types, except for the Capital Projects Funds, for the upcoming fiscal year, prior to July 1. Capital budgets are adopted for Capital Projects Funds. The budgets are prepared based on requests made by various department heads. The adopted budgets include proposed expenditures and the means of financing them. Prior to budgets being legally enacted through passage of an ordinance, public hearings are held to obtain taxpayer comments. The budgets are prepared on the modified accrual basis of accounting. The City does not use an encumbrance system which records commitments related to unperformed contracts for goods and services.

2. Summary of Significant Accounting Policies (continued)

H. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital project investments is included in the investment accounts.

I. Intergovernmental Receivables

Receivables for state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

J. Inventories

Inventories of the Water and Sewerage Fund are valued at cost on the first-in, first-out method.

K. Prepaid Items

Payments made to vendors for services that will benefit periods in subsequent years, are recorded as prepaid items. Prepaid items in the governmental funds are recorded as expenditures when consumed.

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are among the largest asset classes of the City. Prior to July 1, 2006, neither their historical costs, nor related depreciation, had been reported in the financial statements.

2. Summary of Significant Accounting Policies (continued)

L. Capital Assets, continued

The City implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007.

Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

The City has recorded intangible right-to-use assets as a result of implementing GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The assets are initially measured at an amount equal to the initial measurement of the related lease or subscription liability plus any payments made prior to the lease or subscription term, less lease or subscription incentives, and plus ancillary charges necessary to place the lease or subscription into service. The intangible right-to-use assets are amortized on a straight-line bases over the shorter of the estimated useful life of the underlying asset or life of the related lease or subscription.

Land and construction-in-progress are not depreciated. The other property, plant equipment, and infrastructure of the primary government are depreciated using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years
Buildings	20 to 50
Improvements	10 to 50
Furnishings, vehicles, machinery and equipment	3 to 20
Utility System	20 to 50
Infrastructure	10 to 50

2. Summary of Significant Accounting Policies (continued)

L. Capital Assets, continued

All land will be valued and capitalized. The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to their defined benefit pension and other postemployment benefit plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from property taxes and fines, fees, and forfeitures. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources related to their leases, defined benefit pension and other postemployment benefit plans.

N. Net Position Flow Assumption

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

2. Summary of Significant Accounting Policies (continued)

O. Fund Balance Flow Assumption

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

P. Restricted Assets and Restricted Net Position

Restricted assets consist of cash included in the City's Water and Sewerage System which reflect restrictions for future construction of facilities, retainages, revenue bond and note payable retirement.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

Q. Fund Balances – Governmental Funds

The City of Carrollton implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

2. Summary of Significant Accounting Policies (continued)

Q. Fund Balances – Governmental Funds, continued

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to constraints imposed by formal action of the Mayor and City Council through the adoption of a resolution or motion. The Mayor and City Council also may modify or rescind the commitment.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Through resolution or motion, the Mayor and City Council has authorized the City's Finance Officer to assign fund balances.

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance.

R. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation leave which will be paid to the employees upon separation from City service. Accumulated unpaid vacation leave amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement) and is expected to be liquidated with expendable available financial resources.

2. Summary of Significant Accounting Policies (continued)

S. 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Issuance costs are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

T. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

U. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of the changes in the City's financial position and operations. Certain 2023 amounts have been reclassified to conform with the 2024 presentation.

3. Deposit and Investment Risk

Custodial credit risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned. The City's policies require that all deposits be federally insured or fully collateralized.

Investment policies - Credit, concentration of credit, and interest rate risk

The City's financial policies authorize investment in any securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia, pooled investment programs of the State of Georgia, and no-load mutual funds of direct obligations of the United States. The City has no investment policy that would further limit its investment choices. The City places no limits on the amount the City may invest in any one issuer of equity or debt securities. Investments are reported at fair market value.

Foreign currency risk

The City has no investments denominated in a foreign currency.

4. Accounts Receivable

Net accounts receivable at the end of the current fiscal year consist of the following:

Primary Government:		
Major Funds		
General Fund		$ 238,734
Water and Sewerage Enterprise Fund	$ 2,745,916	
Less: Allowance for Uncollectibles	(77,258)	2,668,658
Sanitation Enterprise Fund	1,007,384	
Less: Allowance for Uncollectibles	(18,295)	989,089
Nonmajor Funds		
Special Revenue Funds		
Opioid Settlement Fund		936,799
Total Primary Government		$ 4,833,280

5. Intergovernmental Receivables

Intergovernmental receivables at the end of the current fiscal year consist of the following:

Primary Government:	
Major Funds	
General Fund	$ 226,987
2021 SPLOST Fund	1,338,531
Water and Sewerage	616,341
Nonmajor Funds	
Special Revenue Funds	
Neighborhood Stabilization Program	27,174
West Metro Regional Drug Enforcement	119,278
Total Primary Government	$ 2,328,311
Component Unit:	
Carrollton Area Convention and Visitors Association, Inc.	$ 105,382

6. Leases Receivable

The City entered into a lease with a communications provider for the right to use land for a tower. The lease term is 240 months. Monthly payments are $5,529 and provide for annual escalation. Leases receivable are measured as the present value of the future minimum rent payments expected to be received during the lease term. During the current fiscal year, the City recognized $76,086 of lease revenue (reported as charges for services on the statement of revenues, expenditures, and changes in fund balances) and $45,852 of interest revenue under the lease. As of June 30, 2024, the City recognized $1,503,898 of lease receivable in the Water and Sewer Fund.

7. Property Taxes

Property tax rates are set by the City Council each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for digest year 2023, based upon the assessments of January 1, 2023, were levied on August 22, 2023, billed on October 11, 2023, and due on December 11, 2023. The Carroll County Tax Commissioner bills and collects the City's property taxes.

8. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables for the current fiscal year is as follows:

Receivable Fund	Payable Fund	Amount
General	Sanitation	$ 923
	Nonmajor Governmental	43,397
Nonmajor Governmental	General	2,580
Water and Sewerage	General	38,379
Sanitation	General	9,126
		$ 94,405

Interfund balances at the end of the current fiscal year, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”.

A summary of interfund transfers is as follows:

Transfer Out Fund	Transfer In Fund	Amount
General	General Capital Projects	$ 3,500,000
Nonmajor Governmental	2021 SPLOST	397,239
Water and Sewerage	General	3,150,000
	General Capital Projects	4,500,000
Sanitation	General Capital Projects	500,000
		$ 12,047,239

8. Interfund Receivables, Payables, and Transfers (continued)

Interfund transfers were used to transfer unrestricted revenues from payor funds to subsidize operations in payee funds in accordance with budgetary authorizations, to transfer City matching funds in accordance with grant agreements, to transfer funds to Capital Projects Funds for capital projects in accordance with budgetary authorizations, and to move capital assets between governmental activities and business-type activities. The transfers from the Water and Sewerage and Sanitation Funds to the General Fund is in accordance with City policy, and is common practice for government-owned utility systems. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

9. Capital Assets

Capital asset activity for the primary government for the current fiscal year was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Governmental activities				
Non-depreciable assets				
Land	$ 17,394,022	$ 0	$ 0	$ 17,394,022
Construction in progress	2,675,309	4,373,128	(4,600,265)	2,448,172
Total non-depreciable assets	20,069,331	4,373,128	(4,600,265)	19,842,194
Depreciable assets				
Land improvements	29,064,990	4,220,942	0	33,285,932
Buildings and improvements	47,127,552	346,827	0	47,474,379
Furnishings, vehicles, machinery and equipment	18,218,260	2,774,255	(140,458)	20,852,057
Infrastructure	87,658,555	1,327,689	0	88,986,244
Right to use subscription assets	0	1,124,505	0	1,124,505
Total depreciable assets	182,069,357	9,794,218	(140,458)	191,723,117
Less accumulated depreciation				
Land improvements	(11,119,335)	(1,531,529)	0	(12,650,864)
Buildings and improvements	(13,432,971)	(964,461)	0	(14,397,432)
Furnishings, vehicles, machinery and equipment	(13,661,575)	(1,233,570)	140,458	(14,754,687)
Infrastructure	(47,793,881)	(2,654,937)	0	(50,448,818)
Right to use subscription assets	0	(103,245)	0	(103,245)
Total accumulated depreciation	(86,007,762)	(6,487,742)	140,458	(92,355,046)
Total depreciable assets, net	96,061,595	3,306,476	0	99,368,071
Governmental activities capital assets, net	$ 116,130,926	$ 7,679,604	$ (4,600,265)	$ 119,210,265
Business-type activities				
Non-depreciable assets				
Land	$ 8,933,978	$ 0	$ 0	$ 8,933,978
Construction in progress	6,103,930	12,446,376	(700,756)	17,849,550
Total non-depreciable assets	15,037,908	12,446,376	(700,756)	26,783,528
Depreciable assets				
Buildings and improvements	7,728,332	9,888	0	7,738,220
Distribution system	106,005,232	1,639,629	0	107,644,861
Vehicles, machinery and equipment	8,944,872	657,614	(217,800)	9,384,686
Total depreciable assets	122,678,436	2,307,131	(217,800)	124,767,767
Less accumulated depreciation				
Buildings and improvements	(4,930,373)	(152,095)	0	(5,082,468)
Distribution system	(44,441,637)	(2,164,597)	0	(46,606,234)
Vehicles and equipment	(6,907,864)	(424,536)	124,457	(7,207,943)
Total accumulated depreciation	(56,279,874)	(2,741,228)	124,457	(58,896,645)
Total depreciable assets, net	66,398,562	(434,097)	(93,343)	65,871,122
Business-type activities capital assets, net	$ 81,436,470	$ 12,012,279	$ (794,099)	$ 92,654,650

9. Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 372,176
Public Safety	1,268,932
Public Works	2,800,716
Culture and Recreation	2,045,918
Total depreciation expense for governmental activities	$ 6,487,742
Business-type activities	
Water and Sewerage	$ 2,584,126
Sanitation	157,102
Total depreciation expense for business-type activities	$ 2,741,228

10. Long-Term Debt

Bonds from Direct Placement

Revenue bonds from direct placement have been issued for business-type activities and are comprised of the following individual issues at the end of the current fiscal year:

Water and Sewerage Revenue Bond Series 2014: In December 2014, the City issued Water and Sewerage Revenue Refunding and Improvement Bonds Series 2014 totaling $6,705,000 to refinance the Water and Sewerage Revenue Bond Series 1997 and the GEFA Note 2008-LO3WJ, and to pay the costs of certain improvements to the City's water and sewer system.

Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable and the bondholders may proceed to protect and enforce the rights of the bondholders by a suit, action or special proceeding in equity, or at law, either for the appointment of a receiver of the water system.

The bonds are secured by a pledge of the net revenues derived from the operation of the water system. The bonds are payable over a period of fifteen years at 2.67% interest. Semi-annual payments of principal and interest are due January 1 and July 1. Bond issuance costs of $145,011 were incurred relative to the sale.

10. Long-Term Debt (continued)

Bonds from Direct Placement, continued

Annual debt service requirements to maturity for bonds from direct placement are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 487,000	$ 72,864	$ 559,864
2026	502,000	59,755	561,755
2027	514,000	46,284	560,284
2028	528,000	32,454	560,454
2029	542,000	18,276	560,276
2030	277,000	3,698	280,698
Totals	$ 2,850,000	$ 233,331	$ 3,083,331

Notes from Direct Borrowings

Georgia Environmental Facilities Authority notes payable – Water Fund – DWSRF 08-001 and DW 08-001: On November 4, 2009, the City signed an agreement with the Georgia Environmental Facilities Authority to obtain a promissory note for $500,000, to procure four membrane filtration units. The note will be repaid in 240 monthly installments of $2,083 with an interest rate of 0.0%, beginning March 2010. Closing cost of $10,000 was financed through a second note with 0.0% interest to be paid in twelve annual installment payments of $833 beginning January 1, 2010 and ending December 1, 2029. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City. The balance at the end of the current fiscal year was $141,667.

Georgia Environmental Facilities Authority notes payable – Water Fund – DWSRF 2020-042 and DW 2020-042: On December 13, 2021, the City signed an agreement with the Georgia Environmental Facilities Authority, the modified amount of the loan is $15,000,000, of which there was $15,000,000 has been drawn as of the end of the current fiscal year. The construction rate and permanent rate is 0.13%. The note will be repaid in 239 monthly installments of $63,574 beginning October 1, 2024. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues on taxes, fees and charges collected by the City. The balance at the end of the current fiscal year was $15,000,000.

10. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

The City's debt service requirements to maturity for notes from direct borrowings for the business-type activities is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 584,409	$ 12,757	$ 597,166
2026	769,559	18,329	787,888
2027	770,527	17,361	787,888
2028	771,497	16,391	787,888
2029	772,468	15,420	787,888
2030-2034	3,768,618	62,440	3,831,058
2035-2039	3,776,417	38,024	3,814,441
2040-2044	3,801,042	13,399	3,814,441
2045	127,130	19	127,149
Totals	$ 15,141,667	$ 194,140	$ 15,335,807

On July 16, 2019, the City entered into an agreement with a financial institution to finance the purchase of police equipment. Upon an event of default, (1) all outstanding principal and accrued interest may be declared immediately due and payable and (2) the financial institution may repossess or require the return of all equipment. The note bears interest at a rate of 3.163% and requires annual payments (September 16th) of $161,444. The remaining principal balance at the end of the current fiscal year is $156,494 for the governmental activities.

The City's debt service requirements to maturity for notes from direct borrowings for the governmental activities is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 156,494	$ 4,950	$ 161,444

10. Long-Term Debt (continued)

Subscription Liabilities

In December 2023, the City entered into two subscription-based information technology arrangements (SBITA) with a vendor for software. The first subscription requires 6 annual payments of $119,000 beginning December 5, 2023. The subscription liability was measured at a discount rate of 2.565%. As a result of the subscription and additional ancillary costs to place the software in service, the City has recorded an intangible right-to-use asset of $686,639, with related accumulated amortization of $66,757, at the end of the current fiscal year. Amortization on the asset totaled $66,757 for the current fiscal year. The second subscription requires 7 annual payments of $67,366 beginning April 18, 2024. The subscription liability was measured at a discount rate of 2.565%. As a result of the subscription and additional ancillary costs to place the software in service, the City has recorded an intangible right-to-use asset of $437,866, with related accumulated amortization of $36,488, at the end of the current fiscal year. Amortization on the asset totaled $36,488 for the current fiscal year.

The following is a schedule of the future minimum subscription payments together with the present value of the net minimum subscription payments at the end of the current fiscal year:

Year Ending June 30,	Principal	Interest	Total
2025	$ 229,993	$ 14,309	$ 244,302
2026	166,819	21,022	187,841
2027	171,118	16,760	187,878
2028	175,528	12,387	187,915
2029	180,053	7,903	187,956
2030-2031	65,694	4,974	70,668
Totals	$ 989,205	$ 77,355	$ 1,066,560

11. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the City for the current fiscal year:

	Balance Beginning	Additions	Deductions	Balance Ending	Due Within One Year
Governmental activities					
Notes from direct borrowings	$ 308,191	$ 0	$ (151,697)	$ 156,494	$ 156,494
Subscription liabilities	0	1,108,205	(119,000)	989,205	229,993
Compensated absences	393,957	426,055	(393,957)	426,055	426,055
Total governmental activities	$ 702,148	$ 1,534,260	$ (664,654)	$ 1,571,754	$ 812,542
Business-type activities					
Bonds from direct placement	$ 3,090,000	$ 0	$ (240,000)	$ 2,850,000	$ 487,000
Notes from direct borrowings	5,556,130	9,610,537	(25,000)	15,141,667	584,409
Compensated absences	82,125	108,238	(82,125)	108,238	108,238
Total business-type activities	$ 8,728,255	$ 9,718,775	$ (347,125)	$ 18,099,905	$ 1,179,647

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. Compensated absences are liquidated by those funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund.

Total interest incurred and expensed in the governmental activities and the business-type activities for the current fiscal year was $5,975 and $96,365, respectively.

12. Conduit Debt

Carrollton Redevelopment Authority

In August 2010, Carrollton Redevelopment Authority issued $8,000,000 in Series 2010 Federally Taxable Qualified School Construction Bonds – Direct Pay for the Carrollton Independent School System Project for the construction, renovation, modernization and revitalization of the Carrollton Independent School System facilities. These bonds are payable solely from the Trust Estate (bank) and the Authority has no obligation for these debts; therefore, debts are not reflected on the Authority's financial statements. The balance owed on these bonds was $8,000,000 at the end of the current fiscal year.

12. Conduit Debt (continued)

On July 7, 2014, Carrollton Redevelopment Authority authorized the receipt of a loan of $217,235 from the Georgia Department of Community Affairs. The Authority simultaneously re-loaned the proceeds to Chad P. Properties, LLC, for the purpose of renovating a building located at 310 Adamson Square. Loan documents, including its promissory note, were collaterally assigned to the Georgia Department of Community Affairs. The Authority is not liable for any amount under this loan; therefore, it is not reflected on the Authority's financial statements. The loan repayment period is ten years at 2% interest with monthly payments of $1,406 beginning September 1, 2014, and a balloon payment of $58,538 on August 1, 2024. The outstanding loan balance at the end of the current fiscal year was $87,298.

On October 28, 2016, Carrollton Redevelopment Authority authorized the receipt of a loan of $250,000 from the Georgia Department of Community Affairs. The Authority simultaneously re-loaned the proceeds to Million Suns, LLC, for the purpose of acquiring and renovating a building located at 210 Bradley Street. Loan documents, including its promissory note, were collaterally assigned to the Georgia Department of Community Affairs. The Authority is not liable for any amount under this loan; therefore, it is not reflected on the Authority's financial statements. The loan repayment period is ten years at 2% interest with monthly payments of $1,608 beginning December 1, 2016, and a balloon payment of all unpaid principal on November 1, 2026. The outstanding loan balance at the end of the current fiscal year was $143,980.

On October 28, 2016, Carrollton Redevelopment Authority authorized the receipt of a loan of $250,000 from the Georgia Cities Foundation Loan Program. The Authority simultaneously re-loaned the proceeds to Million Suns, LLC, for the purpose of renovating a building located at 117 Newnan Street. Loan documents, including its promissory note, were collaterally assigned to the Georgia Department of Community Affairs. The Authority is not liable for any amount under this loan; therefore, it is not reflected on the Authority's financial statements. The loan repayment period is fifteen years at 3% interest with monthly payments of $1,726 beginning December 1, 2016, and a balloon payment of $97,564 on November 1, 2026. The outstanding loan balance at the end of the current fiscal year was $147,188.

On February 27, 2018, Carrollton Redevelopment Authority authorized the receipt of a loan of $197,480 from the Georgia Department of Community Affairs. The Authority simultaneously re-loaned the proceeds to Jason & Laura Colquitt for the purpose of renovating a building located at

12. Conduit Debt (continued)

306 A1-B Rome Street. Loan documents, including its promissory note, were collaterally assigned to the Georgia Department of Community Affairs. The Authority is not liable for any amount under this loan; therefore, it is not reflected on the Authority's financial statements. The loan repayment period is fifteen years at 2% interest with monthly payments of $1,270 beginning March 1, 2018. The outstanding loan balance at the end of the current fiscal year was $123,383.

13. Net Investment in Capital Assets

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows for the current fiscal year:

	Governmental Activities	Business-Type Activities
Cost of capital assets	$ 211,565,311	$ 151,551,295
Accumulated depreciation	(92,355,046)	(58,896,645)
Book value	119,210,265	92,654,650
Capital-related accounts payable	(381,696)	(255,444)
Retainage payable	(51,407)	(749,486)
Capital-related notes payable	(156,494)	(15,141,667)
Capital-related bonds payable	0	(2,850,000)
Subscription liabilities	(989,205)	0
Unspent note proceeds	21,123	0
Net investment in capital assets	$ 117,652,586	$ 73,658,053

14. Nonspendable, Restricted, Committed and Assigned Fund Balances

The following is a summary of nonspendable, restricted, committed and assigned fund balances of the governmental funds for the current fiscal year:

	General	2021 SPLOST	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	$ 286,152	$ 0	$ 0	$ 27,815	$ 313,967
Restricted for:					
Public Safety					
Police facilities and equipment	$ 0	$ 0	$ 0	$ 2,510,964	$ 2,510,964
Hazardous material team	0	0	0	31,653	31,653
Police technology	0	0	0	42,023	42,023
Opioid remediation	0	0	0	265,716	265,716
Housing and Development					
Neighborhood improvements	0	0	0	1,042,016	1,042,016
Redevelopment	0	0	0	419,148	419,148
Capital outlay	0	2,601,560	0	0	2,601,560
Grant specifications	0	0	0	52,559	52,559
	$ 0	$ 2,601,560	$ 0	$ 4,364,079	$ 6,965,639
Committed for:					
Capital outlay	$ 0	$ 0	$ 8,502,440	$ 0	$ 8,502,440
Assigned for:					
Housing and Development					
Economic Development	$ 0	$ 0	$ 0	$ 789,744	$ 789,744

15. Pension Plans

Defined Benefit Pension Plans

Plan Description. The City is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The City has established provisions, which assign the authority to the City council members to establish and amend the benefit provisions of the plan.

15. Pension Plans (continued)

Defined Benefit Pension Plans, continued

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder.

At January 1, 2024, the date of the most recent actuarial valuation, there were 629 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	189
Terminated vested participants entitled to but not yet receiving benefits	123
Active participants	317
Total number of participants	629

Benefits Provided. Regular full-time employees who are non-civil service and who are not eligible to participate in any other retirement program of the City may participate immediately. Employees also participate in Social Security. Benefits are based on years of credited service, equal to one year of full-time employment. Members with ten years of total service are eligible to retire at age 65 with no reduction in benefit. Members are eligible for early retirement with reduced benefits based on the early retirement at age 55 with ten years of total service. The benefit formula is 2.00% - 2.50% with a five-year vesting schedule for Class 0 and Class 1 employees respectively and immediate vesting for elected officials.

Contributions. 3% employee contributions are required for employees in pay grades less than 20 and 6% for employees in pay grades 20 or higher. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The City's actuarially determined contribution rate for the current fiscal year was $2,552,237 or 14.51% of covered payroll. The City Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy.

15. Pension Plans (continued)

Defined Benefit Pension Plans, continued

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the City reported a net pension liability of $21,539,969. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. For the current fiscal year, the City recognized pension expense of $3,666,226. For the Governmental Activities, the net pension liability is liquidated by the General Fund.

The components of the net pension liability are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 9/30/2022	$ 53,601,407	$ 31,300,161	$ 22,301,246
Changes for the year:			
Service cost	930,482	0	930,482
Interest	3,926,020	0	3,926,020
Differences between expected and actual experience	1,770,284	0	1,770,284
Contributions-employer	0	2,493,459	(2,493,459)
Contributions-employee	0	747,521	(747,521)
Net investment income	0	4,223,177	(4,223,177)
Benefit payments, including refunds of employee contributior	(2,595,442)	(2,595,442)	0
Administrative expense	0	(76,094)	76,094
Net changes	4,031,344	4,792,621	(761,277)
Balances at 9/30/2023	$ 57,632,751	$ 36,092,782	$ 21,539,969

Plan fiduciary net position as a percentage of the total pension liability	62.63%
Covered payroll	$ 17,803,093
Net pension liability as a percentage of covered payroll	120.99%

15. Pension Plans (continued)

Defined Benefit Pension Plans, continued

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,793,490	$ 0
Changes of assumptions	247,709	0
Net difference between projected and actual earnings on pension plan investments	1,745,341	0
Changes in participant fund allocation	168,856	(168,856)
Contributions subsequent to the measurement date	1,914,178	0
Totals	$ 6,869,574	$ (168,856)

The $1,914,178 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2025	$ 1,486,235
2026	1,222,102
2027	2,102,904
2028	(24,701)
Totals	$ 4,786,540

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

Inflation	2.25%
Projected salary increases	2.25% plus service-based merit increases
Cost of living adjustments	0.00%
Net investment rate of return	7.375%
Actuarial cost method	Projected Unit Credit
Amortization method	Closed level dollar
Remaining amortization period	12 years

15. Pension Plans (continued)

Defined Benefit Pension Plans, continued

Healthy mortality rates were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active participant mortality rates were based on the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

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 of January 1, 2015 through June 30, 2019.

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

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:

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

15. Pension Plans (continued)

Defined Benefit Pension Plans, continued

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.375 percent) or one percentage-point higher (8.375 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6.375%	$ 28,945,099
Current discount rate	7.375%	21,539,969
1% increase	8.375%	15,353,827

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

Other Plans

In addition to the plan above, various City employees are also covered under the pension plans of the Georgia Firefighters' Pension Fund and the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the City's financial statements.

15. Pension Plans (continued)

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 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 City does not contribute to this plan. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Employee contributions for the current fiscal year were $505,433.

16. Post-Employment Benefits Other Than Pensions

Plan Description. The City of Carrollton Other Postemployment Benefits Plan (the "OPEB Plan") is a defined benefit postretirement health care, prescription drug, and life insurance plan. The OPEB 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 City has established provisions, which assign the authority to the City council members to establish and amend the benefit provisions of the plan.

At January 1, 2023, the date of the most recent actuarial valuation, City plan membership consisted of the following:

	Medical	Life
Inactive plan members or beneficiaries currently receiving benefit payments	10	50
Inactive plan members entitled to but not yet receiving benefit payments	0	0
Active members	322	322
Total number of participants	332	372

Benefits Provided. City employees become eligible after they reach age 60 with 5 years of service and receiving a pension benefit from Georgia Municipal Benefits System. The City pays 100% of the medical premiums until the participant becomes eligible for Medicare. A $10,000 life insurance benefit is provided.

16. Post-Employment Benefits Other Than Pensions (continued)

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 accumulate restricted funds. The City's contribution for the current fiscal year was $89,771, or 0.54% of covered employee payroll. The GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. The City Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. At the end of the current fiscal year, the City reported a net OPEB liability of $3,326,019. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023. For the current fiscal year, the City recognized OPEB expense of $841,160. For the Governmental Activities, the net OPEB liability is liquidated by the General Fund.

The components of the net OPEB liability are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/2022	$ 2,161,743	$0	$ 2,161,743
Changes for the year:			
Service cost	64,720	0	64,720
Interest	77,242	0	77,242
Changes of benefit terms	881,962	0	881,962
Differences between expected and actual experience	316,031	0	316,031
Contributions-employer	0	89,771	(89,771)
Changes in assumptions	(85,908)	0	(85,908)
Benefit payments, including refunds of member contributions	(89,771)	(89,771)	0
Net changes	1,164,276	0	1,164,276
Balances at 6/30/2023	$ 3,326,019	$0	$ 3,326,019

Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered employee payroll	$ 16,530,416
Plan net OPEB liability as a percentage of covered employee payroll	20.12%

16. Post-Employment Benefits Other Than Pensions (continued)

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 347,241	$ (877,713)
Changes of assumptions	191,908	(96,613)
Changes in participant fund allocation	69,874	(69,874)
Contributions subsequent to the measurement date	79,735	0
Totals	$ 688,758	$ (1,044,200)

The $79,735 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30	
2025	$ (134,541)
2026	(111,431)
2027	(111,431)
2028	(21,212)
2029	(61,622)
Thereafter	5,060
Totals	$ (435,177)

Actuarial Assumptions. The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Projected salary increases	3.00% to 8.50%, including inflation
Actuarial cost method	Entry age
Discount rate	3.65%. This changed from 2.16% the previous year

16. Post-Employment Benefits Other Than Pensions (continued)

Healthcare cost trend rates	(1.79%) for the first year, then 7.25% trended down to 4.50% over 11 years
Mortality rates	Healthy mortality rates were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active participant mortality rates were based on the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
Actuarial cost method	Entry age level percent of payroll
Asset valuation method	Market value

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

Development of Long-Term Rate. Since the City funds this Plan on a pay-as-you-go basis, GASB requires the discount rate be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chosen rate is 3.65%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2023.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (2.65%) or one percentage-point higher (4.65%) than the current rate.

16. Post-Employment Benefits Other Than Pensions (continued)

Also shown is the Net OPEB Liability as if it were calculated using healthcare cost trend rates that were one percentage point lower or one percentage point higher than the current healthcare trend rates:

Discount Rate		Net OPEB Liability
1% decrease	2.65%	$ 3,672,702
Current discount rate	3.65%	3,326,019
1% increase	4.65%	3,024,405

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease	$ 3,061,581
Current trend rate	3,326,019
1% increase	3,639,433

OPEB Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

17. Hotel/Motel Lodging Tax

The City has levied a 8% lodging tax in accordance with OCGA 48-13-51(b). The City is required to spend an amount equal to at least 43.75% for the purpose of promoting tourism, conventions, and trade shows and 18.75% for the creation or expansion of physical attractions which are available and open to the public and which improve destination appeal to visitors, support visitors' experience, and are used by visitors. A summary of the transactions for the current fiscal year follows:

Lodging Tax Receipts	$ 1,132,166	
Disbursements for promoting tourism, conventions and trade shows	$ 495,323	43.75% of tax receipts
Disbursements for the creation of expansion of physical attractions	$ 512,469	45.26% of tax receipts

The City expended $131,042 of its' unrestricted Hotel/Motel receipts during the current year.

18. Tax Abatements

The City of Carrollton is subject to tax incentives granted by various authorities in the City. These incentives are negotiated on an individual basis as a reduction of property taxes based on the percentage negotiated and have the stated purpose of increasing business activity and employment in the City by allowing localities to abate property taxes for a variety of economic development purposes, including business relocation, retention, and expansion. The incentives may be granted to any business located within or promising to relocate to a local government's geographic area and have various requirements regarding job creation and capital investments. Each of the incentive agreements contains a recapture provision that requires repayment of a portion of the abatement for that year if the business fails to meet its jobs and/or investment goals. The City has not made any commitments as part of the agreements other than to reduce taxes.

For the current fiscal year, the City of Carrollton property taxes were abated totaling $194,238 under this program through the Carrollton Payroll Development Authority.

Individual tax abatement agreements that each exceeded ten percent of the total amount abated are as follows:

- Property tax abatement (ranging from 10% to 80% by parcel) for a local manufacturer expanding its manufacturing facility located in the City of Carrollton. The abatement amounted to $90,906.
- Property tax abatement (ranging from 20% to 90% by parcel) for a local manufacturer expanding its manufacturing facility located in the City of Carrollton. The abatement amounted to $20,581.
- Property tax abatement (ranging from 20% to 80% by parcel) for a local manufacturer expanding its manufacturing facility located in the City of Carrollton. The abatement amounted to $36,224.

19. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the area, is a member of the Three Rivers Regional Commission (TRRC). The membership dues are paid annually by the City of Carrollton. Membership in a regional commission (RC) is required by the Official Code

19. Joint Ventures (continued)

of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RCs in Georgia.

The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the TRCC financial statements can be obtained from TRRC, P.O. Box 818, Griffin, Georgia 30224.

20. Related Organizations

The City of Carrollton Housing Authority is considered a related organization to the City of Carrollton. The City appoints members to the Authority, but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low-income housing for the individuals in the City of Carrollton. The City collects revenue in lieu of taxes for City services provided to Housing Authority residents.

21. Risk Management

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

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

21. Risk Management (continued)

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

Settled claims in the last three years have not exceeded insurance coverage.

22. Commitments and Contingencies

Commitments

The City has active construction projects as of the current fiscal year. At fiscal year end, the City's commitments with contractors are as follows:

Project	Amount Expended to Date	Remaining Commitment
City of Carrollton Raw Water Holding Pond	$ 14,991,955	$ 96,685
2023 Asphalt Milling and Resurfacing	884,592	10,795
MidTown Water Park	143,555	2,614,397
Brown St & College St Storm Sewer Improv	416,722	956,278
Membrane Contract	412,500	1,237,500
Raw Water Piping Contract - Haren	0	942,000

Contingencies

The City is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The City's legal counsel has stated that the outcome of these lawsuits is not presently determinable.

23. Changes Within Financial Reporting Entity

During the current fiscal year, changes within the financial reporting entity were as follows:

	Reporting Units Affected by Restatements of Beginning Balances			
	Nonmjor Governmental Funds	West Metro Regional Drug Enforcement	American Rescue Plan	Total
July 1, 2023 (as original reported)	$ 2,767,122	$ 2,002,552	$ 52,323	$ 4,821,997
Change from major to nonmajor fund	2,054,875	(2,002,552)	(52,323)	0
July 1, 2023 (as restated)	$ 4,821,997	$ 0	$ 0	$ 4,821,997

24. New Accounting Pronouncements

The City implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2023. This statement had no effect on net position of the City.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2024
(Unaudited)

	Fiscal Year End		
	2024	**2023**	**2022**
Total pension liability			
Service cost	$ 930,482	$ 854,691	$ 452,033
Interest	3,926,020	3,638,879	2,678,589
Differences between expected and actual experience	1,770,284	1,749,839	475,943
Changes in assumptions	0	0	0
Benefit payments, including refunds of employee contributions	(2,595,442)	(2,256,093)	(1,986,032)
Changes of benefit terms	0	0	11,132,724
Other changes	0	0	0
Net change in total pension liability	4,031,344	3,987,316	12,753,257
Total pension liability - beginning	53,601,407	49,614,091	36,860,834
Total pension liability - ending (a)	$ 57,632,751	$ 53,601,407	$ 49,614,091
Plan fiduciary net position			
Contributions - employer	$ 2,493,459	$ 3,494,084	$ 1,479,049
Contributions - employee	747,521	744,005	152,288
Net investment income	4,223,177	(6,193,827)	7,002,288
Benefit payments, including refunds of employee contributions	(2,595,442)	(2,256,093)	(1,986,032)
Administrative expense	(76,094)	(61,287)	(58,156)
Net change in plan fiduciary net position	4,792,621	(4,273,118)	6,589,437
Plan fiduciary net position - beginning	31,300,161	35,573,279	28,983,842
Plan fiduciary net position - ending (b)	$ 36,092,782	$ 31,300,161	$ 35,573,279
Net pension liability (asset) - ending : (a) - (b)	$ 21,539,969	$ 22,301,246	$ 14,040,812
Plan's fiduciary net position as a percentage of the total pension liability	62.63%	58.39%	71.70%
Covered payroll	$ 17,803,093	$ 16,611,141	$ 16,110,704
Net pension liability as a percentage of covered payroll	120.99%	134.25%	87.15%

See accompanying notes to the required supplementary information.

Fiscal Year End						
2021	2020	2019	2018	2017	2016	2015
$ 478,953	$ 359,881	$ 348,429	$ 397,257	$ 362,710	$ 377,227	$ 334,167
2,583,027	2,409,298	2,311,482	2,266,445	2,106,841	1,989,841	1,911,478
234,846	540,068	500,330	(81,618)	1,267,311	597,738	356,908
0	0	0	433,947	0	0	0
(1,962,267)	(1,913,261)	(1,821,688)	(1,756,630)	(1,565,620)	(1,344,634)	(1,272,573)
0	0	0	0	0	0	0
0	1,409,565	0	0	(16,333)	0	(282,808)
1,334,559	2,805,551	1,338,553	1,259,401	2,154,909	1,620,172	1,047,172
35,526,275	32,720,724	31,382,171	30,122,770	27,967,861	26,347,689	25,300,517
$ 36,860,834	$ 35,526,275	$ 32,720,724	$ 31,382,171	$ 30,122,770	$ 27,967,861	$ 26,347,689
$ 1,416,916	$ 1,453,508	$ 1,340,534	$ 1,121,807	$ 1,188,985	$ 1,208,604	$ 1,248,419
0	0	0	0	0	0	0
2,572,781	781,879	2,445,629	3,301,957	2,258,137	235,211	2,085,904
(1,962,267)	(1,913,261)	(1,821,689)	(1,756,630)	(1,565,620)	(1,344,634)	(1,272,573)
(56,321)	(50,844)	(56,317)	(58,143)	(33,118)	(36,856)	(29,317)
1,971,109	271,282	1,908,157	2,608,991	1,848,384	62,325	2,032,433
27,012,733	26,741,451	24,833,294	22,224,303	20,375,919	20,313,594	18,281,161
$ 28,983,842	$ 27,012,733	$ 26,741,451	$ 24,833,294	$ 22,224,303	$ 20,375,919	$ 20,313,594
$ 7,876,992	$ 8,513,542	$ 5,979,273	$ 6,548,877	$ 7,898,467	$ 7,591,942	$ 6,034,095
78.63%	76.04%	81.73%	79.13%	73.78%	72.85%	77.10%
$ 15,189,914	$ 15,414,227	$ 13,152,183	$ 12,765,322	$ 13,618,889	$ 12,426,773	$ 11,901,447
51.86%	55.23%	45.46%	51.30%	58.00%	61.09%	50.70%

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2024
(Unaudited)

	Fiscal Year End			
	2024	**2023**	**2022**	**2021**
Actuarially determined contribution	$ 2,552,237	$ 2,436,723	$ 1,641,131	$ 1,612,553
Contributions in relation to the actuarially determined contribution	(2,552,237)	(2,436,723)	(3,181,519)	(1,612,553)
Contribution deficiency (excess)	$ 0	$ 0	$ (1,540,388)	$ 0
Covered payroll	$ 17,585,910	$ 16,788,423	$ 17,071,537	$ 15,861,803
Contributions as a percentage of covered payroll	14.51%	14.51%	18.64%	10.17%

See accompanying notes to the required supplementary information.

Fiscal Year End						
2020	**2019**	**2018**	**2017**	**2016**	**2015**
$ 1,348,970	$ 1,337,179	$ 1,341,205	$ 1,195,231	$ 1,186,903	$ 1,215,838
(1,462,452)	(1,339,464)	(1,229,438)	(1,197,081)	(1,187,953)	(1,215,838)
$ (113,482)	$ (2,285)	$ 111,767	$ (1,850)	$ (1,050)	$ 0
$ 15,860,745	$ 14,248,681	$ 14,711,933	$ 13,395,252	$ 12,662,435	$ 11,687,687
9.22%	9.40%	8.36%	8.94%	9.38%	10.40%

See accompanying notes to the required supplementary information.

Exhibit B-2, continued

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2024
(Unaudited)

	Fiscal Year End		
	2024	**2023**	**2022**
Total OPEB liability			
Service cost	$ 64,720	$ 88,899	$ 98,472
Interest	77,242	55,055	60,733
Change of benefit terms	881,962	(4,617)	(8,904)
Differences between expected and actual experience	316,031	(63,943)	(15,645)
Changes in assumptions	(85,908)	(355,815)	(287,684)
Benefit payments, including refunds of member contributions	(89,771)	(35,425)	(37,805)
Net change in total OPEB liability	1,164,276	(315,846)	(190,833)
Total OPEB liability - beginning	2,161,743	2,477,589	2,668,422
Total OPEB liability - ending (a)	$ 3,326,019	$ 2,161,743	$ 2,477,589
Plan fiduciary net position			
Contributions - employer	$ 89,771	$ 35,425	$ 37,805
Benefit payments, including refunds of member contributions	(89,771)	(35,425)	(37,805)
Net change in plan fiduciary net position	0	0	0
Plan fiduciary net position - beginning	0	0	0
Plan fiduciary net position - ending (b)	$ 0	$ 0	$ 0
Net OPEB liability (asset) - ending : (a) - (b)	$ 3,326,019	$ 2,161,743	$ 2,477,589
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered employee payroll	$ 16,530,416	$ 15,531,687	$ 15,189,914
Plan net OPEB liability as a percentage of covered employee payroll	20.12%	13.92%	16.31%

Note: Fiscal year 2018 was the first year of implementation. Therefore, years prior are not reported.

Fiscal Year End			
2021	2020	2019	2018
$ 71,323	$ 93,323	$ 94,178	$ 111,817
81,343	116,790	108,759	92,935
(38,450)	(112,209)	0	0
(60,538)	188,568	(60,250)	(69,070)
383,816	(910,321)	(101,521)	(268,511)
(43,283)	(52,900)	(67,970)	(76,910)
394,211	(676,749)	(26,804)	(209,739)
2,274,211	2,950,960	2,977,764	3,187,503
$ 2,668,422	$ 2,274,211	$ 2,950,960	$ 2,977,764
$ 43,283	$ 52,900	$ 67,970	$ 76,910
(43,283)	(52,900)	(67,970)	(76,910)
0	0	0	0
0	0	0	0
$ 0	$ 0	$ 0	$ 0
$ 2,668,422	$ 2,274,211	$ 2,950,960	$ 2,977,764
0.00%	0.00%	0.00%	0.00%
$ 13,448,107	$ 13,152,183	$ 13,397,582	$ 13,397,582
19.84%	17.29%	22.03%	22.23%

Pension Plan

1. Valuation Date

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

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Projected Unit Credit

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 12 years

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

Net investment rate of return = 7.375%

Projected salary increases = 2.25% plus service-based merit increases

Cost of living adjustments = N/A

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active participant mortality rates were based on the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

Pension Plan (continued)

3. Changes in Benefits

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

4. Changes of Assumptions

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

OPEB Plan

1. Valuation Date

The actuarially determined contribution rates are determined as of June 30, based on the most recent valuation date, two years prior to the end of the fiscal year in which contributions are reported.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age level percent of pay

Asset valuation method = Market value

Projected salary increases = 3.00 to 8.50%, including inflation

Inflation = 2.25%

Discount rate = 3.65%. This changed from 3.54% the previous year

Healthcare cost trend rates = (1.79%) for the first year, then 7.25% trended down to 4.5% over 11 years

Mortality = Healthy mortality rates were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. Active participant mortality rates were based on the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

OPEB Plan (continued)

3. Changes in Benefits

Effective 1/1/2022 the Out Of Pocket Maximum for both plans increased by $500 for individual coverage and by $1,000 for family.

Effective 1/1/2024, the Emergency Room copay for both plans increased from $200 to $500. For the purposes of this valuation the cost impact of the increase was consider to be negligible.

Eligibility requirements for plan enrollment was reduced from retired on or after 62 (age 60 if a public safety employee with 20 years of service and receiving a pension, to retired on or after age 60 with 5 years of service and receiving a pension for all.

4. Changes of Assumptions

The discount rate from the Bond Buyer 20-Bond GO Index for June 30, 2023 was 3.65%. For June 30, 2022 it was 3.54%.

Starting per capital health costs, contribution rates, and trend rates were updated to reflect the most recent claims experience.

The actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender, and status (active vs retired) from Segal's claim data warehouse.

SUPPLEMENTARY INFORMATION

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COMBINING STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

CITY OF CARROLLTON, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue				
	Hotel/Motel Tax	**Drug Seizure**	**Regional Hazardous Material Team**	**West Metro Regional Drug Enforcement**	**Neighborhood Stabilization Program**
ASSETS					
Cash and cash equivalents	$ 900,306	$ 470,598	$ 31,653	$ 1,817,364	$ 1,028,735
Certificates of deposit	0	0	0	1,000,000	0
Receivables					
Accounts	0	0	0	0	0
Taxes	203,523	0	0	0	0
Intergovernmental	0	0	0	119,278	27,174
Interest	0	0	0	38,274	0
Prepaid items	27,815	0	0	0	0
Due from other funds	0	2,580	0	0	0
Total assets	$ 1,131,644	$ 473,178	$ 31,653	$ 2,974,916	$ 1,055,909
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 314,085	$ 4,856	$ 0	$ 11,867	$ 500
Due to other funds	0	0	0	30,004	13,393
Unearned revenue	0	0	0	9,500	0
Due to others	0	161,685	0	719,218	0
Total liabilities	314,085	166,541	0	770,589	13,893
Deferred Inflows of Resources					
Unavailable revenue - property taxes	0	0	0	0	0
Unavailable revenue - fines, fees,and forfeitures	0	0	0	0	0
Total deferred inflows of resources	0	0	0	0	0
Fund balances					
Nonspendable for:					
Prepaid items	27,815	0	0	0	0
Restricted for:					
Public Safety	0	306,637	31,653	2,204,327	0
Housing and Development	0	0	0	0	1,042,016
Grant specifications	0	0	0	0	0
Assigned for:					
Housing and Development	789,744	0	0	0	0
Total fund balances	817,559	306,637	31,653	2,204,327	1,042,016
Total liabilities, deferred inflows of resources and fund balances	$ 1,131,644	$ 473,178	$ 31,653	$ 2,974,916	$ 1,055,909

Special Revenue				Capital Projects	
American Rescue Plan	Police Technology	Opioid Settlement	Tax Allocation District	Capital Projects Fund for Public Roads	Total Nonmajor Governmental Funds
$ 83,069	$ 42,023	$ 218,181	$ 409,186	$ 0	$ 5,001,115
0	0	0	0	0	1,000,000
0	0	936,799	0	0	936,799
0	0	0	23,041	0	226,564
0	0	0	0	0	146,452
0	0	0	0	0	38,274
0	0	0	0	0	27,815
0	0	0	0	0	2,580
$ 83,069	$ 42,023	$ 1,154,980	$ 432,227	$ 0	$ 7,379,599
$ 0	$ 0	$ 0	$ 0	$ 0	$ 331,308
0	0	0	0	0	43,397
30,510	0	0	0	0	40,010
0	0	0	0	0	880,903
30,510	0	0		0	1,295,618
0	0	0	13,079	0	13,079
0	0	889,264	0	0	889,264
0	0	889,264	13,079	0	902,343
0	0	0	0	0	27,815
0	42,023	265,716	0	0	2,850,356
0	0	0	419,148	0	1,461,164
52,559	0	0	0	0	52,559
0	0	0	0	0	789,744
52,559	42,023	265,716	419,148	0	5,181,638
$ 83,069	$ 42,023	$ 1,154,980	$ 432,227	$ 0	$ 7,379,599

CITY OF CARROLLTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2024

	Special Revenue				
	Hotel/Motel Tax	Drug Seizure	Regional Hazardous Material Team	West Metro Regional Drug Enforcement	Neighborhood Stabilization Program
REVENUES					
Taxes	$ 1,132,166	$ 0	$ 0	$ 0	$ 0
Fines, fees, and forfeitures	0	104,120	0	243,084	0
Charges for services	0	0	9,000	0	0
Intergovernmental	0	0	0	567,074	0
Interest	6,499	0	278	48,566	7,655
Other	0	0	0	1,680	0
Total revenues	1,138,665	104,120	9,278	860,404	7,655
EXPENDITURES					
Current					
Public Safety	0	138,011	16,544	658,629	0
Housing and Development	1,138,834	0	0	0	0
Total expenditures	1,138,834	138,011	16,544	658,629	0
Excess (deficiency) of revenues over (under) expenditures	(169)	(33,891)	(7,266)	201,775	7,655
Other financing sources (uses)					
Transfers out	0	0	0	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(169)	(33,891)	(7,266)	201,775	7,655
Fund balances, July 1 (as previously presented)	817,728	340,528	38,919		1,034,361
Change within financial reporting entity	0	0	0	2,002,552	0
Fund balances, July 1 (restated)	817,728	340,528	38,919	2,002,552	1,034,361
Fund balances, June 30	$ 817,559	$ 306,637	$ 31,653	$ 2,204,327	$ 1,042,016

Special Revenue				Capital Projects	
American Rescue Plan	Police Technology	Opioid Settlement	Tax Allocation District	Capital Projects Fund for Public Roads	Total Nonmajor Governmental Funds
$ 0	$ 0	$ 0	$ 417,572	$ 0	$ 1,549,738
0	33,059	189,658	0	0	569,921
0	0	0	0	0	9,000
0	0	0	0	0	567,074
236	189	1,284	1,576	1,558	67,841
0	0	0	0	0	1,680
236	33,248	190,942	419,148	1,558	2,765,254
0	0	56,356	0	0	869,540
0	0	0	0	0	1,138,834
0	0	56,356	0	0	2,008,374
236	33,248	134,586	419,148	1,558	756,880
0	0	0	0	(397,239)	(397,239)
236	33,248	134,586	419,148	(395,681)	359,641
	8,775	131,130	0	395,681	2,767,122
52,323	0	0	0	0	2,054,875
52,323	8,775	131,130	0	395,681	4,821,997
$ 52,559	$ 42,023	$ 265,716	$ 419,148	$ 0	$ 5,181,638

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GENERAL FUND

The general operating fund of the City is used to account for all financial resources except those required to be accounted for in another fund.

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 22,761,345	$ 21,578,043
Receivables (net)		
Accounts	238,734	173,511
Intergovernmental	226,987	201,027
Taxes	1,089,041	977,369
Other	5,967	0
Prepaid items	286,152	269,150
Due from other funds	44,320	43,985
Restricted assets		
Cash and cash equivalents	21,123	20,163
Total assets	$ 24,673,669	$ 23,263,248
LIABILITIES		
Accounts payable	$ 559,745	$ 783,578
Accrued liabilities	2,339	41,993
Accrued salaries and payroll liabilities	599,863	585,219
Unearned revenue	81,534	52,705
Due to others	417,306	228,581
Due to other funds	50,085	47,639
Total liabilities	1,710,872	1,739,715
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	90,211	61,781
FUND BALANCES		
Nonspendable		
Prepaid items	286,152	269,150
Unassigned	22,586,434	21,192,602
Total fund balances	22,872,586	21,461,752
Total liabilities, deferred inflows of resources and fund balances	$ 24,673,669	$ 23,263,248

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
REVENUES		
Taxes	$ 21,964,221	$ 21,297,802
Licenses and permits	695,394	659,276
Fines, fees and forfeitures	858,281	977,553
Charges for services	5,437,611	6,118,613
Intergovernmental	2,445,420	2,023,931
Interest	800,464	400,716
Other	305,366	199,503
Total revenues	32,506,757	31,677,394
EXPENDITURES		
Current		
General Government	3,655,534	13,764,097
Public Safety	18,188,011	16,677,162
Public Works	1,820,985	1,954,760
Culture and Recreation	7,043,948	7,290,283
Housing and Development	874,998	758,752
Total current	31,583,476	40,445,054
Debt Service		
Public Safety	280,444	161,444
Total expenditures	31,863,920	40,606,498
Excess (deficiency) of revenues over (under) expenditures	642,837	(8,929,104)
Other financing sources (uses)		
Transfers in (out)		
American Rescue Plan Fund	0	8,776,741
General Capital Projects Fund	(3,500,000)	0
Water and Sewerage Fund	3,150,000	3,908,299
Sanitation Fund	0	314,960
Inception of leases	1,108,205	0
Proceeds from sale of assets	9,792	2,058
Total other financing sources (uses)	767,997	13,002,058
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,410,834	4,072,954
Fund balances, July 1	21,461,752	17,388,798
Fund balances, June 30	$ 22,872,586	$ 21,461,752

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Real and personal tax	$ 5,075,000	$ 5,448,151	$ 373,151	$ 5,206,775
Motor vehicle tax	925,000	1,177,717	252,717	1,069,637
Penalties and interest	25,000	62,378	37,378	51,631
Total general property taxes	6,025,000	6,688,246	663,246	6,328,043
Local option sales tax	6,250,000	7,024,922	774,922	6,764,688
Insurance premium tax	2,279,275	2,370,296	91,021	2,252,852
Intangibles tax	115,000	83,458	(31,542)	76,159
Real estate transfer tax	0	0	0	37,026
Franchise tax	3,100,000	2,938,573	(161,427)	2,957,635
Alcohol excise tax	900,000	815,981	(84,019)	844,520
Occupational tax	1,600,000	1,879,673	279,673	1,842,175
Energy excise tax	130,000	163,072	33,072	194,704
Total taxes	20,399,275	21,964,221	1,564,946	21,297,802
Licenses and permits				
Alcohol licenses	300,000	263,252	(36,748)	257,667
Building permits	350,000	432,142	82,142	401,609
Total licenses and permits	650,000	695,394	45,394	659,276
Fines, fees and forfeitures	1,000,000	858,281	(141,719)	977,553
Charges for Services				
Reimbursement of joint expenses	3,349,791	3,349,791	0	4,032,111
Recreation fees	874,934	1,142,837	267,903	1,169,647
Main Street events	30,000	115,976	85,976	106,317
Cemetery charges	20,000	49,673	29,673	45,523
Cultural arts fees	436,265	473,219	36,954	519,995
Other	222,000	306,115	84,115	245,020
Total charges for services	4,932,990	5,437,611	504,621	6,118,613
Intergovernmental	2,169,527	2,445,420	275,893	2,023,931
Interest	354,310	800,464	446,154	400,716
Other				
Rental Income	65,000	18,600	(46,400)	16,560
Miscellaneous	573,850	286,766	(287,084)	182,943
Total other	638,850	305,366	(333,484)	199,503
Total revenues	$ 30,144,952	$ 32,506,757	$ 2,361,805	$ 31,677,394

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Mayor and Council				
Personal services	$ 95,744	$ 88,326	$ 7,418	$ 104,546
Contract services	91,500	79,595	11,905	105,356
Materials and supplies	0	136	(136)	0
Total Mayor and Council	187,244	168,057	19,187	209,902
City Manager				
Personal services	351,881	354,772	(2,891)	365,397
Contract services	23,900	18,966	4,934	19,894
Materials and supplies	250	448	(198)	0
Total City Manager	376,031	374,186	1,845	385,291
General Administration				
Personal services	172,553	168,297	4,256	146,344
Contract services	723,400	629,219	94,181	661,900
Materials and supplies	323,000	277,933	45,067	273,426
Capital outlay	0	31,556	(31,556)	37,015
Payments to others	100,000	80,000	20,000	10,085,000
Total General Administration	1,318,953	1,187,005	131,948	11,203,685
Finance and Purchasing				
Personal services	388,415	292,737	95,678	370,672
Contract services	18,600	17,057	1,543	11,311
Materials and supplies	0	1,011	(1,011)	0
Total Finance and Purchasing	407,015	310,805	96,210	381,983
Human Resources				
Personal services	494,557	433,548	61,009	404,935
Contract services	13,424	14,510	(1,086)	9,397
Materials and supplies	4,800	92	4,708	0
Total Human Resources	512,781	448,150	64,631	414,332
Information Technology				
Personal services	277,140	278,863	(1,723)	265,458
Contract services	268,447	242,067	26,380	256,876
Materials and supplies	5,000	0	5,000	599
Capital outlay	154,776	10,086	144,690	8,973
Total Information Technology	705,363	531,016	174,347	531,906
General Maintenance				
Personal services	29,939	28,609	1,330	25,554
Contract services	4,100	4,116	(16)	3,652
Total General Maintenance	34,039	32,725	1,314	29,206
Marketing-Public Relations				
Personal services	156,967	157,407	(440)	146,379
Contract services	148,000	127,764	20,236	135,990
Material and supplies	87,750	80,311	7,439	92,004
Total Marketing-Public Relations	392,717	365,482	27,235	374,373
Legal				
Contract services	240,000	238,108	1,892	233,419
Total General Government	4,174,143	3,655,534	518,609	13,764,097

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
Public Safety				
Police Department				
Personal services	$ 8,728,100	$ 8,472,997	$ 255,103	$ 7,880,510
Contract services	1,120,680	1,168,683	(48,003)	1,129,360
Materials and supplies	402,039	381,600	20,439	483,169
Capital outlay	1,131,120	1,158,823	(27,703)	173,473
Total Police Department	11,381,939	11,182,103	199,836	9,666,512
Mental Crisis Response Unit				
Personal services	414,000	363,692	50,308	288,295
Contract services	0	31,037	(31,037)	910
Materials and supplies	0	13,905	(13,905)	112,149
Capital outlay	0	0	0	46,085
Total Mental Crisis Response Unit	414,000	408,634	5,366	447,439
Fire Department				
Personal services	6,446,113	5,957,267	488,846	5,863,085
Contract services	367,300	331,659	35,641	411,958
Materials and supplies	296,300	277,241	19,059	270,171
Capital outlay	0	31,107	(31,107)	17,997
Total Fire Department	7,109,713	6,597,274	512,439	6,563,211
Total Public Safety	18,905,652	18,188,011	717,641	16,677,162
Public Works				
Street Department				
Contract services	118,200	94,894	23,306	109,350
Materials and supplies	101,500	64,719	36,781	83,246
Total Street Department	219,700	159,613	60,087	192,596
Engineering				
Personal services	824,104	669,690	154,414	711,868
Contract services	197,100	104,078	93,022	202,378
Materials and supplies	458,000	455,047	2,953	407,193
Total Engineering	1,479,204	1,228,815	250,389	1,321,439
Garage				
Personal services	455,005	401,104	53,901	383,931
Contract services	21,100	10,441	10,659	17,427
Materials and supplies	55,950	21,012	34,938	39,367
Capital outlay	9,000	0	9,000	0
Total Garage	541,055	432,557	108,498	440,725
Total Public Works	2,239,959	1,820,985	418,974	1,954,760

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
Culture and Recreation				
Library				
Payments to others	$ 312,000	$ 312,000	$ 0	$ 312,000
Recreation Administration				
Personal services	371,022	400,160	(29,138)	465,974
Contract services	150,825	126,126	24,699	150,975
Materials and supplies	480,160	501,357	(21,197)	444,878
Total Recreation Administration	1,002,007	1,027,643	(25,636)	1,061,827
Recreation Parks				
Personal services	1,712,789	1,447,587	265,202	1,292,825
Contract services	665,835	620,127	45,708	672,342
Materials and supplies	99,000	88,690	10,310	92,641
Capital outlay	0	127,538	(127,538)	454,244
Total Recreation Parks	2,477,624	2,283,942	193,682	2,512,052
Recreation Programs				
Personal services	829,183	724,920	104,263	756,866
Contract services	56,700	49,848	6,852	49,823
Materials and supplies	258,259	359,438	(101,179)	349,229
Total Recreation Programs	1,144,142	1,134,206	9,936	1,155,918
Cultural Arts				
Personal services	694,958	634,186	60,772	584,355
Contract services	337,605	388,161	(50,556)	375,398
Materials and supplies	201,067	218,464	(17,397)	189,541
Total Cultural Arts	1,233,630	1,240,811	(7,181)	1,149,294
Recreation Athletics				
Personal services	1,015,326	837,336	177,990	904,481
Contract services	116,013	63,029	52,984	82,856
Materials and supplies	141,013	144,981	(3,968)	111,855
Total Recreation Athletics	1,272,352	1,045,346	227,006	1,099,192
Total Culture and Recreation	7,441,755	7,043,948	397,807	7,290,283

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
Housing and Development				
Planning Administration				
Personal services	$ 458,642	$ 458,590	$ 52	$ 423,533
Contract services	112,758	104,363	8,395	14,865
Materials and supplies	1,000	542	458	673
Total Planning Administration	572,400	563,495	8,905	439,071
Code Enforcement				
Personal services	193,931	163,112	30,819	173,265
Contract services	10,700	8,923	1,777	5,309
Materials and supplies	3,650	1,275	2,375	1,317
Total Code Enforcement	208,281	173,310	34,971	179,891
Convention and Visitor's Association Inc.				
Personal services	165,333	0	165,333	0
Contract services	97,040	0	97,040	0
Materials and supplies	145,610	0	145,610	0
Total Convention and Visitor's Association, Inc.	407,983	0	407,983	0
Main Street Division				
Personal services	97,159	83,036	14,123	85,999
Contract services	21,225	18,301	2,924	18,501
Materials and supplies	48,100	36,856	11,244	35,290
Capital outlay	6,000	0	6,000	0
Total Main Street Division	172,484	138,193	34,291	139,790
Total Housing and Development	1,361,148	874,998	486,150	758,752
Total Current	34,122,657	31,583,476	2,539,181	40,445,054
Debt Service				
Police Department	280,500	280,444	56	161,444
Total Expenditures	$ 34,403,157	$ 31,863,920	$ 2,539,237	$ 40,606,498

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Hotel/Motel Tax Fund - Used to collect Hotel/Motel taxes which are used to support trade and tourism in the City of Carrollton.

Drug Seizure Fund - Used to account for the assets received from a drug confiscation.

Regional Hazardous Material Team Fund - Used to account for revenues and expenditures restricted for use by the Hazardous Material Team.

West Metro Regional Drug Enforcement Fund - Used to account for local and federal monies restricted for the West Metro Drug Enforcement Unit.

Neighborhood Stabilization Program Fund - Used to account for intergovernmental revenue and contributions received for impoverished housing and development projects in the City of Carrollton.

American Rescue Plan Fund – Used to account for revenues and expenditures of the American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund.

Police Technology Fund – This fund is used to account for funds restricted for Police technology.

Opioid Settlement Fund – This fund is used to account for proceeds from national opioid settlements.

Tax Allocation District Fund – This fund is used to account for ad valorem property tax collections derived from the City tax allocation districts for the purpose of stimulating private redevelopment within these areas.

CITY OF CARROLLTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 900,306	$ 766,821
Taxes receivable	203,523	200,467
Prepaid items	27,815	28,815
Total assets	$ 1,131,644	$ 996,103
LIABILITIES		
Accounts payable	$ 314,085	$ 178,375
FUND BALANCES		
Nonspendable		
Prepaid items	27,815	28,815
Assigned for Housing and Development	789,744	788,913
Total fund balances	817,559	817,728
Total liabilities and fund balances	$ 1,131,644	$ 996,103

CITY OF CARROLLTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 1,320,000	$ 1,132,166	$ (187,834)	$ 1,133,252
Interest	0	6,499	6,499	4,339
Contributions	0	0	0	10,000
Total revenues	1,320,000	1,138,665	(181,335)	1,147,591
EXPENDITURES				
Current				
Housing and Development				
Contract services	500,896	387,564	113,332	324,790
Capital outlay	241,604	250,976	(9,372)	244,751
Payments to others	577,500	500,294	77,206	510,004
Total expenditures	1,320,000	1,138,834	181,166	1,079,545
Excess (deficiency) of revenues over (under) expenditures	0	(169)	(169)	68,046
Fund balance, July 1	0	817,728	817,728	749,682
Fund balances, June 30	$ 0	$ 817,559	$ 817,559	$ 817,728

CITY OF CARROLLTON, GEORGIA
DRUG SEIZURE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 470,598	$ 477,657
Due from other funds	2,580	0
Total assets	$ 473,178	$ 477,657
LIABILITIES		
Accounts payable	$ 4,856	$ 0
Due to others	161,685	137,129
Total liabilities	166,541	137,129
FUND BALANCES		
Restricted for Public Safety	306,637	340,528
Total liabilities and fund balances	$ 473,178	$ 477,657

CITY OF CARROLLTON, GEORGIA
DRUG SEIZURE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 100,000	$ 104,120	$ 4,120	$ 194,122
Total revenues	100,000	104,120	4,120	194,122
EXPENDITURES				
Current				
Public Safety				
Contract services	100,000	14,507	85,493	27,231
Materials and supplies	0	30,340	(30,340)	41,402
Capital outlay	0	49,299	(49,299)	92,939
Payments to others	40,000	43,865	(3,865)	30,938
Total expenditures	140,000	138,011	1,989	192,510
Excess (deficiency) of revenues over (under) expenditures	(40,000)	(33,891)	6,109	1,612
Other financing sources (uses)				
Proceeds from sale of assets	0	0	0	20,938
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(40,000)	(33,891)	6,109	22,550
Fund balance, July 1	40,000	340,528	300,528	317,978
Fund balances, June 30	$ 0	$ 306,637	$ 306,637	$ 340,528

CITY OF CARROLLTON, GEORGIA
REGIONAL HAZARDOUS MATERIAL TEAM SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 31,653	$ 38,919
Total assets	$ 31,653	$ 38,919
FUND BALANCES		
Restricted for Public Safety	$ 31,653	$ 38,919
Total fund balances	$ 31,653	$ 38,919

CITY OF CARROLLTON, GEORGIA
REGIONAL HAZARDOUS MATERIAL TEAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 3,000	$ 9,000	$ 6,000	$ 9,000
Interest	500	278	(222)	279
Total revenues	3,500	9,278	5,778	9,279
EXPENDITURES				
Current				
Public Safety				
Contract services	1,750	0	1,750	487
Materials and supplies	16,750	16,544	206	6,193
Total expenditures	18,500	16,544	1,956	6,680
Excess (deficiency) of revenues over (under) expenditures	(15,000)	(7,266)	7,734	2,599
Fund balance, July 1	15,000	38,919	23,919	36,320
Fund balances, June 30	$ 0	$ 31,653	$ 31,653	$ 38,919

CITY OF CARROLLTON, GEORGIA
WEST METRO REGIONAL DRUG ENFORCEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 1,817,364	$ 2,575,557
Certificates of deposit	1,000,000	0
Intergovernmental receivable	119,278	118,248
Interest receivable	38,274	0
Total assets	$ 2,974,916	$ 2,693,805
LIABILITIES		
Accounts payable	$ 11,867	$ 75,662
Due to other funds	30,004	16,629
Unearned revenue	9,500	15,500
Due to others	719,218	583,462
Total liabilities	770,589	691,253
FUND BALANCES		
Restricted for Public Safety	2,204,327	2,002,552
Total liabilities and fund balances	$ 2,974,916	$ 2,693,805

CITY OF CARROLLTON, GEORGIA
WEST METRO REGIONAL DRUG ENFORCEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 200,000	$ 243,084	$ 43,084	$ 506,126
Intergovernmental	500,000	567,074	67,074	531,124
Interest	0	48,566	48,566	12,771
Other	0	1,680	1,680	1,100
Total revenues	700,000	860,404	160,404	1,051,121
EXPENDITURES				
Current				
Public Safety				
Personal services	400,000	376,931	23,069	350,580
Contract services	150,000	154,469	(4,469)	164,086
Materials and supplies	100,000	89,914	10,086	103,363
Capital outlay	50,000	37,315	12,685	369,720
Total expenditures	700,000	658,629	41,371	987,749
Excess (deficiency) of revenues over (under) expenditures	0	201,775	201,775	63,372
Other financing sources (uses)				
Proceeds from sale of assets	0	0	0	38,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	201,775	201,775	101,372
Fund balance, July 1	0	2,002,552	2,002,552	1,901,180
Fund balances, June 30	$ 0	$ 2,204,327	$ 2,204,327	$ 2,002,552

CITY OF CARROLLTON, GEORGIA
NEIGHBORHOOD STABILIZATION PROGRAM SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 1,028,735	$ 1,021,080
Intergovernmental receivable	27,174	27,174
Total assets	$ 1,055,909	$ 1,048,254
LIABILITIES		
Accounts payable	$ 500	$ 500
Due to other funds	13,393	13,393
Total liabilities	13,893	13,893
FUND BALANCES		
Restricted for Housing and Development	1,042,016	1,034,361
Total liabilities and fund balances	$ 1,055,909	$ 1,048,254

CITY OF CARROLLTON, GEORGIA
NEIGHBORHOOD STABILIZATION PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Interest	$ 6,500	$ 7,655	$ 1,155	$ 6,255
Other	0	0	0	28,800
Total revenues	6,500	7,655	1,155	35,055
EXPENDITURES	1,020,000	0	1,020,000	0
Excess (deficiency) of revenues over (under) expenditures	(1,013,500)	7,655	1,021,155	35,055
Fund balance, July 1	1,013,500	1,034,361	20,861	999,306
Fund balances, June 30	$ 0	$ 1,042,016	$ 1,042,016	$ 1,034,361

City of Carrollton, Georgia
Budgetary Comparison Schedule - Major Neighborhood Stabilization Program Fund NSP 1
Project Budget and Actual, Project to Date
For the fiscal year ended June 30, 2024

	Activity Number	Project Budget	Prior Project to Date Total	Current Year	Project to Date Total	Variance
REVENUES						
Grant Income	N/A	$ 3,406,991	$ 3,276,758	$ 0	$ 3,276,758	$ (130,233)
Program Income	N/A	0	5,389,075	0	5,389,075	5,389,075
Other	N/A	0	97,536	0	97,536	97,536
Interest Income	N/A	0	17,709	5,167	22,876	22,876
Total Revenues		3,406,991	8,781,078	5,167	8,786,245	5,379,254
Expenditures						
Acquisition	5050-001-B-H	740,749	2,535,568	0	2,535,568	(1,794,819)
Acquisition	5050-001-B-I	1,715,156	2,572,706	0	2,572,706	(857,550)
House Rehabilitation	5050-14A-B-H	139,712	722,647	0	722,647	(582,935)
House Rehabilitation	5050-14AB-I	242,811	661,808	0	661,808	(418,997)
Down payment and closing cost	5050-013-A-H	28,337	208,626	0	208,626	(180,289)
Down payment and closing cost	505-013-A-I	63,185	392,417	0	392,417	(329,232)
Clearance	505-004-D-I	272,622	322,385	0	322,385	(49,763)
Administration	5050-21A-X	204,419	365,198	0	365,198	(160,779)
Other		0	66,410	0	66,410	(66,410)
Selling costs paid by seller		0	427,649	0	427,649	(427,649)
Total Expenditures		3,406,991	8,275,414	0	8,275,414	(4,868,423)
Excess (deficiency) of revenues over (under) expenditures		$ 0	$ 505,664	$ 5,167	$ 510,831	$ 510,831

City of Carrollton, Georgia
Budgetary Comparison Schedule - Major Neighborhood Stabilization Program Fund NSP 3
Project Budget and Actual, Project to Date
For the fiscal year ended June 30, 2024

	Activity Number	Project Budget	Prior Project to Date Total	Current Year	Project to Date Total	Variance
REVENUES						
Grant Income	N/A	$ 1,142,774	$ 1,012,115	$ 0	$ 1,012,115	$ (130,659)
Program Income	N/A	0	1,804,475	0	1,804,475	1,804,475
Other	N/A	0	34,453	0	34,453	34,453
Interest Income	N/A	0	3,872	2,488	6,360	6,360
Total Revenues		1,142,774	2,854,915	2,488	2,857,403	1,714,629
Expenditures						
Acquisition	6012-001-B-H	225,000	1,290,331	0	1,290,331	(1,065,331)
Acquisition	6012-001-B-I	572,000	493,202	0	493,202	78,798
House Rehabilitation	6012-14A-B-H	135,599	647,475	0	647,475	(511,876)
House Rehabilitation	6012-14A-B-I	118,752	143,664	0	143,664	(24,912)
Down payment and closing cost	6012-013-A-H	15,000	108,048	0	108,048	(93,048)
Down payment and closing cost	6012-013-A-I	5,000	53,400	0	53,400	(48,400)
Administration	6012-21A-X	71,423	163,644	0	163,644	(92,221)
Other		0	77,136	0	77,136	(77,136)
Selling costs paid by seller		0	128,420	0	128,420	(128,420)
Total Expenditures		1,142,774	3,105,320	0	3,105,320	(1,962,546)
Excess (deficiency) of revenues over (under) expenditures		$ 0	$ (250,405)	$ 2,488	$ (247,917)	$ (247,917)

CITY OF CARROLLTON, GEORGIA
AMERICAN RESCUE PLAN SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 83,069	$ 82,833
Total assets	$ 83,069	$ 82,833
LIABILITIES		
Unearned revenue	$ 30,510	$ 30,510
FUND BALANCES		
Restricted for grant specifications	52,559	52,323
Total liabilities and fund balances	$ 83,069	$ 82,833

CITY OF CARROLLTON, GEORGIA
AMERICAN RESCUE PLAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 0	$ 0	$ 0	$ 10,032,460
Interest	0	236	236	51,644
Total revenues	0	236	236	10,084,104
EXPENDITURES	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	0	236	236	10,084,104
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	0	0	(8,776,741)
Water and Sewerage Fund	0	0	0	(940,759)
Sanitation Fund	0	0	0	(314,960)
Total other financing sources (uses)	0	0	0	(10,032,460)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	236	236	51,644
Fund balances, July 1	0	52,323	52,323	679
Fund balances, June 30	$ 0	$ 52,559	$ 52,559	$ 52,323

CITY OF CARROLLTON, GEORGIA
POLICE TECHNOLOGY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 42,023	$ 8,775
Total assets	$ 42,023	8,775
FUND BALANCES		
Restricted for public safety	42,023	8,775
Total fund balances	$ 42,023	$ 8,775

CITY OF CARROLLTON, GEORGIA
POLICE TECHNOLOGY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 30,000	$ 33,059	$ 3,059	$ 8,770
Interest	0	189	189	5
Total revenues	30,000	33,248	3,248	8,775
EXPENDITURES	30,000	0	0	0
Excess (deficiency) of revenues over (under) expenditures	0	33,248	33,248	8,775
Fund balances, July 1	0	8,775	8,775	0
Fund balances, June 30	$ 0	$ 42,023	$ 42,023	$ 8,775

CITY OF CARROLLTON, GEORGIA
OPIOID SETTLEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 218,181	$ 122,775
Accounts receivable	936,799	525,453
Total assets	$ 1,154,980	$ 648,228
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - Fines, fees, and forfeitures	$ 889,264	$ 517,098
FUND BALANCES		
Restricted for public safety	265,716	131,130
Total deferred inflows of resources and fund balances	$ 1,154,980	$ 648,228

CITY OF CARROLLTON, GEORGIA
OPIOID SETTLEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024
(With comparative actual amounts for the fiscal year ending June 30, 2023)

	2024			2023
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 0	$ 189,658	$ 189,658	$ 135,119
Interest	0	1,284	1,284	69
Total revenues	0	190,942	190,942	135,188
EXPENDITURES				
Current				
Public safety				
Materials and supplies	135,000	36,121	98,879	4,058
Capital outlay	0	20,235	(20,235)	0
Total expenditures	135,000	56,356	78,644	4,058
Excess (deficiency) of revenues over (under) expenditures	(135,000)	134,586	269,586	131,130
Fund balances, July 1	135,000	131,130	(3,870)	0
Fund balances, June 30	$ 0	$ 265,716	$ 265,716	$ 131,130

CITY OF CARROLLTON, GEORGIA
TAX ALLOCATION DISTRICT SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2024

ASSETS		
Cash and cash equivalents	$	409,186
Taxes receivable		23,041
Total assets	$	432,227
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes		13,079
FUND BALANCES		
Restricted for housing and development		419,148
Total deferred inflows of resources and fund balances	$	432,227

CITY OF CARROLLTON, GEORGIA
TAX ALLOCATION DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Taxes	$ 400,000	$ 417,572	$ 17,572
Interest	0	1,576	1,576
Total revenues	400,000	419,148	19,148
EXPENDITURES	400,000	0	0
Excess (deficiency) of revenues over (under) expenditures	0	419,148	419,148
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 419,148	$ 419,148

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CAPITAL PROJECTS FUNDS

These funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects

2021 SPLOST Fund – Used to account for long-term projects financed by the passage of the Carroll County, Georgia 2021 special purpose local option sales tax.

Capital Projects Fund for Public Roads – Used to account for road construction projects financed by LMIG and other resources.

General Capital Projects Fund – Used to account for capital projects funded by amounts committed by Mayor and Council for capital outlay.

CITY OF CARROLLTON, GEORGIA
2021 SPLOST CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 1,503,269	$ 1,873,724
Intergovernmental receivable	1,338,531	1,071,945
Total assets	$ 2,841,800	$ 2,945,669
LIABILITIES		
Payables		
Accounts	188,833	570,122
Retainages	51,407	553,812
Due to other funds	0	11,752
Total liabilities	240,240	1,135,686
FUND BALANCES		
Restricted for capital outlay	2,601,560	1,809,983
Total liabilities and fund balances	$ 2,841,800	$ 2,945,669

CITY OF CARROLLTON, GEORGIA
2021 SPLOST CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
REVENUES		
Intergovernmental	$ 7,879,715	$ 6,573,808
Interest	7,481	8,231
Total revenues	7,887,196	6,582,039
EXPENDITURES		
Capital outlay		
Public Safety	2,601,820	3,147,569
Public Works	2,093,889	669,131
Culture and Recreation	2,797,149	2,620,357
Total expenditures	7,492,858	6,437,057
Excess (deficiency) of revenues over (under) expenditures	394,338	144,982
Other financing sources (uses)		
Transfers in (out)		
Capital Projects Fund for Public Roads	397,239	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	791,577	144,982
Fund balances, July 1	1,809,983	1,665,001
Fund balances, June 30	$ 2,601,560	$ 1,809,983

CITY OF CARROLLTON, GEORGIA
CAPITAL PROJECTS FUND FOR PUBLIC ROADS
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 0	$ 396,969
LIABILITIES		
Due to other funds	$ 0	$ 1,288
FUND BALANCES		
Restricted for capital outlay	0	395,681
Total liabilities and fund balances	$ 0	$ 396,969

CITY OF CARROLLTON, GEORGIA
CAPITAL PROJECTS FUND FOR PUBLIC ROADS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
REVENUES		
Intergovernmental	$ 0	$ 316,172
Interest	1,558	3,423
Total revenues	1,558	319,595
EXPENDITURES		
Capital outlay		
Public Works	0	309,223
Total expenditures	0	309,223
Excess (deficiency) of revenues over (under) expenditures	1,558	10,372
Other financing sources (uses)		
Transfers in (out)		
2021 SPLOST Fund	(397,239)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(395,681)	10,372
Fund balances, July 1	395,681	385,309
Fund balances, June 30	$ 0	$ 395,681

CITY OF CARROLLTON, GEORGIA
GENERAL CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2024

ASSETS	
Cash and cash equivalents	$ 8,502,440
Total assets	$ 8,502,440
FUND BALANCES	
Committed for capital outlay	$ 8,502,440
Total fund balances	$ 8,502,440

CITY OF CARROLLTON, GEORGIA
GENERAL CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2024

REVENUES		
Interest	$	2,440
Total revenues		2,440
EXPENDITURES		0
Excess (deficiency) of revenues over (under) expenditures		2,440
Other financing sources (uses)		
Transfers in (out)		
General Fund		3,500,000
Water and Sewerage		4,500,000
Sanitation Fund		500,000
Total other financing sources (uses)		8,500,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses		8,502,440
Fund balances, July 1		0
Fund balances, June 30	$	8,502,440

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Water and Sewerage Fund - Used to account for activities connected with the development, operation and maintenance of water and sewer services in the City of Carrollton.

Sanitation Fund - Used to account for activities connected with the collection and disposal of residential, commercial, industrial and institutional solid waste in the City of Carrollton.

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 9,103,316	$ 8,311,156
Accounts receivable, net	2,668,658	3,000,145
Intergovernmental receivable	616,341	5,042,610
Lease receivable	20,221	0
Inventories	604,430	593,378
Prepaid items	159,680	151,096
Due from other funds	38,379	38,513
Total current assets	13,211,025	17,136,898
Restricted assets		
Customer Deposits		
Cash and cash equivalents	299,041	305,441
Total restricted assets	299,041	305,441
Noncurrent assets		
Lease receivable	1,483,677	0
Capital assets		
Land	8,933,978	8,933,978
Construction in progress	17,849,550	6,103,930
Buildings	7,436,973	7,427,085
Infrastructure	235,105	235,105
Distribution system	107,644,861	106,005,231
Vehicles and equipment	5,986,082	5,780,186
Accumulated depreciation	(56,143,214)	(53,577,056)
Total noncurrent assets	93,427,012	80,908,459
Total assets	106,937,078	98,350,798
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	1,130,077	1,527,523
Deferred outflows of resources related to OPEB	197,433	90,061
Total deferred outflows of resources	1,327,510	1,617,584

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2024 and 2023

	2024	2023
LIABILITIES		
Current liabilities		
Accounts payable	$ 978,451	$ 4,593,337
Retainages payable	749,486	524,827
Accrued liabilities	141,491	116,201
Compensated absences	76,753	54,687
Unearned revenue	946,523	773,055
Notes payable	584,409	25,000
Bonds payable	487,000	240,000
Current liabilities payable from restricted assets		
Customer deposits payable	299,041	305,441
Total current liabilities	4,263,154	6,632,548
Long-term liabilities		
Net pension liability	3,632,720	3,972,218
Net OPEB liability	606,701	365,733
Notes payable	14,557,258	5,531,130
Bonds payable	2,363,000	2,850,000
Total long-term liabilities	21,159,679	12,719,081
Total liabilities	25,422,833	19,351,629
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to leases	1,445,633	0
Deferred inflows of resources related to pensions	133,747	79,684
Deferred inflows of resources related to OPEB	177,727	200,015
Total deferred inflows of resources	1,757,107	279,699
NET POSITION		
Net investment in capital assets	72,946,738	73,007,522
Unrestricted	8,137,910	7,329,532
Total net position	$ 81,084,648	$ 80,337,054

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
OPERATING REVENUES		
Charges for sales and services		
Water sales	$ 12,191,141	$ 10,942,305
Sewer sales	8,492,640	7,736,407
Tap fees	1,473,410	1,107,381
Other	115,097	183,815
Total operating revenues	22,272,288	19,969,908
OPERATING EXPENSES		
Costs of sales and services	6,748,139	7,361,076
Personal services	5,018,434	4,465,198
Depreciation	2,584,126	2,504,009
Total operating expenses	14,350,699	14,330,283
Operating income (loss)	7,921,589	5,639,625
Non-operating revenues (expenses)		
Interest and investment earnings	157,344	83,596
Interest expense	(49,428)	(91,915)
Debt issuance costs	(50,000)	0
Reassignment of capital assets to governmental activities	0	(68,292)
Total non-operating revenues (expenses)	57,916	(76,611)
Net income (loss) before capital contributions and transfers	7,979,505	5,563,014
Capital contributions		
Intergovernmental	2,649	0
Capital contributions	415,440	169,225
Total capital contributions	418,089	169,225
Net income (loss) before transfers	8,397,594	5,732,239
Transfers in (out)		
General Fund	(3,150,000)	(3,908,299)
American Rescue Plan Fund	0	940,759
General Capital Projects Fund	(4,500,000)	0
Total transfers in (out)	(7,650,000)	(2,967,540)
Change in net position	747,594	2,764,699
Net position, July 1	80,337,054	77,572,355
Net position, June 30	$ 81,084,648	$ 80,337,054

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Receipts from customers	$ 22,597,481	$ 19,056,981
Payments to suppliers	(6,865,515)	(7,113,331)
Payments to employees	(4,747,759)	(4,538,034)
Other receipts	115,097	183,815
Net cash provided (used) by operating activities	11,099,304	7,589,431
Cash flows from non-capital financing activities:		
Receipts from other funds	134	940,759
Payments to other funds	(7,650,000)	(3,948,313)
Net cash provided (used) by non-capital financing activities	(7,649,866)	(3,007,554)
Cash flows from capital and related financing activities:		
Receipts from other governments	5,045,259	0
Payments for acquisitions of capital assets	(12,723,459)	(3,266,553)
Payment of capital related payables	(3,772,590)	(11,536)
Principal payments - promissory notes	(25,000)	(25,000)
Principal payments - bonds payable	(240,000)	(469,000)
Proceeds from notes payable	8,994,196	205,663
Debt issuance costs paid	(50,000)	0
Interest paid	(49,428)	(91,915)
Net cash provided (used) by capital and related financing activities	(2,821,022)	(3,658,341)
Cash flows from investing activities:		
Interest and investment earnings received	157,344	83,596
Net increase (decrease) in cash and cash equivalents	785,760	1,007,132
Cash and cash equivalents, July 1	8,616,597	7,609,465
Cash and cash equivalents, June 30	$ 9,402,357	$ 8,616,597

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 7,921,589	$ 5,639,625
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	2,584,126	2,504,009
(Increase) decrease in lease receivable	(1,503,898)	0
(Increase) decrease in accounts receivable	331,487	(887,142)
(Increase) decrease in inventories	(11,052)	(201,793)
(Increase) decrease in prepaid items	(8,584)	24,032
(Increase) decrease in deferred outflows related to pensions	54,063	(716,889)
(Increase) decrease in deferred outflows related to OPEB	(22,288)	(9,720)
Increase (decrease) in accounts payable	(97,740)	425,506
Increase (decrease) in unearned revenue	173,468	140,620
Increase (decrease) in accrued liabilities	25,290	7,583
Increase (decrease) in compensated absences	22,066	(12,041)
Increase (decrease) in customer deposits	(6,400)	17,410
Increase (decrease) in net pension liability	(339,498)	1,543,643
Increase (decrease) in net OPEB liability	240,968	(53,436)
Increase (decrease) in deferred inflows related to leases	1,445,633	0
Increase (decrease) in deferred inflows related to pensions	397,446	(795,932)
Increase (decrease) in deferred inflows related to OPEB	(107,372)	(36,044)
Total adjustments	3,177,715	1,949,806
Net cash provided (used) by operating activities	$ 11,099,304	$ 7,589,431
Cash and cash equivalents reconciliation:		
Cash and cash equivalents	$ 9,103,316	$ 8,311,156
Customer Deposits Cash and cash equivalents	299,041	305,441
Total cash and cash equivalents	$ 9,402,357	$ 8,616,597

Noncash investing, capital, and financing activities:

Acquisition of capital assets through capital related payables totaled $255,444 for 2024 and $3,772,590 for 2023.

Acquisition of capital assets through retainage payable totaled $224,659 for 2024 and $524,827 for 2023.

Acquisition of capital assets though developer noncash contributions totaled $415,440 for 2024 and $169,225 for 2023.

Increase in notes payable through intergovernmental receivable totaled $616,341 for 2024 and $5,042,610 for 2023.

CITY OF CARROLLTON, GEORGIA
SANITATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 2,468,683	$ 1,958,878
Accounts receivable, net	989,089	884,107
Prepaid items	49,537	46,807
Due from other funds	9,126	9,126
Total current assets	3,516,435	2,898,918
Capital assets		
Buildings	66,148	66,148
Vehicles and equipment	3,386,253	3,152,336
Accumulated depreciation	(2,741,086)	(2,690,473)
Total capital assets (net of accumulated depreciation)	711,315	528,011
Total assets	4,227,750	3,426,929
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	456,294	575,332
Deferred outflows of resources related to OPEB	59,625	43,936
Total deferred outflows of resources	515,919	619,268
LIABILITIES		
Current liabilities		
Accounts payable	218,145	168,816
Accrued liabilities	45,861	115,149
Compensated absences	31,485	27,438
Due to other funds	923	923
Total current liabilities	296,414	312,326
Long-term liabilities		
Net pension liability	1,466,793	1,496,109
Net OPEB liability	205,845	124,088
Total long-term liabilities	1,672,638	1,620,197
Total liabilities	1,969,052	1,932,523
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	35,109	73,563
Deferred inflows of resources related to OPEB	60,300	67,863
Total deferred inflows of resources	95,409	141,426
NET POSITION		
Investment in capital assets	711,315	528,011
Unrestricted	1,967,893	1,444,237
Total net position	$ 2,679,208	$ 1,972,248

CITY OF CARROLLTON, GEORGIA
SANITATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
OPERATING REVENUES		
Charges for sales and services		
Sanitation fees	$ 6,838,115	$ 6,152,567
Total operating revenues	6,838,115	6,152,567
OPERATING EXPENSES		
Costs of sales and services	3,673,817	4,157,366
Personal services	1,813,195	1,749,643
Depreciation	157,102	188,216
Total operating expenses	5,644,114	6,095,225
Operating income (loss)	1,194,001	57,342
Non-operating revenues (expenses)		
Interest and investment earnings	18,489	68,351
Interest expense	(46,937)	(56,281)
Gain on disposition of capital assets	41,407	0
Total non-operating revenues (expenses)	12,959	12,070
Net income (loss) before transfers	1,206,960	69,412
Transfers in (out)		
General Fund	0	(314,960)
American Rescue Plan Fund	0	314,960
General Capital Projects Fund	(500,000)	0
Total transfers in (out)	(500,000)	0
Change in net position	706,960	69,412
Net position, July 1	1,972,248	1,902,836
Net position, June 30	$ 2,679,208	$ 1,972,248

CITY OF CARROLLTON, GEORGIA
SANITATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Receipts from customers	$ 6,733,133	$ 6,040,441
Payments to suppliers	(3,627,218)	(4,109,409)
Payments to employees	(1,768,663)	(1,686,973)
Net cash provided (used) by operating activities	1,337,252	244,059
Cash flows from non-capital financing activities:		
Receipts from other funds	0	(324,086)
Payments to other funds	(500,000)	314,960
Net cash provided (used) by non-capital financing activities	(500,000)	(9,126)
Cash flows from capital and related financing activities:		
Payments for acquisitions of capital assets	(433,749)	0
Proceeds from disposition of capital assets	134,750	0
Principal payments - promissory notes	0	(66,389)
Interest paid	(46,937)	(56,281)
Net cash provided (used) by capital and related financing activities	(345,936)	(122,670)
Cash flows from investing activities:		
Interest and investment earnings received	18,489	68,351
Net increase (decrease) in cash and cash equivalents	509,805	180,614
Cash and cash equivalents, July 1	1,958,878	1,778,264
Cash and cash equivalents, June 30	$ 2,468,683	$ 1,958,878
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 1,194,001	$ 57,342
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	157,102	188,216
(Increase) decrease in accounts receivable	(104,982)	(112,126)
(Increase) decrease in prepaid items	(2,730)	16,835
(Increase) decrease in deferred outflows related to pensions	119,038	(241,930)
(Increase) decrease in deferred outflows related to OPEB	(15,689)	(3,463)
Increase (decrease) in accounts payable	49,329	31,122
Increase (decrease) in accrued liabilities	(69,288)	80,979
Increase (decrease) in compensated absences	4,047	899
Increase (decrease) in net pension liability	(29,316)	497,274
Increase (decrease) in net OPEB liability	81,757	(18,130)
Increase (decrease) in deferred inflows related to pensions	(7,563)	(646)
Increase (decrease) in deferred inflows related to OPEB	(38,454)	(252,313)
Total adjustments	143,251	186,717
Net cash provided (used) by operating activities	$ 1,337,252	$ 244,059

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CUSTODIAL FUND

Custodial funds are used to account for assets held by the City as a custodian to be expended in accordance with the conditions of its custodial capacity.

Municipal Court Custodial Fund - Used to account, on a temporary basis, for fines collected by the Municipal Court that are ultimately disbursed to other parties.

CITY OF CARROLLTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
COMPARATIVE STATEMENTS OF FIDUCIARY NET POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 32,898	$ 20,852
LIABILITIES		
Due to others	32,898	20,852
NET POSITION		
Restricted for individuals, organizations and other governments	$ 0	$ 0

CITY OF CARROLLTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
COMPARATIVE STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
ADDITIONS		
Fines and forfeitures collected for other governments	$ 361,023	$ 347,969
DEDUCTIONS		
Distributions of fines and forfeitures to other governments	361,023	347,969
Change in net position	0	0
Net position, July 1	0	0
Net position, June 30	$ 0	$ 0

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COMPONENT UNIT

Carrollton Area Convention and Visitors Association, Inc. – used to account for revenues and expenditures reserved for promotion of tourism in the area.

Carrollton Redevelopment Authority – used to account for revenues and expenditures reserved for revitalization and redevelopment of the urban, central city, and downtown areas of the City of Carrollton.

CITY OF CARROLLTON, GEORGIA
CARROLLTON AREA CONVENTION & VISITORS' ASSOCIATION, INC.
(A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 419,212	$ 337,321
Intergovernmental receivable	105,382	106,034
Total assets	$ 524,594	443,355
LIABILITIES		
Accounts payable	$ 178,089	$ 93,915
FUND BALANCES		
Unassigned	346,505	349,440
Total liabilities and fund balances	$ 524,594	$ 443,355

CITY OF CARROLLTON, GEORGIA
CARROLLTON AREA CONVENTION & VISITORS' ASSOCIATION, INC.
(A COMPONENT UNIT)
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
REVENUES		
Taxes	$ 389,781	$ 396,206
Interest	92	76
Total revenues	389,873	396,282
EXPENDITURES		
Current		
Housing and Development		
Personal services	162,981	155,724
Contract services	191,181	149,837
Materials and supplies	38,646	37,608
Total expenditures	392,808	343,169
Excess (deficiency) of revenues over (under) expenditures	(2,935)	53,113
Fund balances, July 1	349,440	296,327
Fund balances, June 30	$ 346,505	$ 349,440

CITY OF CARROLLTON, GEORGIA
CARROLLTON REDEVELOPMENT AUTHORITY
(A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 8,376	$ 0
Intergovernmental receivable	0	10,000
Total assets	$ 8,376	$ 10,000
LIABILITIES		
Accounts payable	$ 0	$ 1,015
FUND BALANCES		
Unassigned	8,376	8,985
Total liabilities and fund balances	$ 8,376	$ 10,000

CITY OF CARROLLTON, GEORGIA
CARROLLTON REDEVELOPMENT AUTHORITY
(A COMPONENT UNIT)
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2024 and 2023

	2024	2023
REVENUES		
Intergovernmental	$ 0	$ 10,000
EXPENDITURES		
Current		
Housing and Development		
Contract services	600	1,015
Materials and supplies	9	0
Total expenditures	609	1,015
Excess (deficiency) of revenues over (under) expenditures	(609)	8,985
Fund balances, July 1	8,985	0
Fund balances, June 30	$ 8,376	$ 8,985

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SINGLE AUDIT SECTION

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RUSHTON
ACCOUNTING & BUSINESS ADVISORS | CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Carrollton, Georgia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Carrollton, Georgia's basic financial statements and have issued our report thereon dated December 18, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Carrollton, Georgia'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 of Carrollton, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Carrollton, Georgia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Carrollton, Georgia's financial statements are free of 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.*

City of Carrollton, Georgia's Response to Findings

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

Purpose of this Report

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

Rushton, LLC

Certified Public Accountants

Gainesville, Georgia
December 18, 2024

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City of Carrollton, Georgia and to meet our other ethical requirements, 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 City of Carrollton, Georgia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Carrollton, Georgia'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 City of Carrollton, Georgia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Carrollton, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of City of Carrollton, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Carrollton, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 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 have not been identified.

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

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

Rushton, LLC

Certified Public Accountants

Gainesville, Georgia
December 18, 2024

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2024

Federal Grant/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Number	Expenditures
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	N/A	$ 5,530
Passed through the Criminal Justice Coordinating Council:			
Edward Byrne Memorial Formula Grant Program	16.738	B22-8-001	128,238
		B22-8-010	138,300
		B20-8-023	96,738
			363,276
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	14,578
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	N/A	264,036
Equitable Sharing for State and Local Law Enforcement Agencies	16.922	N/A	1,798
Total U.S. Department of Justice			649,218
U.S. Department of Transportation			
Safe Streets and Roads for All	20.939	N/A	54,140
U.S. Department of Treasury			
Passed through Three Rivers Regional Commission:			
COVID-19 Coronavirus Relief Funds	21.019	SF2024	29,695
Passed through the Georgia Governor's Office of Planning and Budget:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	GA-0013882	152,619
		GA-0013726	355,290
			507,909
Total U.S. Department of Treasury			537,604
U.S. Department of Environmental Protection Agency			
Passed through the Georgia Environmental Finance Authority:			
Drinking Water State Revolving Fund	66.468	DW2020042	9,610,537

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2024

Federal Grant/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Number	Expenditures
U.S. Department of Health and Human Services			
Aging Cluster			
Passed through Three Rivers Regional Commission:			
Title III, Part C, Nutrition Services	93.045	SFY2024	$ 123,323
Nutrition Services Incentive Program	93.053	SFY2024	32,313
Total Aging Cluster of Programs			155,636
Department of Homeland Security			
Passed through the Georgia			
Emergency Management Agency:			
Homeland Security Grant Program	97.067	EMW-2022-SS-00048-S01	8,000
Homeland Security Grant Program	97.067	EMW-2023-SS-00099-S01	9,768
			17,768
Total Federal Awards			$ 11,024,903

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

CITY OF CARROLLTON, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2024

1. Basis of Presentation

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

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Indirect Cost Rate

The City of Carrollton, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

4. Payments to Subrecipients

For the current fiscal year, City of Carrollton, Georgia did not pass federal funds through to subrecipients.

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2024

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported

Identification of major programs:

21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
66.468	Drinking Water State Revolving Fund

Dollar threshold used to distinguish Between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

2. Financial Statement Findings

A. Current Year Audit Findings

Comment 2024-001

Condition: There is not adequate segregation of duties between recording, distribution, and reconciliation of cash accounts and other operational functions in certain departments and component units of the City.

Criteria: Segregation of duties is a key internal control whereby the authorization, custody, record keeping, and reconciling duties are separated among several persons.

Effect: Failure to properly segregate the duties exposes the City to a greater risk of loss due to fraud.

Cause: Segregation of duties could be improved if the size of the City's accounting and administrative staff were large enough to provide optimum segregation of duties.

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

Management Response: Management concurs with this finding. City management will continue to improve upon internal control procedures and assess the cost-benefit relationship of maintaining adequate staff to fully segregate duties.

B. *Prior Year Audit Findings Follow-Ups*

Comment 2023-001

Condition: There is not adequate segregation of duties between recording, distribution, and reconciliation of cash accounts and other operational functions in certain departments and component units of the City.

Not corrected

Comment 2023-002

Condition: The City experienced a material excess of expenditures over appropriations in the West Metro Regional Drug Enforcement, Drug Seizure, Regional Hazardous Material Team, and Hotel/Motel Special Revenue Funds. In addition, the City did not adopt a budget for the Neighborhood Stabilization Program.

Corrected

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

STATE REPORTING SECTION

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CITY OF CARROLLTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2024

	Estimated Cost *		Expenditures		
			Prior	Current	
Project	**Original**	**Current**	**Years**	**Year**	**Total**
2021 SPLOST					
Fire	$ 6,500,000	$ 6,500,000			
Replace Fire Station #23			$ 3,610,755	$ 6,791	$ 3,617,546
Fire Training Center			121,429	0	121,429
Fire Department Equipment			234,153	1,973,156	2,207,309
Parks and Recreation	8,163,300	8,382,213			
Pool and Water Park Renovations			64,794	524,364	589,158
Remodeling and Renovate Existing Facilities			3,428,973	2,163,497	5,592,470
Land Purchases			5,454	0	5,454
Senior Center Renovations			0	0	0
Tennis Facility Improvements			0	0	0
Vehicles and Equipment			215,429	0	215,429
Engineering	10,400,000	13,045,556			
Traffic/Street Improvements			2,155,281	2,093,889	4,249,170
GreenBelt Spurs			1,485,799	109,288	1,595,087
Parking			0	0	0
Paving			0	0	0
Sidewalk Extensions/Repairs			0	0	0
Stormwater Improvements			57,071	0	57,071
Water/Sewer Improvements			162,753	0	162,753
Police Equipment	900,000	900,000	1,284,561	621,873	1,906,434
IT Equipment	300,000	300,000	0	0	0
	$ 26,263,300	$ 29,127,769	$ 12,826,452	$ 7,492,858	$ 20,319,310

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

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