

CITY OF CARROLLTON, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2025

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CITY OF CARROLLTON, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2025

TABLE OF CONTENTS

Exhibit		PAGE
	INTRODUCTORY SECTION	
	Table of Contents	
	FINANCIAL SECTION	
	Independent Auditor's Report	1-3
	Management's Discussion and Analysis	4-11
	Basic Financial Statements:	
	Government-wide Financial Statements:	
A-1	Statement of Net Position	12-13
A-2	Statement of Activities	14
	Fund Financial Statements:	
	Governmental Funds:	
A-3	Balance Sheet	15-16
A-4	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
A-5	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18-19
A-6	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
A-7	General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	21
A-8	Tax Allocation District Special Revenue Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual	22
	Proprietary Funds:	
A-9	Statement of Net Position	23-24
A-10	Statement of Revenues, Expenses, and Changes in Fund Net Position	25
A-11	Statement of Cash Flows	26-27
	Fiduciary Funds:	
A-12	Statement of Fiduciary Net Position	28
A-13	Statement of Changes in Fiduciary Net Position	29
	Component Units:	
A-14	Combining Statement of Net Position	30
A-15	Combining Statement of Activities	31
A-16	Notes to the Financial Statements	32-74
	Required Supplementary Information:	
B-1	Schedule of Changes in the Net Pension Liability and Related Ratios	75-76
B-2	Schedule of Pension Contributions	77-78
B-3	Schedule of Changes in the Net OPEB Liability and Related Ratios	79-80
B-4	Notes to the Required Supplementary Information	81-83
	SUPPLEMENTARY INFORMATION	
	Combining and Individual Fund Statements and Schedules:	
C-1	Combining Balance Sheet - Nonmajor Governmental Funds	84-85
C-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	86-87

CITY OF CARROLLTON, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2025

TABLE OF CONTENTS

Exhibit		PAGE
	SUPPLEMENTARY INFORMATION (continued)	
	Combining and Individual Fund Statements and Schedules (continued)	
	GENERAL FUND	
D-1	Comparative Balance Sheets	88
D-2	Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	89
D-3	Schedule of Revenues - Budget (GAAP Basis) and Actual	90
D-4	Schedule of Expenditures - Budget (GAAP Basis) and Actual	91-94
	SPECIAL REVENUE FUNDS	
E-1	Hotel/Motel Tax Special Revenue Fund Comparative Balance Sheets	95
E-2	Hotel/Motel Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	96
E-3	Drug Seizure Special Revenue Fund Comparative Balance Sheets	97
E-4	Drug Seizure Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	98
E-5	Regional Hazardous Material Team Special Revenue Fund Comparative Balance Sheets	99
E-6	Regional Hazardous Material Team Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	100
E-7	West Metro Regional Drug Enforcement Special Revenue Fund Comparative Balance Sheets	101
E-8	West Metro Regional Drug Enforcement Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	102
E-9	Neighborhood Stabilization Program Special Revenue Fund Comparative Balance Sheets	103
E-10	Neighborhood Stabilization Program Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	104
E-11	Budgetary Comparison Schedule – Major Neighborhood Stabilization Program Fund NSP 1 Project Budget and Actual, Project to Date	105
E-12	Budgetary Comparison Schedule – Major Neighborhood Stabilization Program Fund NSP 3 Project Budget and Actual, Project to Date	106
E-13	American Rescue Plan Special Revenue Fund Comparative Balance Sheets	107
E-14	American Rescue Plan Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual	108
E-15	Police Technology Special Revenue Fund Comparative Balance Sheets	109
E-16	Police Technology Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual	110
E-17	Opioid Settlement Special Revenue Fund Comparative Balance Sheets	111
E-18	Opioid Settlement Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual	112
E-19	Tax Allocation District Special Revenue Fund Comparative Balance Sheets	113
E-20	Tax Allocation District Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual	114
	CAPITAL PROJECTS FUNDS	
F-1	2021 SPLOST Capital Projects Fund Comparative Balance Sheet	115
F-2	2021 SPLOST Capital Projects Fund Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance	116
F-3	Capital Projects Fund for Public Roads Comparative Balance Sheets	117

CITY OF CARROLLTON, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2025

TABLE OF CONTENTS

Exhibit		PAGE
	SUPPLEMENTARY INFORMATION (continued)	
	Combining and Individual Fund Statements and Schedules (continued)	
	CAPITAL PROJECTS FUNDS (continued)	
F-4	Capital Projects Fund for Public Roads Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances	118
F-5	General Capital Projects Fund Balance Sheet	119
F-6	General Capital Projects Fund Statement of Revenues, Expenditures, and Changes in Fund Balances	120
	ENTERPRISE FUNDS	
G-1	Water and Sewerage Enterprise Fund Comparative Statements of Net Position	121-122
G-2	Water and Sewerage Enterprise Fund Comparative Statements of Revenues, Expenses and Changes in Net Position	123
G-3	Water and Sewerage Enterprise Fund Comparative Statements of Cash Flows	124-125
G-4	Sanitation Enterprise Fund Comparative Statements of Net Position	126
G-5	Sanitation Enterprise Fund Comparative Statements of Revenues, Expenses and Changes in Net Position	127
G-6	Sanitation Enterprise Fund Comparative Statements of Cash Flows	128
	FIDUCIARY FUNDS	
H-1	Statement of Fiduciary Net Position - Custodial Funds	129
H-2	Statement of Changes in Fiduciary Net Position - Custodial Funds	130
	COMPONENT UNITS	
I-1	Carrollton Area Convention and Visitors Association, Inc. Comparative Balance Sheets	131
I-2	Carrollton Area Convention and Visitors Association, Inc. Comparative Statement of Revenues, Expenses and Changes in Fund Balances	132
I-3	Carrollton Redevelopment Authority Comparative Balance Sheets	133
I-4	Carrollton Redevelopment Authority Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances	134
	OTHER REPORTING SECTION	
	Single Audit Section	
	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*	135-136
	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	137-139
J-1	Schedule of Expenditure of Federal Awards	140
J-2	Notes to the Schedule of Expenditure of Federal Awards	141
J-3	Schedule of Findings and Questioned Costs	142-143
	State Reporting Section	
K-1	Schedule of Projects Financed with Special Purpose Local Option Sales Tax	144

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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, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons of the General Fund and the Tax Allocation District Special Revenue 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 as listed in the table of contents 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, 2024, 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 individual fund financial statements and schedules related to the financial statements for the year ended June 30, 2024, 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 2024 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 2024 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 12, 2025, 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 12, 2025

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, 2025. 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 28 of this report.

The City as a Whole

Net Position

The City's combined net position increased from $227,093,560 in 2024 to $240,794,262 in 2025, an increase of $13,700,702 (6.0%). 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 $143,436,932 in 2024 to $151,711,270 in 2025, an increase of $8,274,338 (5.8%). Unrestricted net position for governmental activities increased from $18,406,727 in 2024 to $20,666,863 in 2025, an increase of $2,260,136 (12.3%).

Total net position for business-type activities increased from $83,656,628 in 2024 to $89,082,992 in 2025, an increase of $5,426,364 (6.5%). Unrestricted net position for business-type activities increased from $9,998,575 in 2024 to $11,887,779, an increase of $1,889,204 (18.9%).

Table 1 - Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Assets						
Current assets	$ 46,898,014	$ 43,282,903	$ 17,574,150	$ 16,726,537	$ 64,472,164	$ 60,009,440
Restricted assets	12,231,015	21,123	299,900	299,041	12,530,915	320,164
Lease receivable	0	0	1,459,241	1,483,677	1,459,241	1,483,677
Capital assets, net	124,227,596	119,210,265	94,625,743	92,654,650	218,853,339	211,864,915
Total assets	183,356,625	162,514,291	113,959,034	111,163,905	297,315,659	273,678,196
Deferred outflows of resources	3,985,623	5,714,903	1,257,779	1,843,429	5,243,402	7,558,332
Liabilities						
Current liabilities	5,638,242	4,272,948	3,144,870	4,665,873	8,783,112	8,938,821
Noncurrent liabilities	26,718,811	19,713,141	20,543,878	22,832,317	47,262,689	42,545,458
Total liabilities	32,357,053	23,986,089	23,688,748	27,498,190	56,045,801	51,484,279
Deferred inflows of resources	3,273,925	806,173	2,445,073	1,852,516	5,718,998	2,658,689
Net Position						
Net investment in capital assets	122,974,542	117,652,586	77,195,213	73,658,053	200,169,755	191,310,639
Restricted						
Capital projects	3,336,549	3,013,540	0	0	3,336,549	3,013,540
Other purposes	4,733,316	4,364,079	0	0	4,733,316	4,364,079
Unrestricted	20,666,863	18,406,727	11,887,779	9,998,575	32,554,642	28,405,302
Total net position	$151,711,270	$143,436,932	$ 89,082,992	$ 83,656,628	$240,794,262	$227,093,560

Changes in Net Position

The City's combined change in net position increased from $13,603,904 in 2024 to $13,700,702 in 2025. 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 $44,825,244 (excluding transfers). This total represents an increase of $4,227,296 (10.4%) over the FY 2024 total of $40,597,948. The majority of this increase is from increases in capital grants and contributions of $3,061,496 related to Midtown Water Park grants and additional Special Purpose Local Option Sales Tax (SPLOST) intergovernmental revenue. This decrease was partially offset by decreases in operating grants and contributions of $672,624. 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 $193,463 from FY24 primarily related to a reduction in fines and forfeitures in the police department. The City also experienced a $247,090 increase in interest and investment earnings due to rising interest rates.

Program expenses for the City's governmental activities totaled $45,660,279 (excluding transfers). This total represents an increase of $5,711,890 (14.3%) over the FY 2024 total of $39,948,389. The majority of this increase is due to $4,824,742 within the housing and development function related to incentives through the Tax Allocation District fund through the Master Development Agreement for the City's Downtown Mixed Use Project encompassing an arts center expansion and parking deck. Additional increases of $497,547 and $604,657 in general government and culture and recreation expenses were offset by decreases of $268,568 in public safety expenses.

Business-Type Activities

Revenues for the City's business-type activities totaled $32,096,126. This represents an increase of $2,350,394 (7.9%) over the FY 2024 total of $29,745,732. Expenses for the City's business-type activities totaled $17,560,389 (excluding transfers), an increase of $769,002 (4.6%) over the FY 2024 total of $16,791,387. Revenue changes are primarily related to standard increases in utility rates for water and sewer sales. Expense increases are related primarily to increases in chemical costs, repairs and maintenance, and electrical utility costs.

The operating revenues are as follows:

	2025	2024
Charges for services:		
Water and sewer fees & charges	$ 23,615,052	$ 22,157,191
Garbage and landfill fees	7,577,985	6,838,115
Total	$ 31,193,037	$ 28,995,306

Table 2 - Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for services	$ 4,409,590	$ 4,603,053	$ 31,193,037	$ 28,995,306	$ 35,602,627	$ 33,598,359
Operating grants and contributions	2,329,399	3,002,023	0	0	2,329,399	3,002,023
Capital grants and contributions	11,311,317	8,249,821	637,360	418,089	11,948,677	8,667,910
Property taxes	7,983,864	7,147,327	0	0	7,983,864	7,147,327
Franchise & public services taxes	3,187,506	2,938,573	0	0	3,187,506	2,938,573
Sales taxes	7,280,504	7,024,922	0	0	7,280,504	7,024,922
Other taxes	6,948,486	6,444,646	0	0	6,948,486	6,444,646
Interest and investment earnings	1,117,835	870,745	161,731	175,833	1,279,566	1,046,578
Gain on sale of assets	37,963	9,792	0	41,407	37,963	51,199
Other	218,780	307,046	103,998	115,097	322,778	422,143
Total revenues	44,825,244	40,597,948	32,096,126	29,745,732	76,921,370	70,343,680
Expenses						
General Government	4,612,777	4,115,230	0	0	4,612,777	4,115,230
Public Safety	19,818,389	20,086,957	0	0	19,818,389	20,086,957
Public Works	4,704,325	4,696,809	0	0	4,704,325	4,696,809
Culture and Recreation	9,825,015	9,221,358	0	0	9,825,015	9,221,358
Housing and Development	6,646,802	1,822,060	0	0	6,646,802	1,822,060
Water and Sewer	0	0	12,715,178	12,135,028	12,715,178	12,135,028
Sanitation	0	0	4,845,211	4,656,359	4,845,211	4,656,359
Interest on long-term debt	52,971	5,975	0	0	52,971	5,975
Total expenses	45,660,279	39,948,389	17,560,389	16,791,387	63,220,668	56,739,776
Indirect costs	(3,559,883)	(3,349,791)	3,559,883	3,349,791	0	0
Excess (deficiency) before transfers	2,724,848	3,999,350	10,975,854	9,604,554	13,700,702	13,603,904
Transfers in (out)	5,549,490	8,150,000	(5,549,490)	(8,150,000)	0	0
Change in net position	8,274,338	12,149,350	5,426,364	1,454,554	13,700,702	13,603,904
Net position - beginning, as previously reported	143,436,932	131,590,848	83,656,628	82,309,302	227,093,560	213,900,150
Change in accounting principl	0	(303,266)	0	(107,228)	0	(410,494)
Net position - beginning, restated	143,436,932	131,287,582	83,656,628	82,202,074	227,093,560	213,489,656
Net position - ending	$151,711,270	$143,436,932	$ 89,082,992	$ 83,656,628	$240,794,262	$227,093,560

The City's Funds

As the City completed FY 2025, its governmental funds (as presented in the balance sheet on page 15-16) reported a combined fund balance of $54,149,671. This total represents an increase of $14,991,447 (38.3%) over the FY2024 combined fund balance of $39,158,224. The City's proprietary funds (as presented in the statement of net position on page 23-24 reported combined unrestricted net position available for appropriation in the amount of $11,887,779. This total represents an increase of $1,781,970 (17.6%) from the FY 2024 amount of $10,105,809.

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 $3,130,364. Of this amount, tax revenue realized on property was over budget in the amount of $1,308,055. Property and motor vehicle taxes exceeded budget by $1,124,784 and $149,588, respectively as a result of digest increases and rising cost of automobiles. Local option sales tax revenue exceeded budgeted revenue in the amount of $530,504. Intergovernmental revenue was under budget by $239,539 related to unrealized income from the Mental Health Unit and reclassified contributions of $150,000. Under charges for services, recreation fee revenue was over projections by $428,613. Cultural arts fees were $83,764 over budgeted revenue. Interest income was over budgeted revenue in the amount of $27,943. Other income related to facility rentals and miscellaneous items were $74,787 over 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

	2025			2024		
	Budget	Actual	Variance	Budget	Actual	Variance
Taxes	$21,066,500	$23,695,155	$ 2,628,655	$20,399,275	$21,964,221	$ 1,564,946
Licenses and permits	575,000	597,530	22,530	650,000	695,394	45,394
Intergovernmental	2,834,191	2,594,652	(239,539)	2,169,527	2,445,420	275,893
Charges for services	5,393,112	6,046,248	653,136	4,932,990	5,437,611	504,621
Fines and forfeitures	1,000,000	812,852	(187,148)	1,000,000	858,281	(141,719)
Contributions	0	150,000	150,000	0	0	0
Interet on invested funds	940,000	967,943	27,943	354,310	800,464	446,154
Other	140,968	215,755	74,787	638,850	305,366	(333,484)
Total	$31,949,771	$35,080,135	$ 3,130,364	$30,144,952	$32,506,757	$ 2,361,805

Expenditures

General Fund expenditure highlights are in Table 4. The City completed FY2025 with a total of $33,318,165 in General Fund operating expenditures. The operating budget for these expenditures totaled $35,529,771 resulting in expenditures being realized at an amount of $2,211,606 under budget.

General Government
Expenditures for General Government came in at $412,424 under budget. These positive budget variances can be attributed to budgeted vacant personnel positions and unused contract services. Detailed variances can be found on page 91 of our report.

Public Safety
Expenditures for Public Safety were $1,221,021 under budget. Expenditures for the Police Department and Fire Department came in at $547,559 and $520,265 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 92 for more details.

Street Department
Expenditures for the City's Street Department totaled $182,784 coming in at $48,116 under budget. Capital outlay infrastructure projects throughout the City were funded during the year with 2021 SPLOST funds. Please refer to page 92 of our report for a detailed analysis of these variances.

Engineering
Expenditures for Engineering totaled $1,392,823 coming in at $115,492 under budget. Please refer to page 92 of our report for a detailed analysis of these variances.

Cultural Arts & Recreation
Expenditures for Cultural Arts and Recreation totaled $7,698,108, coming in at $224,592 under budget. Of this amount, expenditures for Recreation Athletics came in at $20,445 under budget and Recreation Parks came in $180,699 under budget. Please refer to page 93 of our report for a detailed analysis of these variances.

Table 4 - General Fund Operating Expenditures

	2025			2024		
	Budget	Actual	Variance	Budget	Actual	Variance
General government	$ 4,598,685	$ 4,186,261	$ 412,424	$ 4,174,143	$ 3,655,534	$ 518,609
Public safety	19,252,693	18,031,672	1,221,021	18,905,652	18,188,011	717,641
Public works	2,283,654	1,992,569	291,085	2,239,959	1,820,985	418,974
Culture and recreation	7,922,700	7,698,108	224,592	7,441,755	7,043,948	397,807
Housing and development	886,173	851,393	34,780	1,361,148	874,998	486,150
Debt service	585,866	558,162	27,704	280,500	280,444	56
Total	$35,529,771	$33,318,165	$ 2,211,606	$34,403,157	$31,863,920	$ 2,539,237

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2025, the City had $218,853,339 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 2025, the City was able to transfer $7,500,000 in available fund balance reserves to the General Capital Projects fund to assist with future capital needs.

Table 5 - Capital Assets at June 30, 2025, Net of Depreciation

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 14,935,371	$ 17,394,022	$ 8,933,978	$ 8,933,978	$ 23,869,349	$ 26,328,000
Construction in progress	2,913,395	2,448,172	16,279,885	17,849,550	19,193,280	20,297,722
Land improvements	26,405,860	20,635,068	0	0	26,405,860	20,635,068
Buildings and improvements	32,302,711	33,076,947	2,638,236	2,655,752	34,940,947	35,732,699
Equipment	8,198,474	6,097,370	2,089,195	2,176,743	10,287,669	8,274,113
Infrastructure	38,627,517	38,537,426	64,684,449	61,038,627	103,311,966	99,576,053
Right-to-use subscription assets	844,268	1,021,260	0	0	844,268	1,021,260
Total	$124,227,596	$119,210,265	$ 94,625,743	$ 92,654,650	$218,853,339	$211,864,915

DEBT

The total long-term debt of the City outstanding at June 30, 2025 was $30,532,867. The City has $14,878,350 in revenue bond debt outstanding. During FY25, the Carrollton Payroll Development Authority issued bonds for a multi-level parking deck and expansion of the Carrollton Center for the Arts in the amount of $11,780,000 with a $735,350 re-offering premium. The bonds are limited obligations of the Authority payable from intergovernmental contract payments from the City to service the bonds. 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	
	2025	2024	2025	2024	2025	2024
Bonds from direct placement	$ 12,515,350	0	$ 2,363,000	$ 2,850,000	$ 14,878,350	$ 2,850,000
Notes from direct borrowings	0	156,494	15,054,972	15,141,667	15,054,972	15,298,161
Subscription liabilities	599,545	989,205	0	0	599,545	989,205
Total	$ 13,114,895	$ 1,145,699	$ 17,417,972	$ 17,991,667	$ 30,532,867	$ 19,137,366

ECONOMIC FACTORS AND NEXT YEARS BUDGETS AND RATES

The City's elected and appointed officials considered many factors when preparing the FY 2026 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 2026. The fiscal year 2026 General Fund budget totals $37,459,732, an increase of $3,432,287 (10.2%) over the FY 2025 original budget.

If these estimates are realized, the City's General Fund balance is expected to remain flat for FY 2026. 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 2026 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, 2025

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 40,982,328	$ 12,931,373	$ 53,913,701	$ 322,777
Restricted assets				
Cash and cash equivalents	12,231,015	299,900	12,530,915	0
Receivables (net)				
Accounts	1,404,421	3,791,331	5,195,752	0
Intergovernmental	1,721,883	0	1,721,883	194,126
Interest	37,433	0	37,433	0
Lease	0	24,437	24,437	0
Other	0	20,000	20,000	0
Taxes	1,239,086	0	1,239,086	0
Internal balances	(46,582)	46,582	0	0
Inventories	0	522,484	522,484	0
Prepaid items	1,559,445	237,943	1,797,388	0
Total current assets	59,129,029	17,874,050	77,003,079	516,903
Noncurrent assets				
Leases receivable	0	1,459,241	1,459,241	0
Capital assets				
Non-depreciable	17,848,766	25,213,863	43,062,629	0
Depreciable (net)	105,534,562	69,411,880	174,946,442	0
Right-to-use subscription assets, net	844,268	0	844,268	0
Total noncurrent assets	124,227,596	96,084,984	220,312,580	0
Total assets	183,356,625	113,959,034	297,315,659	516,903
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflows of resources	3,627,180	1,104,287	4,731,467	0
OPEB deferred outflows of resources	358,443	153,492	511,935	0
Total deferred outflows of resources	3,985,623	1,257,779	5,243,402	0
LIABILITIES				
Current liabilities				
Accounts payable	2,210,112	443,563	2,653,675	313,357
Accrued liabilities	753,322	256,673	1,009,995	0
Retainages payable	0	12,558	12,558	0
Compensated absences	834,346	216,251	1,050,597	0
Accrued interest payable	44,855	31,546	76,401	0
Unearned revenue	65,046	616,525	681,571	0
Due to others	1,073,602	0	1,073,602	0
Subscription liabilities	57,936	0	57,936	
Notes payable	0	765,854	765,854	0
Bonds payable	599,023	502,000	1,101,023	0
Liabilities payable from restricted assets				
Customer deposits payable	0	299,900	299,900	0
Total current liabilities	5,638,242	3,144,870	8,783,112	313,357

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2025

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Net pension liability	$ 11,717,949	$ 3,636,072	$ 15,354,021	$ 0
Net OPEB liability	2,542,926	757,688	3,300,614	0
Subscription liabilities	541,609	0	541,609	0
Notes payable	0	14,289,118	14,289,118	0
Bonds payable	11,916,327	1,861,000	13,777,327	0
Total noncurrent liabilities	26,718,811	20,543,878	47,262,689	0
Total liabilities	32,357,053	23,688,748	56,045,801	313,357
DEFERRED INFLOWS OF RESOURCES				
Leases	0	1,369,547	1,369,547	0
Pension deferred inflows of resources	2,562,927	863,677	3,426,604	0
OPEB deferred inflows of resources	710,998	211,849	922,847	0
Total deferred inflows of resources	3,273,925	2,445,073	5,718,998	0
NET POSITION				
Net investment in capital assets	122,974,542	77,195,213	200,169,755	0
Restricted for:				
Public Safety	3,683,524	0	3,683,524	0
Housing and Development	1,049,792	0	1,049,792	0
Capital outlay	3,336,549	0	3,336,549	0
Unrestricted	20,666,863	11,887,779	32,554,642	203,546
Total net position	$ 151,711,270	$ 89,082,992	$ 240,794,262	$ 203,546

CITY OF CARROLLTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2025

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	$ 4,612,777	$ (3,559,883)	$ 284,633	$ 30,510	$ 78,438	$ (659,313)
Public Safety	19,818,389	0	1,709,808	1,925,763	2,875,638	(13,307,180)
Public Works	4,704,325	0	41,703	0	4,131,192	(531,430)
Culture and Recreation	9,825,015	0	1,970,606	223,126	4,209,067	(3,422,216)
Health and Welfare	0	0	0	150,000	0	150,000
Housing and Development	6,646,802	0	402,840	0	16,982	(6,226,980)
Interest on long-term debt	52,971	0	0	0	0	(52,971)
Total governmental activities	45,660,279	(3,559,883)	4,409,590	2,329,399	11,311,317	(24,050,090)
Business-type activities						
Water and Sewerage	12,715,178	2,457,047	23,615,052	0	637,360	9,080,187
Sanitation	4,845,211	1,102,836	7,577,985	0	0	1,629,938
Total business-type activities	17,560,389	3,559,883	31,193,037	0	637,360	10,710,125
Total primary government	63,220,668	0	35,602,627	2,329,399	11,948,677	(13,339,965)
Component Unit						
Carrollton Area Convention & Visitors' Association, Inc.	552,196	0	0	0	0	(552,196)
Carrollton Redevelopment Authority	1,350	0	0	0	0	(1,350)
Total component units	553,546	0	0	0	0	(553,546)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Change in net position				
Net (expense) revenue	$ (24,050,090)	$ 10,710,125	$ (13,339,965)	$ (553,546)
General revenues				
Taxes				
Property	7,983,864	0	7,983,864	0
Sales	7,280,504	0	7,280,504	0
Insurance premium	2,559,601	0	2,559,601	0
Alcohol excise	806,276	0	806,276	0
Franchise	3,187,506	0	3,187,506	0
Occupational	2,113,618	0	2,113,618	0
Other	1,468,991	0	1,468,991	402,140
Interest and investment earnings	1,117,835	161,731	1,279,566	71
Gain on sale of assets	37,963	0	37,963	0
Other	218,780	103,998	322,778	0
Transfers	5,549,490	(5,549,490)	0	0
Total general revenues and transfers	32,324,428	(5,283,761)	27,040,667	402,211
Change in net position	8,274,338	5,426,364	13,700,702	(151,335)
Net position - beginning, as previously reported	143,740,198	83,763,856	227,504,054	354,881
Change in accounting principle	(303,266)	(107,228)	(410,494)	0
Net position, beginning, as restated	143,436,932	83,656,628	227,093,560	354,881
Net position - ending	$ 151,711,270	$ 89,082,992	$ 240,794,262	$ 203,546

See accompanying notes to financial statements.

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CITY OF CARROLLTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	General	Tax Allocation District	2021 SPLOST
ASSETS			
Cash and cash equivalents	$ 22,238,522	$ 988,441	$ 2,174,388
Restricted assets			
Cash and cash equivalents	22,005	0	0
Receivables (net)			
Accounts	542,559	0	0
Intergovernmental	456,075	0	1,183,547
Taxes	1,025,384	13,170	0
Interest	0	0	0
Prepaid items	529,254	0	0
Due from other funds	17,885	0	0
Advances to other funds	0	0	0
Total assets	$ 24,831,684	$ 1,001,611	$ 3,357,935
LIABILITIES			
Accounts payable	$ 697,486	0	$ 368,554
Accrued liabilities	753,322	0	0
Unearned revenue	65,046	0	0
Due to other funds	47,505	0	0
Advances from other funds	0	2,250,000	0
Due to others	350,261	0	0
Total liabilities	1,913,620	2,250,000	368,554
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	64,894	4,727	0
Unavailable revenue-fines, fees, and forfeitures	0	0	0
Total deferred inflows of resources	64,894	4,727	0
FUND BALANCES			
Nonspendable:			
Prepaid items	529,254	0	0
Advances to other funds	0	0	0
Restricted for:			
Public Safety	0	0	0
Housing and Development	0	0	0
Capital outlay	0	0	2,989,381
Committed for:			
Capital outlay	0	0	0
Assigned for:			
Housing and Development	0	0	0
Unassigned	22,323,916	(1,253,116)	0
Total fund balances	22,853,170	(1,253,116)	2,989,381
Total liabilities, deferred inflows of resources, and fund balances	$ 24,831,684	$ 1,001,611	$ 3,357,935

General Capital Projects	Nonmajor Governmental Funds	Totals
$ 10,394,693	$ 5,186,284	$ 40,982,328
12,209,010	0	12,231,015
0	861,862	1,404,421
0	82,261	1,721,883
0	200,532	1,239,086
37,433	0	37,433
1,000,000	30,191	1,559,445
0	0	17,885
2,250,000	0	2,250,000
$ 25,891,136	$ 6,361,130	$ 61,443,496
849,560	$ 294,512	$ 2,210,112
0	0	753,322
0	0	65,046
0	16,962	64,467
0	0	2,250,000
0	723,341	1,073,602
849,560	1,034,815	6,416,549
0	0	69,621
0	807,655	807,655
0	807,655	877,276
1,000,000	30,191	1,559,445
2,250,000	0	2,250,000
0	2,875,870	2,875,870
0	1,049,792	1,049,792
12,209,010	0	15,198,391
9,582,566	0	9,582,566
0	562,807	562,807
0	0	21,070,800
25,041,576	4,518,660	54,149,671
$ 25,891,136	$ 6,361,130	$ 61,443,496

CITY OF CARROLLTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2025

Total fund balances - total governmental funds			$ 54,149,671
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			123,383,328
Right-to-use subscription assets, net of accumulated amortization			844,268
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	$ 69,621		
Fines, fees and forfeitures	807,655		877,276
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	3,627,180		
Related to OPEB	358,443		3,985,623
Deferred inflows of resources:			
Related to pensions	(2,562,927)		
Related to OPEB	(710,998)		(3,273,925)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are:			
Compensated absences	(834,346)		
Subscription liabilities	(599,545)		
Bonds payable	(12,515,350)		
Accrued interest payable	(44,855)		
Net pension liability	(11,717,949)		
Net OPEB liability	(2,542,926)		(28,254,971)
Net position of governmental activities			$ 151,711,270

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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, 2025

	General	Tax Allocation District	2021 SPLOST
REVENUES			
Taxes	$ 23,695,155	$ 577,978	$ 0
Licenses and permits	597,530	0	0
Fines, fees and forfeitures	812,852	0	0
Charges for services	6,046,248	0	0
Intergovernmental	2,594,652	0	9,694,128
Contributions	150,000	0	0
Interest	967,943	3,962	11,041
Other	215,755	2,000	0
Total revenues	35,080,135	583,940	9,705,169
EXPENDITURES			
Current			
General Government	4,186,261	0	0
Public Safety	18,031,672	0	0
Public Works	1,992,569	0	0
Culture and Recreation	7,698,108	0	0
Housing and Development	851,393	2,256,204	0
Capital outlay	0	0	9,317,348
Debt service	558,162	0	0
Total expenditures	33,318,165	2,256,204	9,317,348
Excess (deficiency) of revenues over (under) expenditures	1,761,970	(1,672,264)	387,821
Other financing sources (uses)			
Transfers in	3,632,988	0	0
Transfers out	(5,500,000)	0	0
Issuance of bonds payable	0	0	0
Bond premiums	0	0	0
Proceeds from sale of assets	85,626	0	0
Total other financing sources (uses)	(1,781,386)	0	0
Net change in fund balance	(19,416)	(1,672,264)	387,821
Fund balances, July 1 (as previously presented)	22,872,586	0	2,601,560
Change within financial reporting entity	0	419,148	0
Fund balances, July 1 (restated)	22,872,586	419,148	2,601,560
Fund balances, June 30	$ 22,853,170	$ (1,253,116)	$ 2,989,381

See accompanying notes to financial statements.

Exhibit A-5, continued

General Capital Projects	Nonmajor Governmental Funds	Totals
$ 0	$ 1,160,896	$ 25,434,029
0	0	597,530
0	575,755	1,388,607
0	9,000	6,055,248
0	535,272	12,824,052
0	0	150,000
78,903	67,027	1,128,876
0	1,025	218,780
78,903	2,348,975	47,797,122
0	0	4,186,261
0	1,134,704	19,166,376
468,965	0	2,461,534
2,779,812	0	10,477,920
0	1,389,103	4,496,700
0	0	9,317,348
306,340	0	864,502
3,555,117	2,523,807	50,970,641
(3,476,214)	(174,832)	(3,173,519)
7,500,000	54,122	11,187,110
0	(137,620)	(5,637,620)
11,780,000	0	11,780,000
735,350	0	735,350
0	14,500	100,126
20,015,350	(68,998)	18,164,966
16,539,136	(243,830)	14,991,447
8,502,440	5,181,638	39,158,224
0	(419,148)	0
8,502,440	4,762,490	39,158,224
$ 25,041,576	$ 4,518,660	$ 54,149,671

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, 2025

Net change in fund balances - total governmental funds		$ 14,991,447
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	$ 14,036,936	
Depreciation and amortization	(7,076,884)	6,960,052
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	(2,944,663)	
Related accumulated depreciation	336,620	(2,608,043)
Distributions of capital assets to/from business-type activities decrease/ increase net possiton in the statement of activities, but do not appear in the governmental funds because they do not provide or use finacial resources.		
Cost of assets transferred to business-type activities	(24,300)	
Related accumulated depreciation	24,300	
Cost of assets transferred from business-type activities	18,034	
Related accumulated depreciation	(18,034)	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.		665,322
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	2,302,492	
Cost of benefits earned, net of employee contributions	(1,798,933)	503,559
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	65,786	
Cost of benefits earned, net of employee contributions	(73,322)	(7,536)
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.		
Proceeds from bonds payable	(11,780,000)	
Proceeds from bond premiums	(735,350)	
Accrued interest	(40,963)	
Debt principal payments	546,154	(12,010,159)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Unavailable revenue		(115,278)
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		(105,026)
Change in net position of governmental activities		$ 8,274,338

See accompanying notes to financial statements.

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, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 21,066,500	$ 21,066,500	$ 23,695,155	$ 2,628,655
Licenses and permits	575,000	575,000	597,530	22,530
Fines, fees and forfeitures	1,000,000	1,000,000	812,852	(187,148)
Charges for services	5,283,112	5,393,112	6,046,248	653,136
Intergovernmental	1,831,865	2,834,191	2,594,652	(239,539)
Contributions	0	0	150,000	150,000
Interest	500,000	940,000	967,943	27,943
Other	140,968	140,968	215,755	74,787
Total revenues	30,397,445	31,949,771	35,080,135	3,130,364
EXPENDITURES				
Current				
General Government				
Mayor and Council	186,650	196,650	189,041	7,609
City Manager	408,301	408,301	379,039	29,262
General Administration	1,358,265	1,638,265	1,486,772	151,493
Finance and Purchasing	410,227	410,227	322,210	88,017
Human Resources	581,172	581,172	506,122	75,050
Information Technology	616,465	616,465	606,046	10,419
General Maintenance	40,953	40,953	36,248	4,705
Marketing-Public Relations	408,252	466,652	445,609	21,043
Legal	240,000	240,000	215,174	24,826
Public Safety				
Police Department	10,827,829	11,344,289	10,796,730	547,559
Mental Health Crisis Response Unit	524,141	524,141	370,944	153,197
Fire Department	7,384,263	7,384,263	6,863,998	520,265
Public Works				
Street Department	230,900	230,900	182,784	48,116
Engineering	1,508,315	1,508,315	1,392,823	115,492
Garage	544,439	544,439	416,962	127,477
Culture and Recreation				
Library	312,000	312,000	312,000	0
Recreation Administration	1,232,670	1,382,670	1,357,860	24,810
Recreation Parks	2,483,240	2,544,740	2,364,041	180,699
Recreation Programs	1,079,920	1,189,920	1,189,524	396
Cultural Arts	1,259,825	1,201,425	1,203,183	(1,758)
Recreation Athletics	1,291,945	1,291,945	1,271,500	20,445
Housing and Development				
Planning Administration	512,694	512,694	510,500	2,194
Code Enforcement	206,167	206,167	193,059	13,108
Main Street Division	167,312	167,312	147,834	19,478
Debt Service				
Police Department	161,500	585,866	558,162	27,704
Total expenditures	33,977,445	35,529,771	33,318,165	2,211,606
Excess (deficiency) of revenues over expenditures	(3,580,000)	(3,580,000)	1,761,970	5,341,970
Other financing sources (uses)				
Transfers in	3,580,000	3,580,000	3,632,988	52,988
Transfers out	0	(5,500,000)	(5,500,000)	0
Gain on sale of assets	0	0	85,626	85,626
Total other financing sources (uses)	3,580,000	(1,920,000)	(1,781,386)	138,614
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(5,500,000)	(19,416)	5,480,584
Fund balances, July 1	0	5,500,000	22,872,586	17,372,586
Fund balances, June 30	$ 0	$ 0	$ 22,853,170	$ 22,853,170

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
TAX ALLOCATION DISTRICT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 500,000	$ 500,000	$ 577,978	$ 77,978
Interest	0	0	3,962	3,962
Other	0	0	2,000	2,000
Total revenues	500,000	500,000	583,940	83,940
EXPENDITURES				
Current				
Housing and Development	500,000	2,750,000	2,256,204	493,796
Total expenditures	500,000	2,750,000	2,256,204	493,796
Excess (deficiency) of revenues over expenditures	0	(2,250,000)	(1,672,264)	577,736
Fund balances, July 1	0	2,250,000	419,148	(1,830,852)
Fund balances, June 30	$ 0	$ 0	$ (1,253,116)	$ (1,253,116)

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 9,583,490	$ 3,347,883	$ 12,931,373
Restricted assets			
Cash and cash equivalents	299,900	0	299,900
Accounts receivable, net	2,688,228	1,103,103	3,791,331
Lease receivable	24,437	0	24,437
Other receivable	20,000	0	20,000
Inventories	522,484	0	522,484
Prepaid items	182,245	55,698	237,943
Due from other funds	38,379	9,126	47,505
Total current assets	13,359,163	4,515,810	17,874,973
Noncurrent assets			
Lease receivable	1,459,241	0	1,459,241
Capital assets			
Non-depreciable	25,213,863	0	25,213,863
Depreciable (net)	68,607,886	803,994	69,411,880
Total noncurrent assets	95,280,990	803,994	96,084,984
Total assets	108,640,153	5,319,804	113,959,957
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	786,952	317,335	1,104,287
Deferred outflows of resources related to OPEB	112,999	40,493	153,492
Total deferred outflows of resources	899,951	357,828	1,257,779
LIABILITIES			
Current liabilities			
Accounts payable	247,924	195,639	443,563
Retainage payable	12,558	0	12,558
Accrued liabilities	184,324	72,349	256,673
Compensated absences	150,142	66,109	216,251
Accrued interest payable	31,546	0	31,546
Unearned revenue	616,525	0	616,525
Due to other funds	0	923	923
Notes payable	765,854	0	765,854
Bonds payable	502,000	0	502,000
Liabilities payable from restricted assets			
Customer deposits payable	299,900	0	299,900
Total current liabilities	2,810,773	335,020	3,145,793
Noncurrent liabilities			
Net pension liability	2,591,188	1,044,884	3,636,072
Net OPEB liability	539,723	217,965	757,688
Notes payable	14,289,118	0	14,289,118
Bonds payable	1,861,000	0	1,861,000
Total noncurrent liabilities	19,281,029	1,262,849	20,543,878
Total liabilities	22,091,802	1,597,869	23,689,671

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	$ 1,369,547	$ 0	$ 1,369,547
Deferred inflows of resources related to pensions	624,624	239,053	863,677
Deferred inflows of resources related to OPEB	150,906	60,943	211,849
Total deferred inflows of resources	2,145,077	299,996	2,445,073
NET POSITION			
Net investment in capital assets	76,391,219	803,994	77,195,213
Unrestricted	8,912,006	2,975,773	11,887,779
Total net position	$ 85,303,225	$ 3,779,767	$ 89,082,992

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, 2025

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
OPERATING REVENUES			
Charges for sales and services	$ 23,615,052	$ 7,577,985	$ 31,193,037
Other	88,431	15,567	103,998
Total operating revenues	23,703,483	7,593,552	31,297,035
OPERATING EXPENSES			
Costs of sales and services	7,423,570	3,821,046	11,244,616
Personal services	4,912,210	1,842,224	6,754,434
Depreciation	2,636,948	242,153	2,879,101
Total operating expenses	14,972,728	5,905,423	20,878,151
Operating income (loss)	8,730,755	1,688,129	10,418,884
Non-operating revenues (expenses)			
Interest and investment earnings	145,892	15,839	161,731
Interest expense	(123,313)	(42,624)	(165,937)
Loss on disposition of capital assets	(76,184)	0	(76,184)
Total non-operating revenues (expenses)	(53,605)	(26,785)	(80,390)
Net income (loss) before capital contributions and transfers	8,677,150	1,661,344	10,338,494
Capital contributions			
Capital contributions	637,360	0	637,360
Net income (loss) before transfers	9,314,510	1,661,344	10,975,854
Transfers in (out)			
Transfers in	30,510	0	30,510
Transfers out	(5,050,000)	(530,000)	(5,580,000)
Total transfers in (out)	(5,019,490)	(530,000)	(5,549,490)
Change in net position	4,295,020	1,131,344	5,426,364
Net position, July 1, as previously reported	81,084,648	2,679,208	83,763,856
Change in accounting principle	(76,443)	(30,785)	(107,228)
Net position, July 1, as restated	81,008,205	2,648,423	83,656,628
Net position, June 30	$ 85,303,225	$ 3,779,767	$ 89,082,992

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2025

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
Cash flows from operating activities:			
Receipts from customers	$ 23,190,477	$ 7,479,538	$ 30,670,015
Payments to suppliers	(7,839,272)	(3,849,713)	(11,688,985)
Payments to employees	(5,089,326)	(1,859,008)	(6,948,334)
Other receipts	88,431	0	88,431
Net cash provided (used) by operating activities	10,350,310	1,770,817	12,121,127
Cash flows from non-capital financing activities:			
Receipts from other funds	0	0	0
Payments to other funds	(5,050,000)	(530,000)	(5,580,000)
Net cash provided (used) by non-capital financing activities	(5,050,000)	(530,000)	(5,580,000)
Cash flows from capital and related financing activities:			
Receipts from other funds	30,510	0	30,510
Receipts from other governments	616,341	0	616,341
Payments for acquisitions of capital assets	(3,962,186)	(334,832)	(4,297,018)
Payment of capital related payables	(992,372)	0	(992,372)
Proceeds from disposition of capital assets	8,000	0	8,000
Principal payments - promissory notes	(86,695)	0	(86,695)
Principal payments - bonds payable	(487,000)	0	(487,000)
Interest paid	(91,767)	(42,624)	(134,391)
Net cash provided (used) by capital and related financing activities	(4,965,169)	(377,456)	(5,342,625)
Cash flows from investing activities			
Interest and investment earnings received	145,892	15,839	161,731
Net increase (decrease) in cash and cash equivalents	481,033	879,200	1,360,233
Cash and cash equivalents, July 1	9,402,357	2,468,683	11,871,040
Cash and cash equivalents, June 30	$ 9,883,390	$ 3,347,883	$ 13,231,273

CITY OF CARROLLTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2025

	Business-Type Activities		
	Water and Sewerage	Sanitation	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 8,730,755	$ 1,688,129	$ 10,418,884
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	2,636,948	242,153	2,879,101
(Increase) decrease in lease receivable	20,220	0	20,220
(Increase) decrease in other receivable	(20,000)	0	(20,000)
(Increase) decrease in accounts receivable	(19,570)	(114,014)	(133,584)
(Increase) decrease in inventories	81,946	0	81,946
(Increase) decrease in prepaid items	(22,565)	(6,161)	(28,726)
(Increase) decrease in deferred outflows related to pensions	343,125	138,959	482,084
(Increase) decrease in deferred outflows related to OPEB	84,434	19,132	103,566
Increase (decrease) in accounts payable	(475,083)	(22,506)	(497,589)
Increase (decrease) in unearned revenue	(329,998)	0	(329,998)
Increase (decrease) in accrued salaries and payroll liabilities	42,833	26,488	69,321
Increase (decrease) in compensated absences	(3,054)	3,839	785
Increase (decrease) in customer deposits	859	0	859
Increase (decrease) in net pension liability	(1,041,532)	(421,909)	(1,463,441)
Increase (decrease) in net OPEB liability	(66,978)	12,120	(54,858)
Increase (decrease) in deferred inflows related to leases	(76,086)	0	(76,086)
Increase (decrease) in deferred inflows related to pensions	490,877	203,944	694,821
Increase (decrease) in deferred inflows related to OPEB	(26,821)	643	(26,178)
Total adjustments	1,619,555	82,688	1,702,243
Net cash provided (used) by operating activities	$ 10,350,310	$ 1,770,817	$ 12,121,127
Cash and cash equivalents reconciliation			
Cash and cash equivalents	$ 9,583,490	$ 3,347,883	$ 12,931,373
Restricted assets			
Cash and cash equivalents	299,900	0	299,900
	$ 9,883,390	$ 3,347,883	$ 13,231,273

Noncash investing, capital, and financing activities:

Acquisition of capital assets from governmental activites totaled $24,300.

Acquisition of capital assets through developer noncash contributions totaled $637,360.

CITY OF CARROLLTON, GEORGIA
MUNICIPAL COURT CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

ASSETS	
Cash and cash equivalents	$ 24,853
LIABILITIES	
Due to others	24,853
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, 2025

ADDITIONS		
Fines and forfeitures collected for other governments	$	330,835
DEDUCTIONS		
Distributions of fines and forfeitures to other governments		330,835
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, 2025

	Carrollton Area Convention & Visitors Association, Inc.	Carrollton Redevelopment Authority	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 315,751	$ 7,026	$ 322,777
Intergovernmental receivables	194,126	0	194,126
Total current assets	509,877	7,026	516,903
LIABILITIES			
Current liabilities			
Accounts payable	313,357	0	313,357
NET POSITION			
Unrestricted	196,520	7,026	203,546
Total net position	$ 196,520	$ 7,026	$ 203,546

See accompanying notes to financial statements.

CITY OF CARROLLTON, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2025

	Carrollton Area Convention & Visitors Association, Inc.	Carrollton Redevelopment Authority	Totals
Expenses			
Housing and Development	$ 552,196	$ 1,350	$ 553,546
Total expenses	552,196	1,350	553,546
Program revenues	0	0	0
Net (expense) revenue	(552,196)	(1,350)	(553,546)
General revenues			
Taxes	402,140	0	402,140
Interest and investment earnings	71	0	71
Total general revenues	402,211	0	402,211
Change in net position	(149,985)	(1,350)	(151,335)
Net position, July 1	346,505	8,376	354,881
Net position, June 30	$ 196,520	$ 7,026	$ 203,546

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.

Tax Allocation District Fund – accounts for ad valorem property tax collections derived from the City tax allocation districts for the purpose of stimulating private redevelopment within these areas

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

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

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
Intangible right-to-use asset - software	6 to 7

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 represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

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 and sick leave. Accrued vacation will be paid to the employees upon separation from City service. In accordance with GASB Statement No. 101, accumulated unpaid vacation leave, and sick leave more likely than not to be used for time off, 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 2024 amounts have been reclassified to conform with the 2025 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		$ 542,559
Water and Sewerage Enterprise Fund	$ 2,769,443	
Less: Allowance for Uncollectibles	(81,215)	2,688,228
Sanitation Enterprise Fund	1,122,452	
Less: Allowance for Uncollectibles	(19,349)	1,103,103
Nonmajor Funds		
Special Revenue Funds		
Opioid Settlement Fund		861,862
Total Primary Government		$ 5,195,752

5. Intergovernmental Receivables

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

Primary Government:	
Major Funds	
General Fund	$ 456,075
2021 SPLOST Fund	1,183,547
Nonmajor Funds	
Special Revenue Funds	
Neighborhood Stabilization Program	27,174
West Metro Regional Drug Enforcement	55,087
Total Primary Government	$ 1,721,883
Component Unit:	
Carrollton Area Convention and Visitors Association, Inc.	$ 194,126

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 $49,444 of interest revenue under the lease. As of June 30, 2025, the City recognized $1,483,678 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 2024, based upon the assessments of January 1, 2024, were levied on August 22, 2024, billed on October 1, 2024, and due on December 1, 2024. 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	16,962
Capital Projects	Tax Allocation District	2,250,000
Water and Sewerage	General	38,379
Sanitation	General	9,126
		$ 2,315,390

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. Included above is an amount of $2,250,000 due from the Tax Allocation District Fund to the Capital Projects Fund that is not expected to be repaid within one year. The City expects to repay all other 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	$ 5,500,000
Nonmajor Governmental	General	52,988
	Water and Sewerage	30,510
	Nonmajor Governmental	54,122
Water and Sewerage	General	3,300,000
	General Capital Projects	1,750,000
Sanitation	General	280,000
	General Capital Projects	250,000
		$ 11,217,620

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:

Governmental activities	Beginning Balance	Increases	Decreases	Ending Balance
Non-depreciable assets				
Land	$ 17,394,022	$ 0	$ (2,458,651)	$ 14,935,371
Construction in progress	2,448,172	7,312,599	(6,847,376)	2,913,395
Total non-depreciable assets	19,842,194	7,312,599	(9,306,027)	17,848,766
Depreciable assets				
Land improvements	33,285,932	7,476,701	0	40,762,633
Buildings and improvements	47,474,379	209,943	0	47,684,322
Furnishings, vehicles machinery and equipment	20,852,057	3,732,157	(442,340)	24,141,874
Infratructure	88,986,244	2,768,296	0	91,754,540
Right to use subscription assets	1,124,505	0	0	1,124,505
Total depreciable assets	191,723,117	14,187,097	(442,340)	205,467,874
Less accumulated depreciation				
Land improvements	(12,650,864)	(1,705,909)	0	(14,356,773)
Buildings and improvements	(14,397,432)	(984,179)	0	(15,381,611)
Furnishings, vehicles machinery and equipment	(14,754,687)	(1,549,633)	360,920	(15,943,400)
Infratructure	(50,448,818)	(2,678,205)	0	(53,127,023)
Right to use subscription assets	(103,245)	(176,992)	0	(280,237)
Total accumulated depreciation	(92,355,046)	(7,094,918)	360,920	(99,089,044)
Total depreciable assets, net	99,368,071	7,092,179	(81,420)	106,378,830
Governmental activities capital, net	$ 119,210,265	$ 14,404,778	$ (9,387,447)	$ 124,227,596
Business-type activities				
Non-depreciable assets				
Land	$ 8,933,978	$ 0	$ 0	$ 8,933,978
Construction in progress	17,849,550	2,687,787	(4,257,452)	16,279,885
Total non-depreciable assets	26,783,528	2,687,787	(4,257,452)	25,213,863
Depreciable assets				
Building and improvements	7,738,220	134,320	0	7,872,540
Distribution system	107,644,861	5,848,246	0	113,493,107
Vehicles, machinery, and equipment	9,384,686	461,593	(64,192)	9,782,087
Total depreciable assets	124,767,767	6,444,159	(64,192)	131,147,734
Less accumulated depreciation				
Buildings and improvements	(5,082,468)	(151,836)	0	(5,234,304)
Distribution system	(46,606,234)	(2,202,424)	0	(48,808,658)
Vehicles, machinery, and equipment	(7,207,943)	(549,141)	64,192	(7,692,892)
Total accumulated depreciation	(58,896,645)	(2,903,401)	64,192	(61,735,854)
Total depreciable assets, net	65,871,122	3,540,758	0	69,411,880
Business-type activities capital assets, net	$ 92,654,650	$ 6,228,545	$ (4,257,452)	$ 94,625,743

9. Capital Assets (continued)

Decreases in construction in progress include abandoned projects in the amounts of $67,972 and $84,184 for the governmental activities and business-type activities, respectively.

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 374,492
Public Safety	1,648,727
Public Works	2,784,244
Culture and Recreation	2,269,421
Total depreciation expense for governmental activities	$ 7,076,884
Business-type activities	
Water and Sewerage	$ 2,636,948
Sanitation	242,153
Total depreciation expense for business-type activities	$ 2,879,101

	Primary Government	
	Governmental Activities	Business-type Activities
Current year depreciation expense	$ 7,076,884	$ 2,879,101
Prior accumulated depreciation on assets trasnferred between governmental and business-type activities	18,034	24,300
Additions to accumulated depreciation	$ 7,094,918	$ 2,903,401

10. Long-Term Debt

Revenue Bonds

Revenue bonds have been issued for governmental activities and are comprised of the following individual issues at the end of the current fiscal year:

Carrollton Payroll Development Authority Revenue Bonds (City of Carrollton Projects), Series 2025: In June 2025, the Carrollton Payroll Development Authority issued $11,780,000 in bonds for the purpose of financing the acquisition, construction and equipping of all or a portion of

10. Long-Term Debt (continued)

Revenue Bonds, continued

a multi-level parking deck, expansion to the Carrollton Center for the Arts, and paying the costs of issuing the bonds. The bonds are limited obligations of the Authority payable solely from the contract payments from the City to pay the debt service on the bonds pursuant to an Intergovernmental Contract. The City has also agreed to levy an additional ad valorem property tax, unlimited as to rate or amount, on all property in the City subject to such tax in order to make such contract payments. Accordingly, these bonds are recognized as bonds payable in the City's financial statements.

Whenever any event of default shall have happened and be existing, the owner of any of the Bonds may take action and pursue any remedy available under the Resolution and the laws of the State of Georgia, including, without limitation, bringing an action for specific performance. The bondholders shall not have the right accelerate the Bonds.

The bonds are secured by a lien on the Contract, the Contract Payments and moneys and investments on deposit in the funds created in the Resolution. The bonds are payable over a period of fifteen years at 5.0% interest through June 2038, 4.0% interest through June 2039, and 4.125% interest through June 2040. Semi-annual payments of principal and interest are due December 1 and June 1. A reoffering premium of $735,350 was received and bond issuance costs of $306,339 were incurred relative to the sale.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 550,000	$ 566,175	$ 1,116,175
2027	575,000	541,837	1,116,837
2028	600,000	513,087	1,113,087
2029	630,000	483,087	1,113,087
2030	665,000	451,587	1,116,587
2031-2035	3,855,000	1,724,937	5,579,937
2036-2040	4,905,000	670,487	5,575,487
	$ 11,780,000	$ 4,951,197	$ 16,731,197

10. Long-Term Debt (continued)

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.

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

Year Ending June 30,	Principal	Interest	Total
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	$ 2,363,000	$ 160,467	$ 2,523,467

10. Long-Term Debt (continued)

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 $116,667.

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 $14,938,305.

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:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	$ 765,854	$ 18,978	$ 784,832
2027	766,818	18,015	784,833
2028	767,783	17,050	784,833
2029	768,749	16,084	784,833
2030	761,384	15,116	776,500
2031-2035	3,738,139	61,026	3,799,165
2036-2040	3,762,516	36,649	3,799,165
2041-2045	3,723,729	12,115	3,735,844
Totals	$ 15,054,972	$ 195,033	$ 15,250,005

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 balance was paid in full during the current fiscal year.

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 $181,196, at the end of the current fiscal year. Amortization on the asset totaled $114,440 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 $99,041, at the end of the current fiscal year. Amortization on the asset totaled $62,522 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
2026	$ 57,936	$ 9,430	$ 67,366
2027	59,411	7,955	67,366
2028	60,923	6,443	67,366
2029	175,529	10,837	186,366
2030	180,053	6,313	186,366
2031	65,693	1,672	67,365
Totals	$ 599,545	$ 42,650	$ 642,195

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:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
Revenue bonds	$ 0	$ 11,780,000	$ 0	$ 11,780,000	$ 550,000
Reoffering premium	0	735,350	0	735,350	49,023
Net bonds payable	0	12,515,350	0	12,515,350	599,023
Notes from direct borrowings	156,494	0	(156,494)	0	0
Subscription liabilities	989,205	0	(389,660)	599,545	57,936
Compensated absences	729,321	105,025	0	834,346	834,346
Total governmental activities	1,875,020	12,620,375	(546,154)	13,949,241	1,491,305
Business-type activities					
Bonds from direct placement	$ 2,850,000	$ 0	$ (487,000)	$ 2,363,000	$ 502,000
Notes from direct borrowings	15,141,667	0	(86,695)	15,054,972	765,854
Compensated absences	215,466	785	0	216,251	150,142
Total business-type activities	$ 18,207,133	$ 785	$ (573,695)	$ 17,634,223	$ 1,417,996

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. The changes noted for compensated absences reflect the net change for the period.

Beginning balances of compensated absences have been restated in the governmental and business-type activities for the implementation of GASB Statement No. 101, Compensated Absences. See Note 24 for additional details.

Total interest incurred and expensed in the governmental activities and the business-type activities for the current fiscal year was $52,971 and $165,937, 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. These bonds were paid in full during the current fiscal year.

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 $73,229.

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 $127,403.

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

12. Conduit Debt (continued)

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 $130,749.

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 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 $111,568.

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	$ 223,316,640	$ 156,361,597
Accumulated depreciation	(99,089,044)	(61,735,854)
Book value	124,227,596	94,625,743
Capital-related accounts payable	(369,174)	0
Retainage payable	0	(12,558)
Capital-related notes payable	0	(15,054,972)
Capital-related bonds payable	(12,515,350)	(2,363,000)
Subscription liabilities	(599,545)	0
Unspent bond proceeds	12,209,010	0
Unspent note proceeds	22,005	0
Net investment in capital assets	$ 122,974,542	$ 77,195,213

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	$ 529,254	$ 0	$ 1,000,000	$ 30,191	$ 1,559,445
Advances to other funds	0	0	2,250,000	0	2,250,000
	$ 529,254	$ 0	$ 3,250,000	$ 30,191	$ 3,809,445
Restricted for:					
Public Safety					
Police facilities and equipment	$ 0	$ 0	$ 0	$ 2,508,205	$ 2,508,205
Hazardous material team	0	0	0	40,862	40,862
Police technology	0	0	0	48,746	48,746
Opioid remediation	0	0	0	278,057	278,057
Housing and Development					
Neighborhood improvements	0	0	0	1,049,792	1,049,792
Capital outlay	0	2,989,381	12,209,010	0	15,198,391
	$ 0	$ 2,989,381	$ 12,209,010	$ 3,925,662	$ 19,124,053
Committed for:					
Capital outlay	$ 0	$ 0	$ 9,582,566	$ 0	$ 9,582,566
Assigned for:					
Housing and Development					
Economic Development	$ 0	$ 0	$ 0	$ 562,807	$ 562,807

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, 2025, the date of the most recent actuarial valuation, there were 652 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	195
Terminated vested participants entitled to but not yet receiving benefits	132
Active participants	325
Total number of participants	652

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 $2,780,543 or 13.06% 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 $15,354,021. The net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. For the current fiscal year, the City recognized pension expense of $2,226,857. 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 9/30/2023	$ 57,632,751	$ 36,092,782	$ 21,539,969
Changes for the year:			
Service cost	1,003,962	0	1,003,962
Interest	4,219,340	0	4,219,340
Differences between expected and actual experience	566,515	0	566,515
Contributions-employer	0	2,578,573	(2,578,573)
Contributions-employee	0	786,654	(786,654)
Net investment income	0	8,679,778	(8,679,778)
Benefit payments, including refunds of employee contributior	(2,850,646)	(2,850,646)	0
Administrative expense	0	(69,240)	69,240
Net changes	2,939,171	9,125,119	(6,185,948)
Balances at 9/30/2024	$ 60,571,922	$ 45,217,901	$ 15,354,021

Plan fiduciary net position as a percentage of the total pension liability	74.65%
Covered payroll	$ 18,385,336
Net pension liability as a percentage of covered payroll	83.51%

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	$ 2,310,507	$ 0
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	(3,358,203)
Changes in participant fund allocation	68,401	(68,401)
Contributions subsequent to the measurement date	2,352,559	0
Totals	$ 4,731,467	$ (3,426,604)

The $2,352,559 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	
2026	$ 135,101
2027	1,015,904
2028	(1,111,701)
2029	(1,087,000)
Totals	$ (1,047,696)

Actuarial Assumptions. The total pension liability in the January 1, 2025 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	11 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, 2025 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, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.60%
International equity	20%	7.03%
Real estate	10%	3.40%
Global fixed income	5%	3.70%
Domestic fixed income	20%	2.70%
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%	$ 23,049,146
Current discount rate	7.375%	15,354,021
1% increase	8.375%	8,930,907

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 $536,284.

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 $83,839, or 0.39% 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 $3,300,614. The net OPEB liability was measured as of June 30, 2024, 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 $113,900. 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 6/30/2023	$ 3,326,019	$0	$ 3,326,019
Changes for the year:			
Service cost	150,707	0	150,707
Interest	125,458	0	125,458
Changes of benefit terms	0	0	-
Differences between expected and actual experience	(130,661)	0	(130,661)
Contributions-employer	0	79,735	(79,735)
Changes in assumptions	(91,174)	0	(91,174)
Benefit payments, including refunds of member contributions	(79,735)	(79,735)	0
Net changes	(25,405)	0	(25,405)
Balances at 6/30/2024	$ 3,300,614	$0	$ 3,300,614

Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered employee payroll	$ 16,902,350
Plan net OPEB liability as a percentage of covered employee payroll	19.53%

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	$ 284,166	$ (184,822)
Changes of assumptions	143,930	(738,025)
Contributions subsequent to the measurement date	83,839	0
Totals	$ 511,935	$ (922,847)

The $83,839 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	
2026	$ (139,161)
2027	(139,161)
2028	(48,942)
2029	(89,352)
2030	(51,435)
Thereafter	(26,700)
Totals	$ (494,751)

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	2.25% plus service based merit increases
Actuarial cost method	Entry age level percent of pay
Discount rate	3.93%. This changed from 3.65% 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.
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 3.93%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2024.

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 (2.93%) or one percentage-point higher (4.93%) 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	2.93%	$ 3,643,293
Current discount rate	3.93%	3,300,614
1% increase	4.93%	3,002,389

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease	$ 3,016,049
Current trend rate	3,300,614
1% increase	3,639,008

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	$ 1,160,896	
Disbursements for promoting tourism, conventions and trade shows	$ 507,892	43.75% of tax receipts
Disbursements for the creation and expansion of physical attractions	$ 706,696	60.87 % of tax receipts

The City expended $174,515 of its' unrestricted Hotel/Motel receipts during the current year. Amounts disbursed for the creation and expansion of physical attractions include amounts held in prior years.

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 $206,677 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 30% to 70% by parcel) for a local manufacturer expanding its manufacturing facility located in the City of Carrollton. The abatement amounted to $91,436
- Property tax abatement (ranging from 70% to 80% by parcel) for a local manufacturer expanding its manufacturing facility located in the City of Carrollton. The abatement amounted to $44,748
- Property tax abatement (ranging from 80% to 100% by parcel) for a local manufacturer expanding its manufacturing facility located in the City of Carrollton. The abatement amounted to $26,685.

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 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

21. Risk Management (continued)

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.

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
Raw Water Holding Pond	$ 14,991,955	$ 96,685
Master Development Agreement - Art Center Expansion and Parking Deck	4,290,825	11,459,175
Membrane Contract	610,138	1,039,862

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. Deficit Fund Balances

At the end of the current fiscal year, the Tax Allocation District Special Revenue Fund has a deficit fund balance of $1,253,116. This is due to utilizing an advance from the Capital Projects Fund to begin a redevelopment project. The City plans to liquidate this deficit fund balance through future revenue recognition.

24. Changes in Beginning Balances

Change in Accounting Principle

Governmental Activities

An adjustment was made to implement GASB Statement No. 101, *Compensated Absences*, at June 30, 2024. The net effect of this adjustment decreased beginning net position in the Governmental Activities in the amount of $303,266.

Business-Type Activities

Water and Sewerage

An adjustment was made to implement GASB Statement No. 101, *Compensated Absences*, at June 30, 2024. The net effect of this adjustment decreased beginning net position in the Water and Sewerage Fund in the amount of $76,443.

Sanitation

An adjustment was made to implement GASB Statement No. 101, *Compensated Absences*, at June 30, 2024. The net effect of this adjustment decreased beginning net position in the Sanitation Fund in the amount of $30,785.

The net effect of this adjustment decreased beginning net position in the Business-Type Activities in the amount of $107,228.

24. Changes in Beginning Balances, (continued)

A summary of the changes in beginning balances is presented below:

	Beginning Net Position, As Previously Reported	Changes in Accounting Principle	Beginning Net Position, As Restated
Government-Wide			
Governmental Activities	$ 143,740,198	$ (303,266)	$ 143,436,932
Business-type Activities	83,763,856	(107,228)	83,656,628
Total Primary Government	$ 227,504,054	(410,494)	227,093,560
Enterprise Funds			
Water and Sewerage	$ 81,084,648	$ (76,443)	$ 81,008,205
Sanitation	2,679,208	(30,785)	2,648,423
Total Enterprise Funds	$ 83,763,856	$ (107,228)	$ 83,656,628

25. 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

	Nonmajor Governmental Funds	Tax Allocation District	Total
July 1, 2024 (as original reported)	$ 5,181,638	$ 0	$ 5,181,638
Change from nonmajor to major fund	(419,148)	419,148	0
July 1, 2024 (as restated)	$ 4,762,490	$ 419,148	$ 5,181,638

26. New Accounting Pronouncements

The City implemented GASB Statement No. 101, *Compensated Absences*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after December 15, 2023. The implementation of this statement decreased beginning net position by $303,266 and $107,228 in the Governmental Activities and Business-Type Activities, respectively.

The City implemented GASB Statement No. 102, *Certain Risk Disclosures*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2024. 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, 2025
(Unaudited)

	Fiscal Year End		
	2025	**2024**	**2023**
Total pension liability			
Service cost	$ 1,003,962	$ 930,482	$ 854,691
Interest	4,219,340	3,926,020	3,638,879
Differences between expected and actual experience	566,515	1,770,284	1,749,839
Changes in assumptions	0	0	0
Benefit payments, including refunds of employee contributions	(2,850,646)	(2,595,442)	(2,256,093)
Changes of benefit terms	0	0	0
Other changes	0	0	0
Net change in total pension liability	2,939,171	4,031,344	3,987,316
Total pension liability - beginning	57,632,751	53,601,407	49,614,091
Total pension liability - ending (a)	$ 60,571,922	$ 57,632,751	$ 53,601,407
Plan fiduciary net position			
Contributions - employer	$ 2,578,573	$ 2,493,459	$ 3,494,084
Contributions - employee	786,654	747,521	744,005
Net investment income	8,679,778	4,223,177	(6,193,827)
Benefit payments, including refunds of employee contributions	(2,850,646)	(2,595,442)	(2,256,093)
Administrative expense	(69,240)	(76,094)	(61,287)
Net change in plan fiduciary net position	9,125,119	4,792,621	(4,273,118)
Plan fiduciary net position - beginning	36,092,782	31,300,161	35,573,279
Plan fiduciary net position - ending (b)	$ 45,217,901	$ 36,092,782	$ 31,300,161
Net pension liability (asset) - ending : (a) - (b)	$ 15,354,021	$ 21,539,969	$ 22,301,246
Plan's fiduciary net position as a percentage of the total pension liability	74.65%	62.63%	58.39%
Covered payroll	$ 18,385,336	$ 17,803,093	$ 16,611,141
Net pension liability as a percentage of covered payroll	83.51%	120.99%	134.25%

See accompanying notes to the required supplementary information.

Fiscal Year End							
2022	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
$ 452,033	$ 478,953	$ 359,881	$ 348,429	$ 397,257	$ 362,710	$ 377,227
2,678,589	2,583,027	2,409,298	2,311,482	2,266,445	2,106,841	1,989,841
475,943	234,846	540,068	500,330	(81,618)	1,267,311	597,738
0	0	0	0	433,947	0	0
(1,986,032)	(1,962,267)	(1,913,261)	(1,821,688)	(1,756,630)	(1,565,620)	(1,344,634)
11,132,724	0	0	0	0	0	0
0	0	1,409,565	0	0	(16,333)	0
12,753,257	1,334,559	2,805,551	1,338,553	1,259,401	2,154,909	1,620,172
36,860,834	35,526,275	32,720,724	31,382,171	30,122,770	27,967,861	26,347,689
$ 49,614,091	$ 36,860,834	$ 35,526,275	$ 32,720,724	$ 31,382,171	$ 30,122,770	$ 27,967,861
$ 1,479,049	$ 1,416,916	$ 1,453,508	$ 1,340,534	$ 1,121,807	$ 1,188,985	$ 1,208,604
152,288	0	0	0	0	0	0
7,002,288	2,572,781	781,879	2,445,629	3,301,957	2,258,137	235,211
(1,986,032)	(1,962,267)	(1,913,261)	(1,821,689)	(1,756,630)	(1,565,620)	(1,344,634)
(58,156)	(56,321)	(50,844)	(56,317)	(58,143)	(33,118)	(36,856)
6,589,437	1,971,109	271,282	1,908,157	2,608,991	1,848,384	62,325
28,983,842	27,012,733	26,741,451	24,833,294	22,224,303	20,375,919	20,313,594
$ 35,573,279	$ 28,983,842	$ 27,012,733	$ 26,741,451	$ 24,833,294	$ 22,224,303	$ 20,375,919
$ 14,040,812	$ 7,876,992	$ 8,513,542	$ 5,979,273	$ 6,548,877	$ 7,898,467	$ 7,591,942
71.70%	78.63%	76.04%	81.73%	79.13%	73.78%	72.85%
$ 16,110,704	$ 15,189,914	$ 15,414,227	$ 13,152,183	$ 12,765,322	$ 13,618,889	$ 12,426,773
87.15%	51.86%	55.23%	45.46%	51.30%	58.00%	61.09%

See accompanying notes to the required supplementary information.

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2025
(Unaudited)

	Fiscal Year End			
	2025	**2024**	**2023**	**2022**
Actuarially determined contribution	$ 2,780,543	$ 2,552,237	$ 2,436,723	$ 1,641,131
Contributions in relation to the actuarially determined contribution	(2,780,543)	(2,552,237)	(2,436,723)	(3,181,519)
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ (1,540,388)
Covered payroll	$ 21,292,222	$ 17,585,910	$ 16,788,423	$ 17,071,537
Contributions as a percentage of covered payroll	13.06%	14.51%	14.51%	18.64%

Fiscal Year End						
2021	**2020**	**2019**	**2018**	**2017**	**2016**
$ 1,612,553	$ 1,348,970	$ 1,337,179	$ 1,341,205	$ 1,195,231	$ 1,186,903
(1,612,553)	(1,462,452)	(1,339,464)	(1,229,438)	(1,197,081)	(1,187,953)
$ 0	$ (113,482)	$ (2,285)	$ 111,767	$ (1,850)	$ (1,050)
$ 15,861,803	$ 15,860,745	$ 14,248,681	$ 14,711,933	$ 13,395,252	$ 12,662,435
10.17%	9.22%	9.40%	8.36%	8.94%	9.38%

See accompanying notes to the required supplementary information.

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2025
(Unaudited)

	Fiscal Year End		
	2025	**2024**	**2023**
Total OPEB liability			
Service cost	$ 150,707	$ 64,720	$ 88,899
Interest	125,458	77,242	55,055
Change of benefit terms	0	881,962	(4,617)
Differences between expected and actual experience	(130,661)	316,031	(63,943)
Changes in assumptions	(91,174)	(85,908)	(355,815)
Benefit payments, including refunds of member contributions	(79,735)	(89,771)	(35,425)
Net change in total OPEB liability	(25,405)	1,164,276	(315,846)
Total OPEB liability - beginning	3,326,019	2,161,743	2,477,589
Total OPEB liability - ending (a)	$ 3,300,614	$ 3,326,019	$ 2,161,743
Plan fiduciary net position			
Contributions - employer	$ 79,735	$ 89,771	$ 35,425
Benefit payments, including refunds of member contributions	(79,735)	(89,771)	(35,425)
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)	$ 3,300,614	$ 3,326,019	$ 2,161,743
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered employee payroll	$ 16,902,350	$ 16,530,416	$ 15,531,687
Plan net OPEB liability as a percentage of covered employee payroll	19.53%	20.12%	13.92%

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

	Fiscal Year End				
	2022	**2021**	**2020**	**2019**	**2018**
	$ 98,472	$ 71,323	$ 93,323	$ 94,178	$ 111,817
	60,733	81,343	116,790	108,759	92,935
	(8,904)	(38,450)	(112,209)	0	0
	(15,645)	(60,538)	188,568	(60,250)	(69,070)
	(287,684)	383,816	(910,321)	(101,521)	(268,511)
	(37,805)	(43,283)	(52,900)	(67,970)	(76,910)
	(190,833)	394,211	(676,749)	(26,804)	(209,739)
	2,668,422	2,274,211	2,950,960	2,977,764	3,187,503
	$ 2,477,589	$ 2,668,422	$ 2,274,211	$ 2,950,960	$ 2,977,764
	$ 37,805	$ 43,283	$ 52,900	$ 67,970	$ 76,910
	(37,805)	(43,283)	(52,900)	(67,970)	(76,910)
	0	0	0	0	0
	0	0	0	0	0
	$ 0	$ 0	$ 0	$ 0	$ 0
	$ 2,477,589	$ 2,668,422	$ 2,274,211	$ 2,950,960	$ 2,977,764
	0.00%	0.00%	0.00%	0.00%	0.00%
	$ 15,189,914	$ 13,448,107	$ 13,152,183	$ 13,397,582	$ 13,397,582
	16.31%	19.84%	17.29%	22.03%	22.23%

Pension Plan

1. Valuation Date

The actuarially determined contribution was determined as of January 1, 2025, 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, 2026.

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 11 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 = 2.25% plus service based merit increases

Inflation = 2.25%

Discount rate = 3.93%. This changed from 3.65% the previous year

Healthcare cost trend rates = (1.79%) for the first year, then 7.25% trended down to 4.50% 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 1/1/2024, 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.

4. Changes of Assumptions

The discount rate from the Bond Buyer 20-Bond GO Index for June 30, 2024 was 3.93%. For June 30, 2023 it was 3.65%.

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, 2025

	Special Revenue		
	Hotel/Motel Tax	**Drug Seizure**	**Regional Hazardous Material Team**
ASSETS			
Cash and cash equivalents	$ 638,321	$ 380,663	$ 40,862
Receivables			
Accounts	0	0	0
Taxes	200,532	0	0
Intergovernmental	0	0	0
Prepaid items	30,191	0	0
Total assets	$ 869,044	$ 380,663	$ 40,862
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 276,046	$ 3,239	$ 0
Due to other funds	0	0	0
Due to others	0	223,390	0
Total liabilities	276,046	226,629	0
Deferred Inflows of Resources			
Unavailable revenue - fines, fees,and forfeitures	0	0	0
Fund balances			
Nonspendable for:			
Prepaid items	30,191	0	0
Restricted for:			
Public Safety	0	154,034	40,862
Housing and Development	0	0	0
Assigned for:			
Housing and Development	562,807	0	0
Total fund balances	592,998	154,034	40,862
Total liabilities, deferred inflows of resources and fund balances	$ 869,044	$ 380,663	$ 40,862

Special Revenue						
West Metro Regional Drug Enforcement	Neighborhood Stabilization Program	American Rescue Plan	Police Technology	Opioid Settlement	Total Nonmajor Governmental Funds
$ 2,817,331	$ 1,036,511	$ 0	$ 48,746	$ 223,850	$ 5,186,284
0	0	0	0	861,862	861,862
0	0	0	0	0	200,532
55,087	27,174	0	0	0	82,261
0	0	0	0	0	30,191
$ 2,872,418	$ 1,063,685	$ 0	$ 48,746	$ 1,085,712	$ 6,361,130
$ 14,727	$ 500	$ 0	$ 0	$ 0	$ 294,512
3,569	13,393	0	0	0	16,962
499,951	0	0	0	0	723,341
518,247	13,893	0	0	0	1,034,815
0	0	0	0	807,655	807,655
0	0	0	0	0	30,191
2,354,171	0	0	48,746	278,057	2,875,870
0	1,049,792	0	0	0	1,049,792
0	0	0	0	0	562,807
2,354,171	1,049,792	0	48,746	278,057	4,518,660
$ 2,872,418	$ 1,063,685	$ 0	$ 48,746	$ 1,085,712	$ 6,361,130

CITY OF CARROLLTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2025

	Special Revenue			
	Hotel/Motel Tax	Drug Seizure	Regional Hazardous Material Team	West Metro Regional Drug Enforcement
REVENUES				
Taxes	$ 1,160,896	$ 0	$ 0	$ 0
Fines, fees, and forfeitures	0	30,441	0	429,187
Charges for services	0	0	9,000	0
Intergovernmental	0	0	0	504,762
Interest	3,646	0	209	53,428
Other	0	0	0	1,025
Total revenues	1,164,542	30,441	9,209	988,402
EXPENDITURES				
Current				
Public Safety	0	128,922	0	907,180
Housing and Development	1,389,103	0	0	0
Total expenditures	1,389,103	128,922	0	907,180
Excess (deficiency) of revenues over (under) expenditures	(224,561)	(98,481)	9,209	81,222
Other financing sources (uses)				
Transfers in	0	0	0	54,122
Transfers out	0	(54,122)	0	0
Proceeds from sale of assets	0	0	0	14,500
Total other financing sources (uses)	0	(54,122)	0	68,622
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(224,561)	(152,603)	9,209	149,844
Fund balances, July 1 (as previously presented)	817,559	306,637	31,653	2,204,327
Change within financial reporting entity	0	0	0	0
Fund balances, July 1 (restated)	817,559	306,637	31,653	2,204,327
Fund balances, June 30	$ 592,998	$ 154,034	$ 40,862	$ 2,354,171

Special Revenue						
Neighborhood Stabilization Program	American Rescue Plan	Police Technology	Opioid Settlement	Formerly Nonmajor Tax Allocation District	Total Nonmajor Governmental Funds
$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,160,896
0	0	26,458	89,669	0	575,755
0	0	0	0	0	9,000
0	30,510	0	0	0	535,272
7,776	429	233	1,306	0	67,027
0	0	0	0	0	1,025
7,776	30,939	26,691	90,975	0	2,348,975
0	0	19,968	78,634	0	1,134,704
0	0	0	0	0	1,389,103
0	0	19,968	78,634	0	2,523,807
7,776	30,939	6,723	12,341	0	(174,832)
0	0	0	0	0	54,122
0	(83,498)	0	0	0	(137,620)
0	0	0	0	0	14,500
0	(83,498)	0	0	0	(68,998)
7,776	(52,559)	6,723	12,341	0	(243,830)
1,042,016	52,559	42,023	265,716	419,148	5,181,638
0	0	0	0	(419,148)	(419,148)
1,042,016	52,559	42,023	265,716	0	4,762,490
$ 1,049,792	$ 0	$ 48,746	$ 278,057	$ 0	$ 4,518,660

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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, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 22,238,522	$ 22,761,345
Receivables (net)		
Accounts	542,559	244,701
Intergovernmental	456,075	226,987
Taxes	1,025,384	1,089,041
Prepaid items	529,254	286,152
Due from other funds	17,885	44,320
Restricted assets		
Cash and cash equivalents	22,005	21,123
Total assets	$ 24,831,684	$ 24,673,669
LIABILITIES		
Accounts payable	$ 697,486	$ 559,745
Accrued liabilities	44,491	2,339
Accrued salaries and payroll liabilities	708,831	599,863
Unearned revenue	65,046	81,534
Due to others	350,261	417,306
Due to other funds	47,505	50,085
Total liabilities	1,913,620	1,710,872
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	64,894	90,211
FUND BALANCES		
Nonspendable		
Prepaid items	529,254	286,152
Unassigned	22,323,916	22,586,434
Total fund balances	22,853,170	22,872,586
Total liabilities, deferred inflows of resources and fund balances	$ 24,831,684	$ 24,673,669

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2025 and 2024

	2025	2024
REVENUES		
Taxes	$ 23,695,155	$ 21,964,221
Licenses and permits	597,530	695,394
Fines, fees and forfeitures	812,852	858,281
Charges for services	6,046,248	5,437,611
Intergovernmental	2,594,652	2,445,420
Contributions	150,000	0
Interest	967,943	800,464
Other	215,755	305,366
Total revenues	35,080,135	32,506,757
EXPENDITURES		
Current		
General Government	4,186,261	3,655,534
Public Safety	18,031,672	18,188,011
Public Works	1,992,569	1,820,985
Culture and Recreation	7,698,108	7,043,948
Housing and Development	851,393	874,998
Total current	32,760,003	31,583,476
Debt Service		
Public Safety	558,162	280,444
Total expenditures	33,318,165	31,863,920
Excess (deficiency) of revenues over (under) expenditures	1,761,970	642,837
Other financing sources (uses)		
Transfers in (out)		
American Rescue Plan Fund	52,988	0
General Capital Projects Fund	(5,500,000)	(3,500,000)
Water and Sewerage Fund	3,300,000	3,150,000
Sanitation Fund	280,000	0
Inception of leases	0	1,108,205
Proceeds from sale of assets	85,626	9,792
Total other financing sources (uses)	(1,781,386)	767,997
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(19,416)	1,410,834
Fund balances, July 1	22,872,586	21,461,752
Fund balances, June 30	$ 22,853,170	$ 22,872,586

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Real and personal tax	$ 5,076,500	$ 6,201,284	$ 1,124,784	$ 5,448,151
Motor vehicle tax	1,020,000	1,169,588	149,588	1,177,717
Penalties and interest	35,000	68,683	33,683	62,378
Total general property taxes	6,131,500	7,439,555	1,308,055	6,688,246
Local option sales tax	6,750,000	7,280,504	530,504	7,024,922
Insurance premium tax	2,400,000	2,559,601	159,601	2,370,296
Intangibles and real estate transfer tax	80,000	131,036	51,036	83,458
Franchise tax	2,980,000	3,187,506	207,506	2,938,573
Alcohol excise tax	825,000	806,276	(18,724)	815,981
Occupational tax	1,750,000	2,113,618	363,618	1,879,673
Energy excise tax	150,000	177,059	27,059	163,072
Total taxes	21,066,500	23,695,155	2,628,655	21,964,221
Licenses and permits				
Alcohol licenses	275,000	280,010	5,010	263,252
Building permits	300,000	312,897	12,897	432,142
Other permits	0	4,623	4,623	0
Total licenses and permits	575,000	597,530	22,530	695,394
Fines, fees and forfeitures	1,000,000	812,852	(187,148)	858,281
Charges for Services				
Reimbursement of joint expenses	3,559,883	3,559,883	0	3,349,791
Recreation fees	1,034,684	1,463,297	428,613	1,142,837
Main Street events	30,000	90,692	60,692	115,976
Cemetery charges	20,000	40,953	20,953	49,673
Cultural arts fees	423,545	507,309	83,764	473,219
Other	325,000	384,114	59,114	306,115
Total charges for services	5,393,112	6,046,248	653,136	5,437,611
Intergovernmental	2,834,191	2,594,652	(239,539)	2,445,420
Contributions	0	150,000	150,000	0
Interest	940,000	967,943	27,943	800,464
Other				
Rental Income	20,000	10,775	(9,225)	18,600
Miscellaneous	120,968	204,980	84,012	286,766
Total other	140,968	215,755	74,787	305,366
Total revenues	$ 31,949,771	$ 35,080,135	$ 3,130,364	$ 32,506,757

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Mayor and Council				
Personal services	$ 100,150	$ 95,695	$ 4,455	$ 88,326
Contract services	96,500	93,346	3,154	79,595
Materials and supplies	0	0	0	136
Total Mayor and Council	196,650	189,041	7,609	168,057
City Manager				
Personal services	380,551	345,280	35,271	354,772
Contract services	27,500	33,759	(6,259)	18,966
Materials and supplies	250	0	250	448
Total City Manager	408,301	379,039	29,262	374,186
General Administration				
Personal services	180,665	172,638	8,027	168,297
Contract services	714,600	632,436	82,164	629,219
Materials and supplies	323,000	321,061	1,939	277,933
Capital outlay	280,000	280,637	(637)	31,556
Payments to others	140,000	80,000	60,000	80,000
Total General Administration	1,638,265	1,486,772	151,493	1,187,005
Finance and Purchasing				
Personal services	391,027	305,969	85,058	292,737
Contract services	19,200	15,436	3,764	17,057
Materials and supplies	0	805	(805)	1,011
Total Finance and Purchasing	410,227	322,210	88,017	310,805
Human Resources				
Personal services	544,973	473,570	71,403	433,548
Contract services	31,599	30,412	1,187	14,510
Materials and supplies	4,600	2,140	2,460	92
Total Human Resources	581,172	506,122	75,050	448,150
Information Technology				
Personal services	315,667	319,160	(3,493)	278,863
Contract services	295,798	286,116	9,682	242,067
Materials and supplies	5,000	770	4,230	0
Capital outlay	0	0	0	10,086
Total Information Technology	616,465	606,046	10,419	531,016
General Maintenance				
Personal services	36,253	31,849	4,404	28,609
Contract services	4,700	4,399	301	4,116
Total General Maintenance	40,953	36,248	4,705	32,725
Marketing-Public Relations				
Personal services	230,602	214,158	16,444	157,407
Contract services	149,000	148,460	540	127,764
Material and supplies	87,050	82,991	4,059	80,311
Total Marketing-Public Relations	466,652	445,609	21,043	365,482
Legal				
Contract services	240,000	215,174	24,826	238,108
Total General Government	4,598,685	4,186,261	412,424	3,655,534

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
Public Safety				
Police Department				
Personal services	$ 9,238,079	$ 8,809,863	$ 428,216	$ 8,472,997
Contract services	1,222,324	1,197,035	25,289	1,168,683
Materials and supplies	395,291	418,950	(23,659)	381,600
Capital outlay	488,595	370,882	117,713	1,158,823
Total Police Department	11,344,289	10,796,730	547,559	11,182,103
Mental Crisis Response Unit				
Personal services	480,141	352,379	127,762	363,692
Contract services	3,500	1,085	2,415	31,037
Materials and supplies	40,500	17,480	23,020	13,905
Total Mental Crisis Response Unit	524,141	370,944	153,197	408,634
Fire Department				
Personal services	6,694,883	6,167,254	527,629	5,957,267
Contract services	381,200	310,973	70,227	331,659
Materials and supplies	308,180	275,680	32,500	277,241
Capital outlay	0	110,091	(110,091)	31,107
Total Fire Department	7,384,263	6,863,998	520,265	6,597,274
Total Public Safety	19,252,693	18,031,672	1,221,021	18,188,011
Public Works				
Street Department				
Contract services	124,400	139,303	(14,903)	94,894
Materials and supplies	106,500	43,481	63,019	64,719
Total Street Department	230,900	182,784	48,116	159,613
Engineering				
Personal services	832,615	723,000	109,615	669,690
Contract services	217,700	108,380	109,320	104,078
Materials and supplies	458,000	461,443	(3,443)	455,047
Capital outlay	0	100,000	(100,000)	0
Total Engineering	1,508,315	1,392,823	115,492	1,228,815
Garage				
Personal services	448,289	365,105	83,184	401,104
Contract services	21,700	9,651	12,049	10,441
Materials and supplies	56,550	42,206	14,344	21,012
Capital outlay	17,900	0	17,900	0
Total Garage	544,439	416,962	127,477	432,557
Total Public Works	2,283,654	1,992,569	291,085	1,820,985

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
Culture and Recreation				
Library				
Payments to others	$ 312,000	$ 312,000	$ 0	$ 312,000
Recreation Administration				
Personal services	594,570	564,269	30,301	400,160
Contract services	157,940	172,494	(14,554)	126,126
Materials and supplies	630,160	621,097	9,063	501,357
Total Recreation Administration	1,382,670	1,357,860	24,810	1,027,643
Recreation Parks				
Personal services	1,715,430	1,530,741	184,689	1,447,587
Contract services	723,310	652,249	71,061	620,127
Materials and supplies	106,000	104,270	1,730	88,690
Capital outlay	0	76,781	(76,781)	127,538
Total Recreation Parks	2,544,740	2,364,041	180,699	2,283,942
Recreation Programs				
Personal services	772,879	781,851	(8,972)	724,920
Contract services	65,412	57,832	7,580	49,848
Materials and supplies	351,629	349,841	1,788	359,438
Total Recreation Programs	1,189,920	1,189,524	396	1,134,206
Cultural Arts				
Personal services	661,308	635,545	25,763	634,186
Contract services	347,085	333,859	13,226	388,161
Materials and supplies	193,032	233,779	(40,747)	218,464
Total Cultural Arts	1,201,425	1,203,183	(1,758)	1,240,811
Recreation Athletics				
Personal services	1,007,675	930,866	76,809	837,336
Contract services	116,087	125,737	(9,650)	63,029
Materials and supplies	168,183	214,897	(46,714)	144,981
Total Recreation Athletics	1,291,945	1,271,500	20,445	1,045,346
Total Culture and Recreation	7,922,700	7,698,108	224,592	7,043,948

CITY OF CARROLLTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
Housing and Development				
Planning Administration				
Personal services	$ 483,411	$ 493,860	$ (10,449)	$ 458,590
Contract services	28,283	16,267	12,016	104,363
Materials and supplies	1,000	373	627	542
Total Planning Administration	512,694	510,500	2,194	563,495
Code Enforcement				
Personal services	188,817	183,901	4,916	163,112
Contract services	13,700	8,084	5,616	8,923
Materials and supplies	3,650	1,074	2,576	1,275
Total Code Enforcement	206,167	193,059	13,108	173,310
Main Street Division				
Personal services	91,387	84,227	7,160	83,036
Contract services	21,825	17,034	4,791	18,301
Materials and supplies	48,100	46,573	1,527	36,856
Capital outlay	6,000	0	6,000	0
Total Main Street Division	167,312	147,834	19,478	138,193
Total Housing and Development	886,173	851,393	34,780	874,998
Total Current	34,943,905	32,760,003	2,183,902	31,583,476
Debt Service				
Police Department	585,866	558,162	27,704	280,444
Total Expenditures	$ 35,529,771	$ 33,318,165	$ 2,211,606	$ 31,863,920

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, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 638,321	$ 900,306
Taxes receivable	200,532	203,523
Prepaid items	30,191	27,815
Total assets	$ 869,044	$ 1,131,644
LIABILITIES		
Accounts payable	$ 276,046	$ 314,085
FUND BALANCES		
Nonspendable		
Prepaid items	30,191	27,815
Assigned for Housing and Development	562,807	789,744
Total fund balances	592,998	817,559
Total liabilities and fund balances	$ 869,044	$ 1,131,644

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 1,164,000	$ 1,160,896	$ (3,104)	$ 1,132,166
Interest	0	3,646	3,646	6,499
Total revenues	1,164,000	1,164,542	542	1,138,665
EXPENDITURES				
Current				
Housing and Development				
Contract services	256,000	568,366	(312,366)	387,564
Capital outlay	633,900	282,845	351,055	250,976
Payments to others	509,250	537,892	(28,642)	500,294
Total expenditures	1,399,150	1,389,103	10,047	1,138,834
Excess (deficiency) of revenues over (under) expenditures	(235,150)	(224,561)	10,589	(169)
Fund balance, July 1	235,150	817,559	582,409	817,728
Fund balances, June 30	$ 0	$ 592,998	$ 592,998	$ 817,559

CITY OF CARROLLTON, GEORGIA
DRUG SEIZURE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 380,663	$ 470,598
Due from other funds	0	2,580
Total assets	$ 380,663	$ 473,178
LIABILITIES		
Accounts payable	$ 3,239	$ 4,856
Due to others	223,390	161,685
Total liabilities	226,629	166,541
FUND BALANCES		
Restricted for Public Safety	154,034	306,637
Total liabilities and fund balances	$ 380,663	$ 473,178

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 100,000	$ 30,441	$ (69,559)	$ 104,120
Total revenues	100,000	30,441	(69,559)	104,120
EXPENDITURES				
Current				
Public Safety				
Contract services	0	15,685	(15,685)	14,507
Materials and supplies	100,000	44,234	55,766	30,340
Capital outlay	0	0	0	49,299
Payments to others	55,000	69,003	(14,003)	43,865
Total expenditures	155,000	128,922	26,078	138,011
Excess (deficiency) of revenues over (under) expenditures	(55,000)	(98,481)	(43,481)	(33,891)
Other financing sources (uses)				
Transfers in (out)				
West Metro Regional Drug Task Force	(55,000)	(54,122)	878	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(110,000)	(152,603)	(42,603)	(33,891)
Fund balance, July 1	110,000	306,637	196,637	340,528
Fund balances, June 30	$ 0	$ 154,034	$ 154,034	$ 306,637

CITY OF CARROLLTON, GEORGIA
REGIONAL HAZARDOUS MATERIAL TEAM SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 40,862	$ 31,653
Total assets	$ 40,862	$ 31,653
FUND BALANCES		
Restricted for Public Safety	$ 40,862	$ 31,653
Total fund balances	$ 40,862	$ 31,653

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 9,000	$ 9,000	$ 0	$ 9,000
Interest	0	209	209	278
Total revenues	9,000	9,209	209	9,278
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	9,000	0	9,000	16,544
Excess (deficiency) of revenues over (under) expenditures	0	9,209	9,209	(7,266)
Fund balance, July 1	0	31,653	31,653	38,919
Fund balances, June 30	$ 0	$ 40,862	$ 40,862	$ 31,653

CITY OF CARROLLTON, GEORGIA
WEST METRO REGIONAL DRUG ENFORCEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 2,817,331	$ 1,817,364
Certificates of deposit	0	1,000,000
Intergovernmental receivable	55,087	119,278
Interest receivable	0	38,274
Total assets	$ 2,872,418	$ 2,974,916
LIABILITIES		
Accounts payable	$ 14,727	$ 11,867
Due to other funds	3,569	30,004
Unearned revenue	0	9,500
Due to others	499,951	719,218
Total liabilities	518,247	770,589
FUND BALANCES		
Restricted for Public Safety	2,354,171	2,204,327
Total liabilities and fund balances	$ 2,872,418	$ 2,974,916

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 425,000	$ 429,187	$ 4,187	$ 243,084
Intergovernmental	475,000	504,762	29,762	567,074
Interest	0	53,428	53,428	48,566
Other	0	1,025	1,025	1,680
Total revenues	900,000	988,402	88,402	860,404
EXPENDITURES				
Current				
Public Safety				
Personal services	0	425,249	(425,249)	376,931
Contract services	0	162,815	(162,815)	154,469
Materials and supplies	900,000	100,028	799,972	89,914
Capital outlay	0	219,088	(219,088)	37,315
Total expenditures	900,000	907,180	(7,180)	658,629
Excess (deficiency) of revenues over (under) expenditures	0	81,222	81,222	201,775
Other financing sources (uses)				
Transfers in (out)				
Drug Seizure Fund	0	54,122	54,122	0
Proceeds from sale of assets	0	14,500	14,500	0
Total other financing sources (uses)	0	68,622	68,622	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	149,844	149,844	201,775
Fund balance, July 1	0	2,204,327	2,204,327	2,002,552
Fund balances, June 30	$ 0	$ 2,354,171	$ 2,354,171	$ 2,204,327

CITY OF CARROLLTON, GEORGIA
NEIGHBORHOOD STABILIZATION PROGRAM SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 1,036,511	$ 1,028,735
Intergovernmental receivable	27,174	27,174
Total assets	$ 1,063,685	$ 1,055,909
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	1,049,792	1,042,016
Total liabilities and fund balances	$ 1,063,685	$ 1,055,909

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Interest	$ 0	$ 7,776	$ 7,776	$ 7,655
Total revenues	0	7,776	7,776	7,655
EXPENDITURES	1,000,000	0	1,000,000	0
Excess (deficiency) of revenues over (under) expenditures	(1,000,000)	7,776	1,007,776	7,655
Fund balance, July 1	1,000,000	1,042,016	42,016	1,034,361
Fund balances, June 30	$ 0	$ 1,049,792	$ 1,049,792	$ 1,042,016

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, 2025

	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	22,876	0	22,876	22,876
Total Revenues		3,406,991	8,786,245	0	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	$ 510,831	$ 0	$ 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, 2025

	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	6,360	0	6,360	6,360
Total Revenues		1,142,774	2,857,403	0	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	$ (247,917)	$ 0	$ (247,917)	$ (247,917)

CITY OF CARROLLTON, GEORGIA
AMERICAN RESCUE PLAN SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 0	$ 83,069
Total assets	$ 0	$ 83,069
LIABILITIES		
Unearned revenue	$ 0	$ 30,510
FUND BALANCES		
Restricted for Grant specifications	0	52,559
Total liabilities and fund balances	$ 0	$ 83,069

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 30,510	$ 30,510	$ 0	$ 0
Interest	0	429	429	236
Total revenues	30,510	30,939	429	236
EXPENDITURES	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	30,510	30,939	429	236
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	(52,988)	(52,988)	0
Water and Sewerage Fund	(30,510)	(30,510)	0	0
Total other financing sources (uses)	(30,510)	(83,498)	(52,988)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(52,559)	(52,559)	236
Fund balances, July 1	0	52,559	52,559	52,323
Fund balances, June 30	$ 0	$ 0	$ 0	$ 52,559

CITY OF CARROLLTON, GEORGIA
POLICE TECHNOLOGY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 48,746	$ 42,023
Total assets	$ 48,746	$ 42,023
FUND BALANCES		
Restricted for Public Safety	48,746	42,023
Total fund balances	$ 48,746	$ 42,023

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 30,000	$ 26,458	$ (3,542)	$ 33,059
Interest	0	233	233	189
Total revenues	30,000	26,691	(3,309)	33,248
EXPENDITURES				
Current				
Public Safety	30,000	19,968	10,032	0
Excess (deficiency) of revenues over (under) expenditures	0	6,723	6,723	33,248
Fund balances, July 1	0	42,023	42,023	8,775
Fund balances, June 30	$ 0	$ 48,746	$ 48,746	$ 42,023

CITY OF CARROLLTON, GEORGIA
OPIOID SETTLEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 223,850	$ 218,181
Accounts receivable	861,862	936,799
Total assets	$ 1,085,712	$ 1,154,980
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - Fines, fees, and forfeitures	$ 807,655	$ 889,264
FUND BALANCES		
Restricted for Public Safety	278,057	265,716
Total deferred inflows of resources and fund balances	$ 1,085,712	$ 1,154,980

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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 0	$ 89,669	$ 89,669	$ 189,658
Interest	0	1,306	1,306	1,284
Total revenues	0	90,975	90,975	190,942
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	100,000	19,275	80,725	36,121
Capital outlay	0	59,359	(59,359)	20,235
Total expenditures	100,000	78,634	21,366	56,356
Excess (deficiency) of revenues over (under) expenditures	(100,000)	12,341	112,341	134,586
Fund balances, July 1	100,000	265,716	165,716	131,130
Fund balances, June 30	$ 0	$ 278,057	$ 278,057	$ 265,716

CITY OF CARROLLTON, GEORGIA
TAX ALLOCATION DISTRICT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 988,441	$ 409,186
Taxes receivable	13,170	23,041
Total assets	$ 1,001,611	$ 432,227
LIABILITIES		
Advances from other funds	$ 2,250,000	$ 0
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	4,727	13,079
FUND BALANCES		
Restricted for Housing and Development	0	419,148
Unassigned	(1,253,116)	0
Total fund balances	(1,253,116)	419,148
Total liabilities, deferred inflows of resources and fund balances	$ 1,001,611	$ 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, 2025
(With comparative actual amounts for the fiscal year ending June 30, 2024)

	2025			2024
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 500,000	$ 577,978	$ 77,978	$ 417,572
Interest	0	3,962	3,962	1,576
Other	0	2,000	2,000	0
Total revenues	500,000	583,940	83,940	419,148
EXPENDITURES				
Current				
Housing and Development				
Contract services	0	6,204	(6,204)	0
Payments to others	2,750,000	2,250,000	500,000	0
Total expenditures	2,750,000	2,256,204	493,796	0
Excess (deficiency) of revenues over (under) expenditures	(2,250,000)	(1,672,264)	577,736	419,148
Fund balances, July 1	2,250,000	419,148	(1,830,852)	0
Fund balances, June 30	$ 0	$ (1,253,116)	$ (1,253,116)	$ 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, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 2,174,388	$ 1,503,269
Intergovernmental receivable	1,183,547	1,338,531
Total assets	$ 3,357,935	$ 2,841,800
LIABILITIES		
Payables		
Accounts	368,554	188,833
Retainages	0	51,407
Total liabilities	368,554	240,240
FUND BALANCES		
Restricted for Capital outlay	2,989,381	2,601,560
Total liabilities and fund balances	$ 3,357,935	$ 2,841,800

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, 2025 and 2024

	2025	2024
REVENUES		
Intergovernmental	$ 9,694,128	$ 7,879,715
Interest	11,041	7,481
Total revenues	9,705,169	7,887,196
EXPENDITURES		
Capital outlay		
Public Safety	2,898,179	2,601,820
Public Works	2,158,326	2,093,889
Culture and Recreation	4,260,843	2,797,149
Total expenditures	9,317,348	7,492,858
Excess (deficiency) of revenues over (under) expenditures	387,821	394,338
Other financing sources (uses)		
Transfers in (out)		
Capital Projects Fund for Public Roads	0	397,239
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	387,821	791,577
Fund balances, July 1	2,601,560	1,809,983
Fund balances, June 30	$ 2,989,381	$ 2,601,560

CITY OF CARROLLTON, GEORGIA
CAPITAL PROJECTS FUND FOR PUBLIC ROADS
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 0	$ 0
LIABILITIES		
Due to other funds	$ 0	$ 0
FUND BALANCES		
Restricted for Capital outlay	0	0
Total liabilities and fund balances	$ 0	$ 0

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, 2025 and 2024

	2025	2024
REVENUES		
Interest	$ 0	$ 1,558
Total revenues	0	1,558
EXPENDITURES	0	0
Excess (deficiency) of revenues over (under) expenditures	0	1,558
Other financing sources (uses)		
Transfers in (out)		
2021 SPLOST Fund	0	(397,239)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(395,681)
Fund balances, July 1	0	395,681
Fund balances, June 30	$ 0	$ 0

CITY OF CARROLLTON, GEORGIA
GENERAL CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 10,394,693	$ 8,502,440
Interest receivable	37,433	0
Prepaid items	1,000,000	0
Advances to other funds	2,250,000	0
Restricted assets		
Cash and cash equivalents	12,209,010	0
Total assets	$ 25,891,136	$ 8,502,440
LIABILITIES		
Accounts payable	$ 849,560	$ 0
FUND BALANCES		
Nonspendable		
Prepaid items	1,000,000	0
Advances to other funds	2,250,000	0
Restricted for Capital outlay	12,209,010	0
Committed for Capital outlay	9,582,566	8,502,440
Total fund balances	25,041,576	8,502,440
Total liabilities and fund balances	$ 25,891,136	$ 8,502,440

CITY OF CARROLLTON, GEORGIA
GENERAL CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2025 and 2024

	2025	2024
REVENUES		
Interest	$ 78,903	$ 2,440
Total revenues	78,903	2,440
EXPENDITURES		
Capital Outlay		
Public Works	468,965	0
Culture and Recreation	2,779,812	0
Debt service	306,340	0
Total expenditures	3,555,117	0
Excess (deficiency) of revenues over (under) expenditures	(3,476,214)	2,440
Other financing sources (uses)		
Transfers in (out)		
General Fund	5,500,000	3,500,000
Water and Sewerage	1,750,000	4,500,000
Sanitation Fund	250,000	500,000
Issuance of bonds payable	11,780,000	0
Bond premiums	735,350	0
Total other financing sources (uses)	20,015,350	8,500,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	16,539,136	8,502,440
Fund balances, July 1	8,502,440	0
Fund balances, June 30	$ 25,041,576	$ 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, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 9,583,490	$ 9,103,316
Accounts receivable, net	2,688,228	2,668,658
Intergovernmental receivable	0	616,341
Lease receivable	24,437	20,221
Other receivable	20,000	0
Inventories	522,484	604,430
Prepaid items	182,245	159,680
Due from other funds	38,379	38,379
Total current assets	13,059,263	13,211,025
Restricted assets		
Customer Deposits		
Cash and cash equivalents	299,900	299,041
Total restricted assets	299,900	299,041
Noncurrent assets		
Lease receivable	1,459,241	1,483,677
Capital assets		
Land	8,933,978	8,933,978
Construction in progress	16,279,885	17,849,550
Buildings	7,571,294	7,436,973
Infrastructure	235,105	235,105
Distribution system	113,493,107	107,644,861
Vehicles and equipment	6,048,651	5,986,082
Accumulated depreciation	(58,740,271)	(56,143,214)
Total noncurrent assets	95,280,990	93,427,012
Total assets	108,640,153	106,937,078
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	786,952	1,130,077
Deferred outflows of resources related to OPEB	112,999	197,433
Total deferred outflows of resources	899,951	1,327,510

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2025 and 2024

	2025	2024
LIABILITIES		
Current liabilities		
Accounts payable	$ 247,924	$ 978,451
Retainages payable	12,558	749,486
Accrued liabilities	184,324	141,491
Compensated absences	150,142	153,196
Accrued interest payable	31,546	0
Unearned revenue	616,525	946,523
Notes payable	765,854	584,409
Bonds payable	502,000	487,000
Current liabilities payable from restricted assets		
Customer deposits payable	299,900	299,041
Total current liabilities	2,810,773	4,339,597
Long-term liabilities		
Net pension liability	2,591,188	3,632,720
Net OPEB liability	539,723	606,701
Notes payable	14,289,118	14,557,258
Bonds payable	1,861,000	2,363,000
Total long-term liabilities	19,281,029	21,159,679
Total liabilities	22,091,802	25,499,276
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to leases	1,369,547	1,445,633
Deferred inflows of resources related to pensions	624,624	133,747
Deferred inflows of resources related to OPEB	150,906	177,727
Total deferred inflows of resources	2,145,077	1,757,107
NET POSITION		
Net investment in capital assets	76,391,219	72,946,738
Unrestricted	8,912,006	8,061,467
Total net position	$ 85,303,225	$ 81,008,205

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, 2025 and 2024

	2025	2024
OPERATING REVENUES		
Charges for sales and services		
Water sales	$ 13,255,134	$ 12,191,141
Sewer sales	9,032,764	8,492,640
Tap fees	1,327,154	1,473,410
Other	88,431	115,097
Total operating revenues	23,703,483	22,272,288
OPERATING EXPENSES		
Costs of sales and services	7,423,570	6,748,139
Personal services	4,912,210	5,018,434
Depreciation	2,636,948	2,584,126
Total operating expenses	14,972,728	14,350,699
Operating income (loss)	8,730,755	7,921,589
Non-operating revenues (expenses)		
Interest and investment earnings	145,892	157,344
Interest expense	(123,313)	(49,428)
Debt issuance costs	0	(50,000)
Loss on disposition of capital assets	(76,184)	0
Total non-operating revenues (expenses)	(53,605)	57,916
Net income (loss) before capital contributions and transfers	8,677,150	7,979,505
Capital contributions		
Intergovernmental	0	2,649
Capital contributions	637,360	415,440
Total capital contributions	637,360	418,089
Net income (loss) before transfers	9,314,510	8,397,594
Transfers in (out)		
General Fund	(5,050,000)	(3,150,000)
American Rescue Plan Fund	30,510	0
General Capital Projects Fund	0	(4,500,000)
Total transfers in (out)	(5,019,490)	(7,650,000)
Change in net position	4,295,020	747,594
Net position, July 1, as previously reported	81,008,205	80,337,054
Change in accounting principle	0	(76,443)
Net position, July 1, as restated	81,008,205	80,260,611
Net position, June 30	$ 85,303,225	$ 81,008,205

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Receipts from customers	$ 23,190,477	$ 22,597,481
Payments to suppliers	(7,839,272)	(6,865,515)
Payments to employees	(5,089,326)	(4,747,759)
Other receipts	88,431	115,097
Net cash provided (used) by operating activities	10,350,310	11,099,304
Cash flows from non-capital financing activities:		
Receipts from other funds	0	134
Payments to other funds	(5,050,000)	(7,650,000)
Net cash provided (used) by non-capital financing activities	(5,050,000)	(7,649,866)
Cash flows from capital and related financing activities:		
Receipts from other funds	30,510	0
Receipts from other governments	616,341	5,045,259
Payments for acquisitions of capital assets	(3,962,186)	(12,723,459)
Payment of capital related payables	(992,372)	(3,772,590)
Proceeds from sale of capital asets	8,000	0
Principal payments - promissory notes	(86,695)	(25,000)
Principal payments - bonds payable	(487,000)	(240,000)
Proceeds from notes payable	0	8,994,196
Debt issuance costs paid	0	(50,000)
Interest paid	(91,767)	(49,428)
Net cash provided (used) by capital and related financing activities	(4,965,169)	(2,821,022)
Cash flows from investing activities:		
Interest and investment earnings received	145,892	157,344
Net increase (decrease) in cash and cash equivalents	481,033	785,760
Cash and cash equivalents, July 1	9,402,357	8,616,597
Cash and cash equivalents, June 30	$ 9,883,390	$ 9,402,357

CITY OF CARROLLTON, GEORGIA
WATER AND SEWERAGE ENTERPRISE FUND
STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2025 and 2024

	2025	2024
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 8,730,755	$ 7,921,589
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	2,636,948	2,584,126
(Increase) decrease in lease receivable	20,220	(1,503,898)
(Increase) decrease in other receivable	(20,000)	0
(Increase) decrease in accounts receivable	(19,570)	331,487
(Increase) decrease in inventories	81,946	(11,052)
(Increase) decrease in prepaid items	(22,565)	(8,584)
(Increase) decrease in deferred outflows related to pensions	343,125	54,063
(Increase) decrease in deferred outflows related to OPEB	84,434	(22,288)
Increase (decrease) in accounts payable	(475,083)	(97,740)
Increase (decrease) in unearned revenue	(329,998)	173,468
Increase (decrease) in accrued liabilities	42,833	25,290
Increase (decrease) in compensated absences	(3,054)	22,066
Increase (decrease) in customer deposits	859	(6,400)
Increase (decrease) in net pension liability	(1,041,532)	(339,498)
Increase (decrease) in net OPEB liability	(66,978)	240,968
Increase (decrease) in deferred inflows related to leases	(76,086)	1,445,633
Increase (decrease) in deferred inflows related to pensions	490,877	397,446
Increase (decrease) in deferred inflows related to OPEB	(26,821)	(107,372)
Total adjustments	1,619,555	3,177,715
Net cash provided (used) by operating activities	$ 10,350,310	$ 11,099,304
Cash and cash equivalents reconciliation:		
Cash and cash equivalents	$ 9,583,490	$ 9,103,316
Customer Deposits Cash and cash equivalents	299,900	299,041
Total cash and cash equivalents	$ 9,883,390	$ 9,402,357

Noncash investing, capital, and financing activities:

Acquisition of capital assets through capital related payables totaled $0 for 2025 and $255,444 for 2024.

Acquisition of capital assets through retainage payable totaled $0 for 2025 and $224,569 for 2024.

Acquisition of capital assets though developer noncash contributions totaled $637,360 for 2025 and $415,440 for 2024.

Acquisition of capital assets from governmental activites totaled $24,300 for 2025 and $0 for 2024.

Increase in notes payable through intergovernmental receivable totaled $0 for 2025 and $616,341 for 2024.

CITY OF CARROLLTON, GEORGIA
SANITATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,347,883	$ 2,468,683
Accounts receivable, net	1,103,103	989,089
Prepaid items	55,698	49,537
Due from other funds	9,126	9,126
Total current assets	4,515,810	3,516,435
Capital assets		
Buildings	66,148	66,148
Vehicles and equipment	3,721,085	3,386,253
Accumulated depreciation	(2,983,239)	(2,741,086)
Total capital assets (net of accumulated depreciation)	803,994	711,315
Total assets	5,319,804	4,227,750
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	317,335	456,294
Deferred outflows of resources related to OPEB	40,493	59,625
Total deferred outflows of resources	357,828	515,919
LIABILITIES		
Current liabilities		
Accounts payable	195,639	218,145
Accrued liabilities	72,349	45,861
Compensated absences	66,109	62,270
Due to other funds	923	923
Total current liabilities	335,020	327,199
Long-term liabilities		
Net pension liability	1,044,884	1,466,793
Net OPEB liability	217,965	205,845
Total long-term liabilities	1,262,849	1,672,638
Total liabilities	1,597,869	1,999,837
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	239,053	35,109
Deferred inflows of resources related to OPEB	60,943	60,300
Total deferred inflows of resources	299,996	95,409
NET POSITION		
Investment in capital assets	803,994	711,315
Unrestricted	2,975,773	1,937,108
Total net position	$ 3,779,767	$ 2,648,423

CITY OF CARROLLTON, GEORGIA
SANITATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2025 and 2024

	2025	2024
OPERATING REVENUES		
Charges for sales and services		
Sanitation fees	$ 7,577,985	$ 6,838,115
Other	15,567	0
Total operating revenues	7,593,552	6,838,115
OPERATING EXPENSES		
Costs of sales and services	3,821,046	3,673,817
Personal services	1,842,224	1,813,195
Depreciation	242,153	157,102
Total operating expenses	5,905,423	5,644,114
Operating income (loss)	1,688,129	1,194,001
Non-operating revenues (expenses)		
Interest and investment earnings	15,839	18,489
Interest expense	(42,624)	(46,937)
Gain on disposition of capital assets	0	41,407
Total non-operating revenues (expenses)	(26,785)	12,959
Net income (loss) before transfers	1,661,344	1,206,960
Transfers in (out)		
General Fund	(280,000)	0
General Capital Projects Fund	(250,000)	(500,000)
Total transfers in (out)	(530,000)	(500,000)
Change in net position	1,131,344	706,960
Net position, July 1, as previously reported	2,648,423	1,972,248
Change in accounting principle	0	(30,785)
Net position, July 1, as restated	2,648,423	1,941,463
Net position, June 30	$ 3,779,767	$ 2,648,423

CITY OF CARROLLTON, GEORGIA
SANITATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Receipts from customers	$ 7,479,538	$ 6,733,133
Payments to suppliers	(3,849,713)	(3,627,218)
Payments to employees	(1,859,008)	(1,768,663)
Net cash provided (used) by operating activities	1,770,817	1,337,252
Cash flows from non-capital financing activities:		
Payments to other funds	(530,000)	(500,000)
Net cash provided (used) by non-capital financing activities	(530,000)	(500,000)
Cash flows from capital and related financing activities:		
Payments for acquisitions of capital assets	(334,832)	(433,749)
Proceeds from disposition of capital assets	0	134,750
Interest paid	(42,624)	(46,937)
Net cash provided (used) by capital and related financing activities	(377,456)	(345,936)
Cash flows from investing activities:		
Interest and investment earnings received	15,839	18,489
Net increase (decrease) in cash and cash equivalents	879,200	509,805
Cash and cash equivalents, July 1	2,468,683	1,958,878
Cash and cash equivalents, June 30	$ 3,347,883	$ 2,468,683
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 1,688,129	$ 1,194,001
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	242,153	157,102
(Increase) decrease in accounts receivable	(114,014)	(104,982)
(Increase) decrease in prepaid items	(6,161)	(2,730)
(Increase) decrease in deferred outflows related to pensions	138,959	119,038
(Increase) decrease in deferred outflows related to OPEB	19,132	(15,689)
Increase (decrease) in accounts payable	(22,506)	49,329
Increase (decrease) in accrued liabilities	26,488	(69,288)
Increase (decrease) in compensated absences	3,839	4,047
Increase (decrease) in net pension liability	(421,909)	(29,316)
Increase (decrease) in net OPEB liability	12,120	81,757
Increase (decrease) in deferred inflows related to pensions	203,944	(7,563)
Increase (decrease) in deferred inflows related to OPEB	643	(38,454)
Total adjustments	82,688	143,251
Net cash provided (used) by operating activities	$ 1,770,817	$ 1,337,252

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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, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 24,853	$ 32,898
LIABILITIES		
Due to others	24,853	32,898
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, 2025 and 2024

	2025	2024
ADDITIONS		
Fines and forfeitures collected for other governments	$ 330,835	$ 361,023
DEDUCTIONS		
Distributions of fines and forfeitures to other governments	330,835	361,023
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, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 315,751	$ 419,212
Intergovernmental receivable	194,126	105,382
Total assets	$ 509,877	$ 524,594
LIABILITIES		
Accounts payable	$ 313,357	$ 178,089
FUND BALANCES		
Unassigned	196,520	346,505
Total liabilities and fund balances	$ 509,877	$ 524,594

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, 2025 and 2024

	2025	2024
REVENUES		
Taxes	$ 402,140	$ 389,781
Interest	71	92
Total revenues	402,211	389,873
EXPENDITURES		
Current		
Housing and Development		
Personal services	171,014	162,981
Contract services	284,167	191,181
Materials and supplies	97,015	38,646
Total expenditures	552,196	392,808
Excess (deficiency) of revenues over (under) expenditures	(149,985)	(2,935)
Fund balances, July 1	346,505	349,440
Fund balances, June 30	$ 196,520	$ 346,505

CITY OF CARROLLTON, GEORGIA
CARROLLTON REDEVELOPMENT AUTHORITY
(A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 7,026	$ 8,376
Total assets	$ 7,026	$ 8,376
FUND BALANCES		
Unassigned	$ 7,026	$ 8,376
Total fund balances	$ 7,026	$ 8,376

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, 2025 and 2024

	2025	2024
REVENUES		
Intergovernmental	$ 0	$ 0
EXPENDITURES		
Current		
Housing and Development		
Contract services	1,350	600
Materials and supplies	0	9
Total expenditures	1,350	609
Excess (deficiency) of revenues over (under) expenditures	(1,350)	(609)
Fund balances, July 1	8,376	8,985
Fund balances, June 30	$ 7,026	$ 8,376

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SINGLE AUDIT SECTION

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, 2025, 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 12, 2025.

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 2025-001 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 and 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 12, 2025

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, 2025. 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, 2025.

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 responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of 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 12, 2025

CITY OF CARROLLTON, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2025

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	$ 5,800
Passed through the Criminal Justice Coordinating Council:			
Edward Byrne Memorial Formula Grant Program	16.738	B22-8-010	118,375
		AW-BJAG-L24-078-015	103,933
			222,308
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	11,081
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	N/A	98,944
Equitable Sharing for State and Local Law Enforcement Agencies	16.922	N/A	129,567
Total U.S. Department of Justice			467,700
U.S. Department of Transportation			
Safe Streets and Roads for All	20.939	N/A	2,780
Highway Safety Cluster			
Passed through the Georgia Governor's Office of Highway Safety	20.600	GA-2025-Carrollton-115	34,018
Total Department of Transportation			36,798
U.S. Department of Treasury			
Passed through the Georgia Governor's Office of Planning and Budget:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	GA-0013882	940,826
		GA-0013726	1,844,710
			2,785,536
U.S. Department of Health and Human Services			
Aging Cluster			
Passed through Three Rivers Regional Commission:			
Title III, Part C, Nutrition Services	93.045	SFY2025	100,436
Nutrition Services Incentive Program	93.053	SFY2025	25,152
Total Aging Cluster of Programs			125,588
Total Federal Awards			$ 3,415,622

Exhibit J-1, continued

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, 2025

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, 2025

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

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 2025-001

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 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.

Not 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, 2025

Project	Estimated Cost * Original	Estimated Cost * Current	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
2021 SPLOST					
Fire	$ 6,500,000	$ 6,500,000			
Replace Fire Station #23			$ 3,617,546	$ 0	$ 3,617,546
Fire Training Center			121,429	0	121,429
Fire Department Equipment			2,207,309	2,647,239	4,854,548
Parks and Recreation	8,163,300	8,382,213			
Pool and Water Park Renovations			589,158	3,518,788	4,107,946
Remodeling and Renovate Existing Facilities			5,592,470	717,887	6,310,357
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			4,249,170	304,292	4,553,462
GreenBelt Spurs			1,595,087	11,450	1,606,537
Parking			0	0	0
Paving			0	979,190	979,190
Sidewalk Extensions/Repairs			0	573,580	573,580
Stormwater Improvements			57,071	294,464	351,535
Water/Sewer Improvements			162,753	0	162,753
Police Equipment	900,000	900,000	1,906,434	250,940	2,157,374
IT Equipment	300,000	300,000	0	19,518	19,518
	$ 26,263,300	$ 29,127,769	$ 20,319,310	$ 9,317,348	$ 29,636,658

* 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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