

CITY OF DALTON, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2024

Prepared By:

Finance Department

CITY OF DALTON, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Year Ended
December 31, 2024

Cindy Jackson, CPA
Chief Financial Officer

By Authority of
Mayor and Council

City of Dalton, Georgia
Annual Comprehensive Financial Report
For The Year Ended December 31, 2024

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June 20, 2025

To the Dalton Mayor and Members of the City Council and
the Citizens of the City of Dalton, Georgia

We are pleased to present the Annual Comprehensive Financial Report ("ACFR") of the City of Dalton ("the City") for the year ended December 31, 2024. Georgia code requires that the City issue an annual report on its financial position and activity within six months of the close of each fiscal year. The report is to be presented in conformity with generally accepted accounting principles ("GAAP"), federal and state regulations, and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountant. As mandated, we submit this report for your consideration.

This report contains management's representations concerning the finances of the City. The management of the City assumes full responsibility of the completeness and reliability of the information presented in this report, based on a comprehensive framework of internal controls established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, the financial report is accurate in all material respects and is designed to fairly present the financial position and results of operations of the various funds of the City.

The City of Dalton's financial statements have been audited by Estes & Walcott, Certified Public Accountants. The independent auditor has concluded, based upon the audit, that there was reasonable basis for rendering an unmodified (clean) opinion that the City's financial statements for the year ended December 31, 2024 are fairly presented in conformity with GAAP. The independent auditor's report is presented in the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial representation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements involving the administration of federal awards. These reports are presented in the Special Reports Section of this report.

Management's discussion and analysis ("MD&A") immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Dalton is located in northwest Georgia at the foothills of the Appalachian Mountains and is conveniently located off Interstate 75, within 85 miles north of Atlanta and 25 miles south of Chattanooga, Tennessee. Dalton is within a day's drive of half the United States population. Dalton is also served by two major railroads, CSX and Norfolk Southern. The community was originally founded in 1847 as the village of Cross Plains. In honor of founder Captain Edward White's mother, the name was officially changed to Dalton and chartered December 29, 1847.

Dalton occupies 20 square miles and serves an estimated daytime population of 63,000. According to the 2020 U.S. Census, Dalton has a population of 34,417, with Whitfield County's population at 102,864. Dalton boasts a mild climate with four distinctive seasons, an average temperature of 61˚, and average annual rainfall of 56".

The City operates under a council-administrator form of government. The City Council is comprised of a mayor and a four-member council elected by the residents on a nonpartisan ballot for four-year terms. The mayor and councilmembers are elected at large, and each of the councilmembers represent a City Council ward district. The Council are responsible for enacting ordinances, resolutions, and regulations governing the City. The City is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to annex property into the City limits.

The City of Dalton provides a full range of services to its citizens. These services include police and fire protection, a court system, highway and street maintenance, sanitation, code compliance, recreational activities and facilities, a golf course, an airport, a utility, a convention center (a joint venture), and a solid waste facility (a joint venture). Selected demographic information is provided within the statistical section of this report.

The financial statements of the City include all government activities, organizations, and functions for which the City is financially accountable as defined by the Governmental Accounting Standards Board. The Dalton Building Authority meets the current guidelines of GASB Statement No. 14, as amended by GASB Statement No. 61, and is included as a discretely presented component unit in the City of Dalton's ACFR.

The City, in accordance with state law and the City's charter, adopts an annual operating budget. The budget functions as the basis for the City of Dalton's financial planning and control. The budget process provides a systematic approach to establishing priorities and directing services. The budget is adopted by the City Council after a required public hearing and the required public notices. The level of legal budgetary control is at the department-fund level.

LOCAL ECONOMY

Dalton proudly embraces its manufacturing base and the carpet industry, but also realizes the value of diversifying the industrial base. The Dalton-Whitfield Joint Development Authority ("JDA") is the economic development arm of Dalton and Whitfield County for recruitment of new businesses to the area. The JDA focuses on economic growth of the community by attracting and retaining jobs, diverse investments, and growing the tax base. Dalton's economic development policies are implemented by the JDA. The JDA targets manufacturing, automotive, plastics/chemical, food processing, and data center industries due to the area's skilled work force, water supply capacity, and physical location. In 2024, the JDA continued its focus on housing development to support the work force needed by the various industries referenced above. Likewise, the JDA also had a role in retail/commercial recruitment in 2024 to broaden the sales tax base and to provide more opportunities for the community to dine and shop within the City.

The Dalton Metropolitan Area ("MSA") continues to see growth in both manufacturing and retailers with substantial capital investment. The JDA reports updates on the following economic development projects:

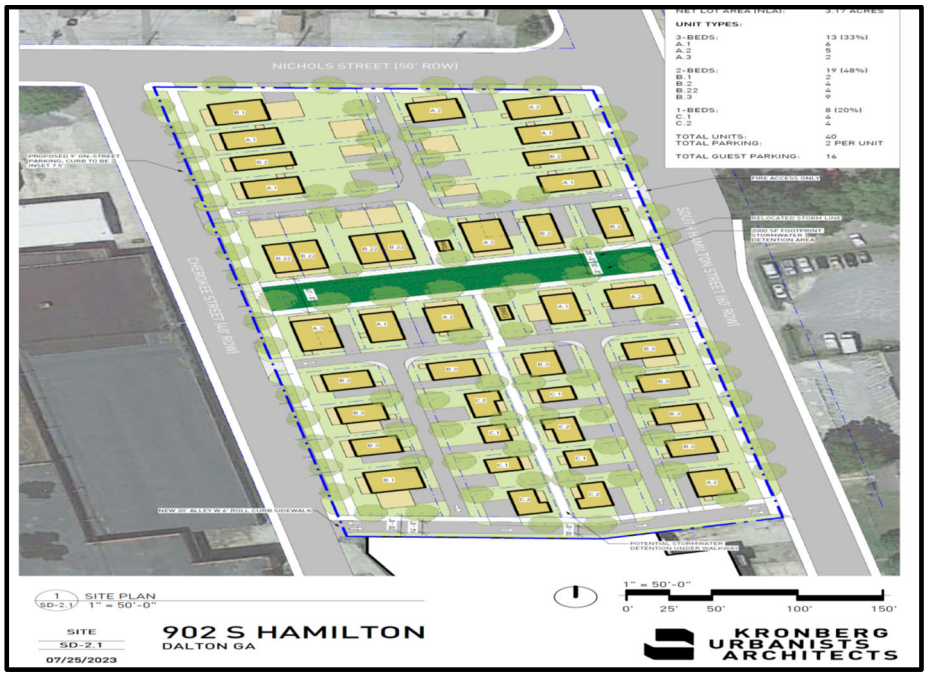
- Hanwha Qcells – is an international company that manufactures solar modules. In 2024, the company opened their expansion facility within the Carbondale Business Park just south of Dalton. The expansion represents $379 million of new investment and the creation of 978 new jobs for the community. Hiring for those jobs began in 2024 and will continue for the next 2-3 years.
- Essentia Protein Solutions – is a global producer of animal protein solutions for the food and beverage industry. In 2022, Essentia announced planned construction of a facility within the Carbondale Business Park which represents an $80 million investment creating 80 new jobs. The facility construction was completed in 2024 as planned, with approximately 25 employees hired to complete the USDA certification process. Full production is slated to begin in 2025. This manufacturing process requires high utility consumption and Essentia will be a water, wastewater, and natural gas customer of the WLSF Commission.
- Engineered Floors, LLC – Installation of the new equipment to manufacture luxury vinyl flooring was completed in 2024, with hiring and production to follow. At this 1.2 million square foot facility within the City, they will create 200+ new jobs and spend more than $130 million on the investment.
- Techniplas – is a global producer of highly engineered plastic components. Techniplas spent part of 2024 finishing up their expansion and beginning production. This effort expands the automotive industry in Dalton, and is located within City limits.

- Multi-Family Residential Development – To support a world class, diversified industry one of the most critical components is available housing. In 2023, the JDA and City worked to oversee construction of three large scale apartment projects (Alta Dalton, Hammond Creek Township, and the Lofts at Hamilton) which were planned to create 700+ market rate apartments with amenities. In 2024, leasing began on some of these developments. Downtown, the former motor lodge has been renovated and renamed Dalton Station. In 2024, leasing was in full swing, with residents working and living in Dalton. This project was a $10+ million investment.



From L to R: Alta Dalton, Hammond Creek Township, and the Lofts at Hamilton Multi-Family Projects Completed in 2024

- Commercial endeavors – Several retail projects were undertaken in 2024 which will help expand the tax digest and sales tax collections. The projects include a new Zaxby's off the North Bypass, as well as the beginning of construction of a U-Haul storage facility, and a new bank location for TVFCU. Chipotle opened up their facility on West Walnut Avenue, and several new retailers (primarily restaurants) are working on their plans for Dalton. Based on current plans, we anticipate more growth in the City and county on several fronts.
- Single family housing – Plans for the 902 South Hamilton Street urban planned use development were revealed in 2024, with work on the project slated for 2025. The plans call for approximately 40 homes to be built on an infill development site located at 902 South Hamilton Street in the City of Dalton. This affordable housing project was made feasible through a Department of Community Affairs Rural Workforce Housing Initiative Grant in the amount of $1.5 million and matching funds from the City of Dalton. Upon completion, it is anticipated that the new homes will add $6-10 million of residential property value in the City.



Concept Layout for Rural Workforce Housing Initiative Project at 902 S. Hamilton St.

Dalton's legacy healthcare provider was rebranded from Hamilton Health Care System ("HHCS") to Vitruvian Health after the acquisition of Tennova Healthcare hospital in Cleveland, TN in the summer of 2024. The Cleveland hospital, now named Bradley Medical Center, contains 251 beds. This acquisition further establishes Dalton-based Vitruvian Health as a healthcare anchor for northwest Georgia.

In addition to the two hospital campuses, Vitruvian continued to provide world-class healthcare in other areas. The Anna Shaw Children's Institute is a regional leader and advocate for the care of children experiencing autism spectrum disorder, attention-deficit/hyper-activity disorder or developmental delays. The Peeples Cancer Institute combines a world-class oncology clinic with radiation oncology, outpatient infusion, and breast and diagnostic imagining services within one four story building.

MAJOR INITIATIVES

Dalton's leadership continues to focus on maintaining a strong economic base, investing in resilient infrastructure, and enhancing residents' quality of life through health, recreational, and leisure aspects of the community.

In May of 2020, Whitfield County voters passed a four-year, $66 million 1% Special Purpose Local Option Sales Tax ("SPLOST") referendum. The 1% SPLOST includes $6.9 million for Tier 1 projects, $28.8 million for quality of life projects, $18.8 million for infrastructure and public works equipment and projects, and $11.5 million for public safety equipment and projects. SPLOST collections have exceeded projected collections by 43%, of which the City's share is currently $11.1 million. In 2024, City continued execution of projects on the referendum list utilizing its share of the SPLOST proceeds. In July 2024, work commenced on the new John Davis Recreation Center project. This project represents a $13.5 million reinvestment in the headquarters of the Dalton Parks and Recreation Department. The new facility, funded via the 2020 SPLOST, includes a new pool access building, renovated administrative offices, a new two-story multipurpose building, and a new basketball gym. The exterior will feature a climbing wall next to the playground for families to enjoy. The project is scheduled to be complete by December 2025.



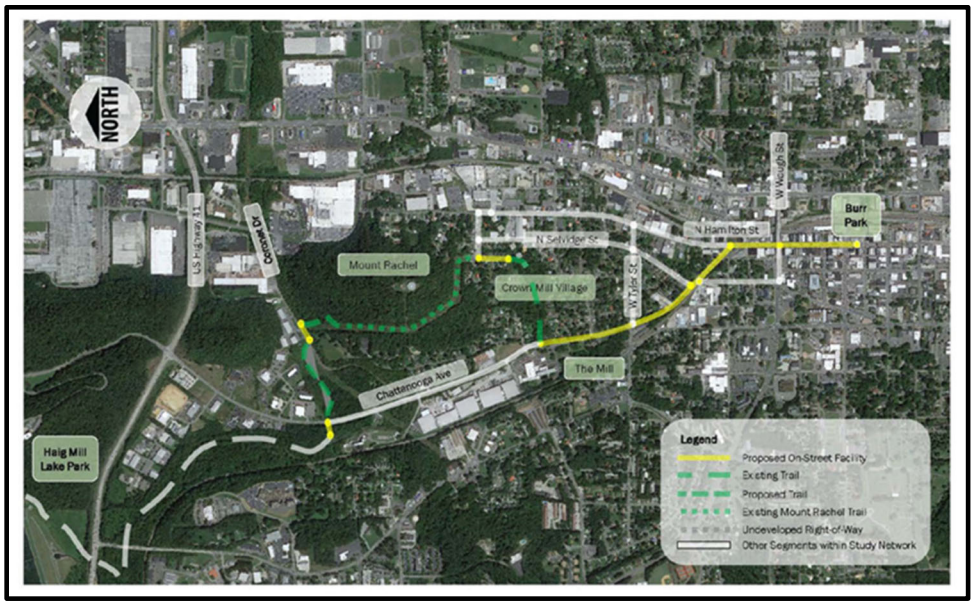
John Davis Recreation Center Renovation Project – Slab Pour November 27, 2024

Another new building project from the 2020 SPLOST that began construction in 2024 was the Police Department Property and Evidence Building. The project represents a $4.2 million investment to add new capacity for evidence storage as the existing space was at capacity. Additionally, the new structure will have air systems to mitigate any contaminant release which will make it much safer for the technicians. Work on this project is scheduled to be completed in summer of 2025.



Police Department Property and Evidence Building Project Underway – December 2024

In May of 2024, the citizens of Whitfield County passed another four-year 1% SPLOST, and collections began in October 2024. The estimated $80 million county-wide SPLOST will provide quality of life projects of $16 million, $44 million for infrastructure and public works equipment and projects, and $20 million for public safety equipment and projects. The City's share of funding will go toward police vehicles and equipment, fire department ladder truck and public safety capital projects, capital renovations to Heritage Point Park and other parks capital improvements, infrastructure projects, an extension of the Mill Line Trail, and public safety radio replacements. There were no Tier 1 projects in the 2024 SPLOST, and all projects will be funded on a "pay-go" basis. In 2024, conceptual design was started on the Mill Line Trail extension and some radio replacements occurred for public safety.



Mill Line Extension Concept Layout – Design Expected to be Complete in Late 2025

In 2024, the City continued to invest heavily in addressing longstanding stormwater challenges, localized flooding, and an aging infrastructure. The City utilizes the master plan developed by the stormwater consultant, Arcadis. During 2024, the City expended $5.5 million in stormwater and flood abatement projects. Several stormwater projects were completed or under construction in 2024, including the Prater Alley regional detention pond, Ridge Street stormwater bypass, Huntington Road floodplain reconnection project, and the Valley Drive stream restoration project. Additionally, other projects, like the Glenwood Avenue drainage improvements were under design in 2024, and will be completed in 2025. Below are some photos of the projects underway in 2024.





From L to R: Huntington Road Floodplain Reconnection, Prater Alley Regional Detention Project, Ridge St Stormwater Bypass Under Construction

During 2024, the City received grant funding in several key areas to improve quality of life for Dalton residents and visitors. Projects that received grant funding included:

- Dalton Municipal Airport – $2.5 million for runway resurfacing for the first time in more than 35 years
- Improving Neighborhood Outcomes
    - Heritage Point infield synthetic turf installation - $2.2 million
    - Downtown Dalton Streetscape - $2.2 million

Photos from L to R: Dalton Municipal Airport Runway Resurfacing, Heritage Point Park Turf Project Underway, Downtown Dalton Streetscape Underway





City leaders continue to be committed to improve the City's overall appearance and removal of blight. Code Compliance continued the City's efforts in 2024 to focus on its residential dangerous building abatement program designed to remove dilapidated and unsafe structures. This program allows for the owners of such dangerous buildings to enter into a consent agreement with the City which allows the public works department to demolish the unsafe structure, remove the debris, and position the lot for future development. Once the project is complete, the property owner reimburses the City for its direct costs associated with the cleanup. This program provides the Code Compliance Inspectors with a creative tool to address unsafe, unsanitary, and dilapidated structures within the City, and has resulted in the removal of several problematic abandoned homes.

In 2024, the City launched its Spring CLEAN (Cultivating Lively Environments and Neighborhoods) initiative. During this initiative, the City of Dalton focused its efforts on identifying property-related issues such as maintenance and upkeep, and most importantly, safety issues for residents in the neighborhood. The City's Code Enforcement Department led the effort, performing inspections to locate issues that fall within property maintenance codes and local ordinances. The City also helped residents address these issues. The Public Works Department conducted special "trash amnesty days" during which they picked up accumulated rubbish and debris items located on properties which normally cannot be collected at the curb.





Caption: Spring CLEAN Flyer and a Before & After of a Residential House Improved During the Initiative

During 2024, 666 total Code Compliance cases were opened by inspectors. These efforts, combined with other code compliance measures, are helping to address a strategic priority of the City Council to improve the City's curb appeal.

In the spring of 2024, the long-awaited grand opening of the Mill Line Trail occurred. The Mill Line, funded by 2015 SPLOST, added approximately 1.6 miles of new, ADA compliant trail network for residents and visitors to enjoy. This project was a $2.8 million investment for the City.







LONG-TERM FINANCIAL PLANNING

The City of Dalton has a bond rating of Aa2 by Moody's Investor Service. This rating signifies a high credit quality and indicates a strong liquidity position and low credit risk to potential investors. This will allow the City to utilize long-term debt as a resource to finance needed capital improvements. As described in the previous section, the City utilizes bond proceeds, SPLOST collections, grants, and fund balance to finance the City's capital needs. The City's utility sector, the Board of Water, Light, and Sinking Fund Commission ("WLSF Commission"), maintains a separate capital improvements program to provide for the needs of the community. The WLSF Commission has a separate bond rating of A2 by Moody's Investor Service.

As noted above, the City has developed a Capital Plan to identify the capital needs of the departments. The plan is a work in process, with the goal being a five-year look forward to allow adequate time to plan, implement, and allocate available resources to fund the current and future needs of the City of Dalton.

RELEVANT FINACIAL POLICIES

An annual budget is adopted by City Council on or before January 1st as required and in accordance with Georgia statutes. The budget is balanced for each budgeted fund and serves as the basis for the City's financial plan and control. The level of legal budgetary control is at the fund/department level. Department directors may request budget transfers through the finance department provided that it doesn't increase overall budget or personal services budget for the department.

The maintenance of an unreserved fund balance in the general fund is a necessary component of the City's overall financial management strategy. Maintaining an adequate fund balance assures resources for sufficient cash flow and the ability to cover unexpected expenditures or revenue shortfalls. The reserve should retain no less than three months (25%) of operating expenditures. The City continues to maintain a healthy unreserved fund balance at 61% of operating expenditures.

The City's Cash and Investment Policy states that the City should invest in public funds that will provide maximum security and rate of return while meeting the cash flow demands of the City. The investment objectives, in order of priority, are legality, safety, liquidity, and return on investment. The City "pools" cash balances to maximize the investment earnings for those funds that aren't restricted or specialized.

The City is allowed to issue debt in compliance with state laws. Long-term debt issuance is utilized for capital improvements that can't be financed by current revenue sources. The City's current expenditures are financed with current revenues that may include fund balance to cover any shortfall. This prevents the need for issuance of short-term debt.

AWARDS AND ACKNOWLEDGMENT

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dalton for its ACFR for the fiscal year ended December 31, 2023. This is the twenty-second consecutive year that the City has achieved this prestigious award. In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the GFOA's requirements, and are submitting it in anticipation of receiving the Certificate of Achievement once again.

The timely preparation of this quality report was made possible by the dedicated service of the finance staff and the technical guidance and assistance afforded by our auditors. We would also like to thank the City Council for their continued support and management of the City's finances.

Respectfully submitted,



Andrew Parker, PE
City Administrator

Cindy Jackson, CPA
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dalton
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

City of Dalton, Georgia
City Officials and Administration
December 31, 2024

Annalee Sams
Mayor

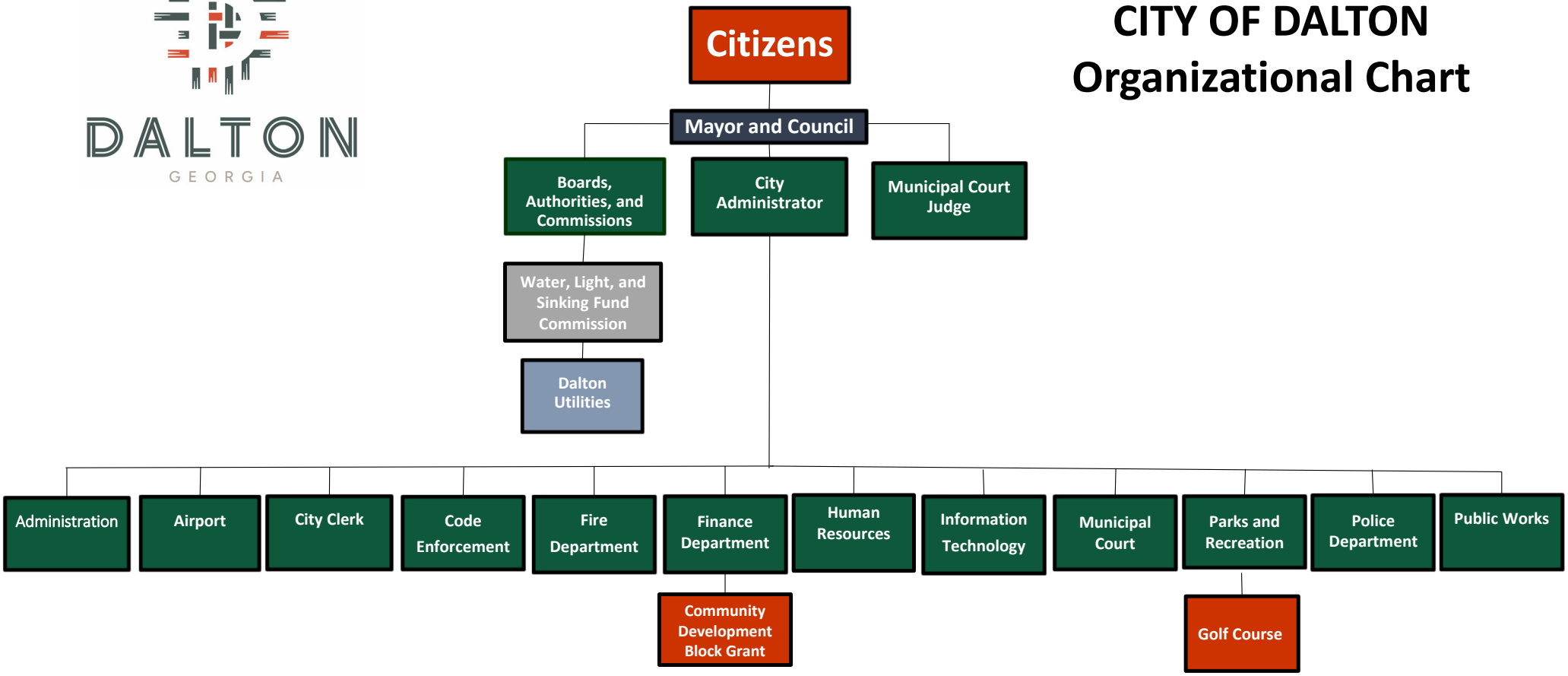
City Council

Dennis Mock, Ward 1
Nicky Lama, Ward 2
Tyree Goodlett, Ward 3
Steve Farrow, Ward 4

City Administration

Andrew Parker	City Administrator
Todd Pangle	Assistant City Administrator
Cindy Jackson	Chief Financial Officer
Bernadette Chattam	City Clerk
John Thomas	WLSF Commission CEO
Matt Daniel	Fire Chief
Greg Batts	Human Resource Director
Steve Roberts	Parks & Recreation Director
Cliff Cason	Police Chief
Chad Townsend	Public Works Director

CITY OF DALTON
Organizational Chart



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City Council,
City Administrator, and Chief Financial Officer
City of Dalton, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Dalton, Georgia as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise City of Dalton, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Dalton, Georgia as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison information for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Water, Light, and Sinking Fund Commission ("WLSF Commission"), which is both a major fund and comprises 98%, 97%, and 99% of the assets, net position, and revenues of the business-type activities, respectively. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the WLSF Commission, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 Dalton, 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 Dalton, 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 Dalton, 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 Dalton, 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, the required supplementary information for pension plans, and the required supplementary information for OPEB plans on pages 4-20, 93-96, and 97-99 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 Dalton, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, the schedule of projects constructed with special purpose local option sales tax, as required by the Official Code of Georgia 48-8-121, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of projects constructed with special purpose local option sales tax, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2025 on our consideration of the City of Dalton, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Dalton, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Dalton, Georgia's internal control over financial reporting and compliance.

Estes & Walcott

Dalton, Georgia
June 20, 2025

City of Dalton, Georgia
Management's Discussion and Analysis
For the Year Ended December 31, 2024
(Unaudited)

The City of Dalton's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the calendar year ended December 31, 2024. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures that follow this section. The purpose of this narrative is to provide objective and transparent analysis of the City's annual financial performance, current financial position, and future projections for sustainability.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows exceeded its liabilities and deferred inflows by $1,334.0 million (net position) for the calendar year reported. This represents an increase of $85.1 million from the prior year net position.

- Total net position is comprised of the following:
    - Net investment in capital assets of $1,101.4 million includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
    - Net position of $114.1 million is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
    - Unrestricted net position of $118.5 million represents the portion available to maintain the City's continuing obligations to citizens and creditors.

- The City's governmental funds reported total ending fund balance of $68.2 million this year. This represents a decrease of $8.1 million from the prior year.

- At the end of the current calendar year, unassigned fund balance for the general fund was $26.0 million, or 61% of total general fund expenditures.

- The business-type activities enterprise funds reported total ending net position of $1,189.4 million as of December 31, 2024. This reflects an increase of $69.2 million from the prior year net position. The Water, Light, and Sinking Fund Commission ("WLSF Commission") is the City's only major enterprise fund and provides utility services including electric, gas, water, sewer, and information technology. The WLSF Commission transferred $15.4 million to the general fund during 2024. The WLSF Commission passes the cost of this transfer along to their customers and this surcharge is included in charges for services.

The above financial highlights are explained in more detail in the financial analysis section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Dalton's basic financial statements and are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains required supplementary information and comparative data is presented when available.

Government-wide Financial Statements (Reporting the City as a whole)

The City's government-wide financial statements include the Statement of Net Position and the Statement of Activities, which focus on the overall financial position and activities of the City. These two statements report using the accrual basis of accounting which is similar to that found in the private sector and eliminates or reclassifies activities between funds.

The Statement of Net Position presents information that includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. The City reports assets and deferred outflows of resources when it acquires ownership. All of its liabilities and deferred inflows of resources are reported when incurred. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or declining. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The Statement of Activities reports the revenues and expenses of the City. This statement is prepared using the accrual basis of accounting, where revenues are recognized when earned and expenses are recognized when incurred. All current year revenues and expenses are included regardless of when cash is received or paid. The difference is described as the change in net position. The primary focus of the statement is the presentation of the net cost of the various activities provided by the City, and the extent to which each function of the City draws from general revenues or is self-financing through fees, grants, and other revenue sources.

The Statement of Net Position and the Statement of Activities divide the City's activities into three types:

- **Governmental activities** – Most of the City's basic services are reported in this category such as general administration, fire, police, public works, recreation, and municipal court. Also included is the Dalton-Whitfield Joint Development Authority, which is a joint venture with Whitfield County. These activities are principally supported by taxes and intergovernmental transfers.

- **Business-type activities** – The City charges fees to customers to recover all or a significant portion of costs for the services provided. The WLSF Commission, whose services include electric, natural gas, water, wastewater, and information technology, along with a municipal golf course and a municipal airport, are included as business-type activities. Also included is the City's share of the net income or cost of the Northwest Georgia Trade and Convention Center Authority and the Dalton-Whitfield Regional Solid Waste Management Authority, which are joint ventures with Whitfield County.

- **Discretely presented component unit** – Component units are legally separate organizations for which the elected officials of the City are financially accountable. The City of Dalton Building Authority is presented as a component unit for the City of Dalton.

The government-wide financial statements are presented on pages 21 through 23 of this report.

Fund Financial Statements

In contrast to government-wide financial statements that focus on the City as a whole, the focus of fund financial statements is the specific activity of that fund. A fund is a grouping of self-balancing accounts used to maintain control over resources that have been segregated for specific activities or objectives either for management purposes or legal mandates. Major funds are reported separately, while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The City's funds are divided into three categories:

- **Governmental funds** – These funds account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements focus on short-term financing requirements. This approach is known as the flow of current financial resources measurement focus and the modified accrual basis of accounting. These provide a detailed short-term view of the City's finances that assists in determining whether there will be adequate financial resources available to meet the City's current needs.

  Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

  The City maintains four governmental fund types: General Fund, Special Revenue Funds, Debt Service Fund, and the Capital Projects Funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund which is the City's major governmental Fund. Data from the other nonmajor funds are combined into a single, aggregated presentation in a later section of this report.

  The City of Dalton adopts an annual appropriated budget for its General Fund and a budgetary comparison statement has been provided to demonstrate compliance with this budget.

  The basic governmental fund financial statements are presented on pages 24 through 28 of this report.

- **Proprietary funds** – When the City charges customers or other City department for services it provides, these services are generally reported in proprietary funds. The City's proprietary funds are classified as enterprise funds and internal service funds. Both funds are prepared using the accrual basis of accounting which is the basis of accounting used in the government-wide statements. The City of Dalton's provides external services for electric, gas, water, and wastewater utilities, information technology systems, an airport, and a public golf course. Services provided by the two joint ventures to customers include landfill services and a public trade and convention center.

  Internal service funds are an accounting device used to account for services provided and billed on an internal basis. The City utilizes a risk pool internal service fund for workers' compensation and health insurance claims incurred in prior years when the City was self-insured. The activity of the risk pool fund is reported in governmental activities in the government-wide statement.

  The basic enterprise fund financial statements are presented on pages 29 through 33 of this report.

- **Fiduciary funds** - These funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are presented in the fund statements, but they are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's programs. The City's fiduciary funds consist of a pension trust fund, other postemployment benefits ("OPEB") trust fund, municipal court custodial fund, and police custodial fund. The pension trust fund accounts for the City's single employer pension trust fund. The OPEB trust fund accounts for the City's single employer OPEB trust fund. The municipal court and police custodial funds account for assets, including fines, surcharges, and seizures of cash and property, which are held by the municipal court and the police department in a custodial fashion. These funds are reported on two statements: a statement of fiduciary net position and a statement of changes in fiduciary net position. These statements are found on pages 34 and 35 of this report.

Notes to the Basic Financial Statements

The notes to the financial statements provide additional detail that is essential for a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 36 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's defined benefit pension plan and defined benefit OPEB plan. Required supplementary information can be found on pages 93 through 99 of this report.

As discussed, the City reports major funds in the basic financial statements. Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report beginning on page 100.

The City has one discretely presented component unit, the City of Dalton Building Authority. The City of Dalton Building Authority does not issue separate financial statements. The City of Dalton Building Authority's financial statements are presented in the financial section of this report on pages 165 through 167. Additional information about the component unit can be found in Note 1-A, Note 4-F, and Note 4-G.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's overall financial position and results of operations for the past two years are summarized as follows based on the information included in the government-wide statements.

Summary Statement of Net Position
Fiscal Years 2024 and 2023

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current assets	$ 74,815,769	$ 82,202,203	$ 127,633,073	$ 82,361,758	$ 202,448,842	$ 164,563,961
Capital assets	114,574,784	95,686,007	1,145,039,933	1,170,099,943	1,259,614,717	1,265,785,950
Other long-term assets	1,509,520	1,349,809	212,450,957	204,039,532	213,960,477	205,389,341
Total assets	190,900,073	179,238,019	1,485,123,963	1,456,501,233	1,676,024,036	1,635,739,252
Deferred outflows of resources	8,379,456	11,463,579	8,407,719	14,251,843	16,787,175	25,715,422
Total assets and deferred outflows	$199,279,529	$190,701,598	$1,493,531,682	$1,470,753,076	$1,692,811,211	$1,661,454,674
Liabilities:						
Current liabilities	8,477,347	8,567,221	44,225,488	39,883,823	52,702,835	48,451,044
Long-term liabilities	34,338,826	41,921,055	238,120,508	287,950,424	272,459,334	329,871,479
Total liabilities	42,816,173	50,488,276	282,345,996	327,834,247	325,162,169	378,322,523
Deferred inflows of resources	11,865,795	11,491,924	21,821,861	22,737,811	33,687,656	34,229,735
Net position:						
Net investment in capital assets	112,316,751	93,964,626	989,061,933	962,184,943	1,101,378,684	1,056,149,569
Restricted	26,349,375	28,034,917	87,785,000	105,925,000	114,134,375	133,959,917
Unrestricted	5,931,435	6,721,855	112,516,892	52,071,075	118,448,327	58,792,930
Total net position	144,597,561	128,721,398	1,189,363,825	1,120,181,018	1,333,961,386	1,248,902,416
Total liabilities, deferred inflows, and net position	$199,279,529	$190,701,598	$1,493,531,682	$1,470,753,076	$1,692,811,211	$1,661,454,674

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Dalton, assets and deferred outflows exceeded liabilities and deferred inflows by $1,334.0 million and $1,248.9 million at the close of the fiscal years ended December 31, 2024 and 2023, respectively.

The most substantial portion of the City's net position (82%) is net investment in capital assets (e.g., land, buildings, utility plant, infrastructure), less any related debt outstanding used to acquire those assets. These amounted to $1,101.4 million and $1,056.1 million at December 31, 2024 and 2023, respectively. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, because the City uses these assets to provide services to the citizens and therefore cannot liquidate them.

Unrestricted net position comprises the next largest component (9%) of total net position. Unrestricted net position experienced an increase of $59.6 million during the past year, from $58.8 million to $118.4 million. The positive unrestricted net position does not mean that the City has resources available beyond its long-term commitments, but rather is a result of having currently available resources that are greater than long-term commitments.

The remaining balance (9%) represents restricted net position. The statement shows a balance of $114.1 million, which is a decrease of $19.8 million from the prior year. These funds are subject to limitations in the manner in which they may be spent; these constraints may be imposed by external sources, enabling legislation or constitutional provision.

Although net position of the business-type activities represents 89% of total City-wide net position, the City generally only uses these resources to finance the continuing operations of the business-type activities.

The following condensed financial information was derived from the government-wide statement of activities and reflects how the City's net position changed for the year.

Summary Statement of Activities
Fiscal Years 2024 and 2023

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program:						
Charges for services	$ 3,097,202	$ 2,874,899	$ 310,767,309	$ 305,993,465	$ 313,864,511	$ 308,868,364
Operating grants	1,813,029	4,931,528	-	-	1,813,029	4,931,528
Capital grants	13,659,094	8,026,398	-	-	13,659,094	8,026,398
General:						
Property taxes	8,218,744	8,680,029	-	-	8,218,744	8,680,029
Other taxes	18,358,271	17,765,888	-	-	18,358,271	17,765,888
Investment earnings	1,892,095	1,704,725	5,398,491	2,948,099	7,290,586	4,652,824
Miscellaneous	1,500,894	717,265	10,419,000	3,201,931	11,919,894	3,919,196
Total revenues	48,539,329	44,700,732	326,584,800	312,143,495	375,124,129	356,844,227
Program Expenses:						
General government	7,332,337	5,912,115	-	-	7,332,337	5,912,115
Judicial	578,045	586,612	-	-	578,045	586,612
Public safety	20,428,628	20,074,665	-	-	20,428,628	20,074,665
Public works	9,939,058	11,527,954	-	-	9,939,058	11,527,954
Health and welfare	487,836	410,293	-	-	487,836	410,293
Culture and recreation	6,604,152	6,650,859	-	-	6,604,152	6,650,859
Housing and development	690,851	1,312,247	-	-	690,851	1,312,247
Interest	(443,859)	992,720	-	-	(443,859)	992,720
Utilities	-	-	241,215,000	236,793,558	241,215,000	236,793,558
Trade Center	-	-	673,489	740,961	673,489	740,961
Landfill	-	-	-	2,633,928	-	2,633,928
Golf course	-	-	1,340,983	1,294,137	1,340,983	1,294,137
Airport	-	-	1,218,639	1,309,887	1,218,639	1,309,887
Total expenses	45,617,048	47,467,465	244,448,111	242,772,471	290,065,159	290,239,936
Excess (deficiency)	2,922,281	(2,766,733)	82,136,689	69,371,024	85,058,970	66,604,291
Transfers	12,953,882	15,981,553	(12,953,882)	(15,981,553)	-	-
Change in net position	15,876,163	13,214,820	69,182,807	53,389,471	85,058,970	66,604,291
Beginning net position	128,721,398	115,506,578	1,120,181,018	1,066,791,547	1,248,902,416	1,182,298,125
Ending net position	$144,597,560	$128,721,398	$1,189,363,825	$1,120,181,018	$1,333,961,385	$1,248,902,416

Total revenues exceeded total expenses in the current year, resulting in an increase in the City's net position of $85.1 million in year ended 2024 compared to an increase of $66.6 million for the year ended 2023. The reasons for this overall increase are explained in the governmental and business-type activities discussion herein.

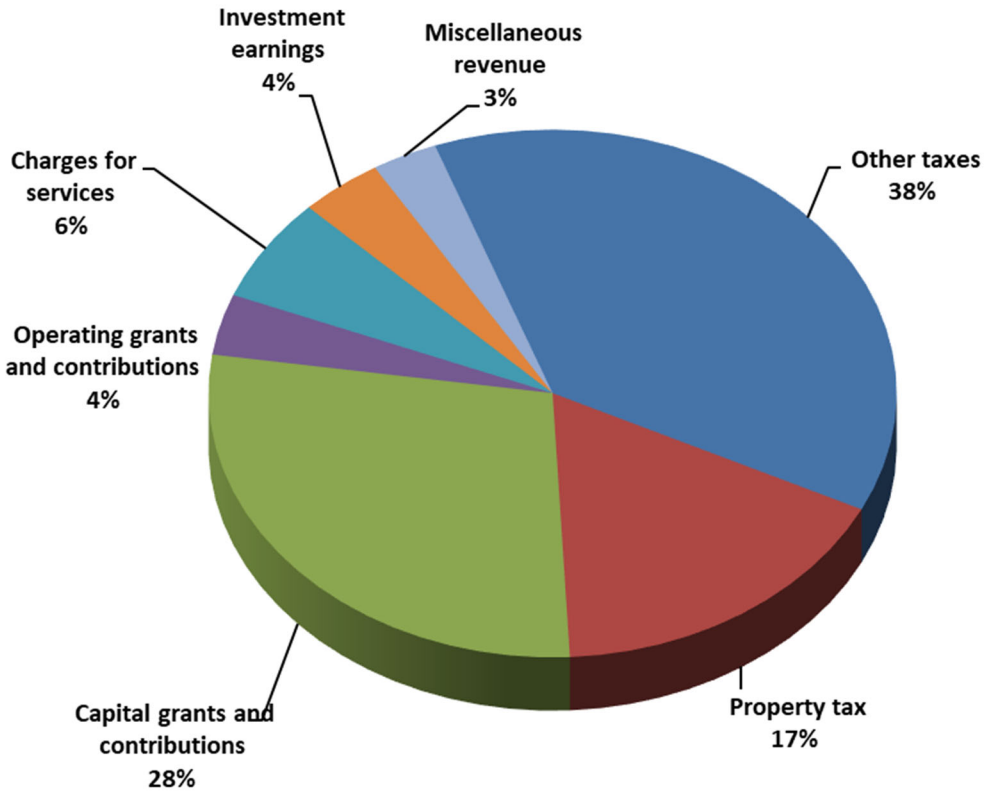
Governmental Activities

Net position for governmental activities increased $15.9 million after transfers during 2024 compared to an increase of $13.2 million in 2023. Total revenues increased $3.8 million or 9% from the prior year and expenses decreased $1.9 million or 4%.

The increase in total revenues is primarily due to an increase in capital grants funding of $5.6 million (70%). In 2024, the City received a grant funding opportunity from the U.S. Department of Treasury's American Rescue Plan Act (Coronavirus State and Local Fiscal Recovery) with current year grant revenues totaling $4.3 million to provide funding for two major capital projects, the Heritage Point Park Project and the Pentz and Cuyler Street Corridor Improvements Project. Additionally, the City received $1.1 million (48%) more grant revenue in 2024 than in 2023 from federal and state sources for airport improvements. A decrease in SPLOST revenues of $3.7 million (41%) offset these increases. The decrease in SPLOST revenue is attributable to the terms of the 2020 SPLOST Intergovernmental Agreement ("IGA"). The IGA dictated that once collections of $66 million were reached, the City's split would be reduced to 35%, from 51.45%. This amount was reached in September of 2023, and the City's pro-rata share was decreased until the 2020 SPLOST ended in September of 2024. The City's pro-rata share of the 2024 SPLOST is dictated by the 2024 IGA, and the split remains at 35%. Miscellaneous revenue increased $784,000 (109%) due to donated property from a non-profit for the Temple-Bethel stormwater – park project.

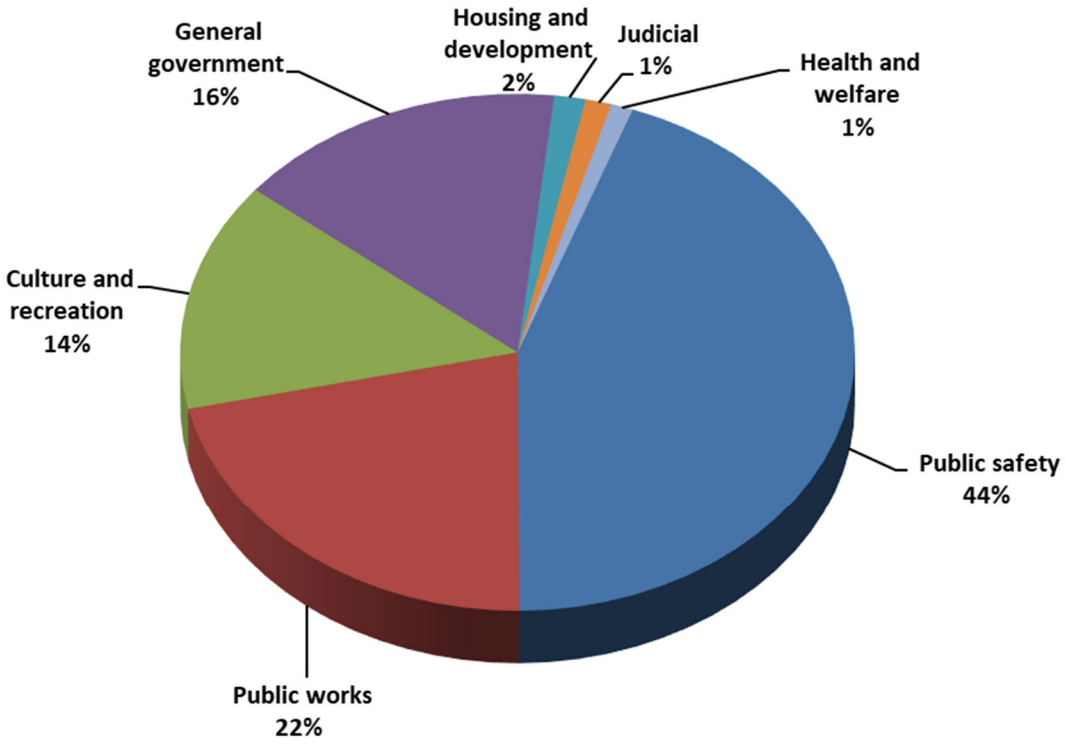
As depicted by the following chart, other taxes category is the largest source of revenue (38%), followed by capital grants and contributions (28%), property tax (17%), charges for services (6%), and operating grants and contributions (4%).

Revenues by Source – Governmental Activities



As depicted by the following chart, the largest use of City resources for the year 2024 is public safety (44%), followed by public works (22%), general government (16%), and culture and recreation (14%).

Expenses by Function – Governmental Activities



As stated earlier, expenses decreased $1.9 million or 4% from the previous year. The public works function decreased $1.6 million (14%) largely due to expensing resurfacing projects of $1.9 million in 2023 versus capitalizing those costs in 2024. These resurfacing projects were funded by 2020 SPLOST funds, and had been consistently expensed in prior years with the SPLOST program revenues split between operating and capital grants and contributions. The City made the change in 2024 to report all projects financed by SPLOST as capitalized costs and report all SPLOST revenues as capital grants and contributions. Interest decreased by $1.4 million (145%) due to an over accrual on debt in 2023 in the amount of $860,000. The adjustment to correct was taken to interest expense in the current year. General government expenses increased $1.4 million (24%) due to the City infusing $1.9 million into the City's Defined Benefit Pension Plan to cover the 49% additional liability added to the plan to fund a cost-of-living adjustment ("COLA") for current retirees. This amount represents the retirees falling within the governmental activities function.

Business-type Activities

The City's business-type activities revenues increased $14.4 million (5%) and expenses increased $1.7 million (1%).

Revenues:

The increase in charges for services of $4.8 million (2%) is primarily attributable to the City's utility operations, the WLSF Commission, as follows:

- Electric operating revenues increased $2.0 million (1%) with an overall KWh sales increase of 5%. In 2024, revenues for the industrial customer class were down $1.1 million (1%), which was offset by residential sales growth of $1.3 million (9%). In addition, 2024 fuel cost adjustment surcharges were down a total of $7.2 million. This amount was offset by a one-time revenue source of $8.1 million associated with a bankruptcy settlement in 2024.

  Fuel cost adjustment revenue will fluctuate in any given year based on natural gas commodity prices that impact the cost of purchased power. These revenues are designed to offset rapid increases in natural gas fuel for power generation and only apply when commodity prices rise above a base number set each year. In 2024, this base number was set at $3.50/Mcf.

- Natural gas operating revenues decreased $1.0 million (3%). Natural gas revenues are susceptible to market fluctuations in commodity costs. While 2024 did experience an overall consumption decrease of 1% compared to 2023, the market rates for energy play a much larger role in any year over year change. In 2024, both overall consumption and average market prices for natural gas were down from 2023.

- Water operating revenues increased by $1.3 million (4%), primarily due to an overall rate increase of 3% for all customer classes. Total consumption was flat in 2024 as compared to 2023; however, the industrial class consumption rates were down 8%, which was offset by a 9% consumption increase in wholesale water sales.

- Sewer operating revenues increased by $259,000 (1%), primarily due to a rate increase of 4% for all customer classes. Industrial consumption was down 7% and only partially offset by a 4% consumption increase for residential customers.

- Information technology operating revenues increased $385,000 (2%) in 2024 as compared to 2023. The WLSF Commission saw a decrease in revenues for the cable and telephone services of $181,000 and $40,000, respectively. These decreases in revenue were offset by an increase of $437,000 for internet services.

The increase in investment income of $2.5 million (83%) is primarily attributable to the WLSF Commission's operations as follows:

- Interest income increased $3.4 million due to portfolio deposits and market gains.

- The fair value of investments decreased $1.0 million as a result of increased investment SBA securities which pay principal and interest payments quarterly. It is the WLSF Commission's intent to hold securities until maturity ensuring the maximum return on investment and full recovery of par values.

Expenses:

The increase in program expenses of $1.7 million (1%) is primarily attributable to the WLSF Commission's operations as follows:

- The electric sector saw a year over year increase of $2.5 million (2%). This amount reflects increases from jointly owned generation operations of $1.9 million, transmission maintenance costs of $1.2 million, and departmental cost increases of $1.5 million, offset by purchase power decreases of $2.0 million as compared to 2023.

- Natural gas expenses saw an overall decrease of $2.7 million (11%). While consumption dropped 1% in 2024 as compared to 2023, the commodity price for natural gas was the main factor. The average monthly index price of natural gas was $2.20 and $2.80 per Dth for 2024 and 2023, respectively. In total, natural gas purchases were down $3.1 million. This decrease was partially offset by an increase in departmental operations of $390,000.

- Water treatment operating expenses increased $3.6 million in 2024 as compared to 2023. The primary factors that contributed to this change included a one-time charge of $1.8 million for dredging projects and $1.9 million increase for operational expenses. Of the increased operational expense increases, $700,000 is increased depreciation, $260,000 is amortization of regulatory assets, $210,000 is property insurance, $180,000 is for inventory adjustments, and $1.1 million is attributable to net increases in various other operational expenses.

- Sewer operations costs experienced an increase of $314,000 (1%) in 2024 as compared to 2023. The primary cause of the operational increase is due to revised property insurance valuations which increased costs by $270,000. This increase is expected to continue into future years.

- Information technology operating expenses increased $658,000 (4%) in 2024 as compared to 2023. Of this increased amount $190,000 is related to T.V. content charges, $130,000 is from regulatory asset amortization for pension and OPEB, and $34,000 is for various other operational items.

- Total depreciation and amortization expense increased $5.0 million (16%) in 2024 as compared to 2023. The increases come primarily from the addition of Vogtle Units 3 & 4 and the amortization of OPEB and pension regulatory assets that began in 2024. These increases are $2.5 million and $1.8 million respectively. The remainder of the increase, $750,000, is associated with the addition of new depreciable assets in the normal course of business.

- Entity wide, charges for salaries and benefits increased $2.8 million (9%) in 2024 as compared to 2023. Overall personnel costs were 14% of total expenses in 2024.

- Interest expense decreased $535,000 (10%) as a result of a decrease in the balance of revenue bonds outstanding.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported combined ending fund balances of $68.2 million. Of this year-end total, 38% ($26.0 million) is unassigned fund balance that is available for spending at the City's discretion. The remainder is nonspendable ($176,000), restricted for particular purposes ($40.7 million), or committed for grant and economic development projects ($1.3 million). The general fund is the only fund that can have positive unassigned fund balance. The remainder of fund balance is either nonspendable, restricted by a third party, committed to be spent in a specified matter by formal resolution, or assigned for a specific purpose, including the 2025 budget.

The total combined ending fund balances of governmental funds reflect a decrease of $8.1 million. The general fund reported a decrease in fund balance of $5.0 million and the other governmental funds reported a decrease in fund balances of $3.1 million.

Major Governmental Fund

The general fund is the chief operating fund of the City. At the end of 2024, the fund balance of the general fund was $27.8 million. Unassigned fund balance represents 61% of general fund expenditures, a decrease from the prior year, in which unassigned fund balance represented 80% of expenditures.

The general fund's performance resulted in expenditures and other financing uses exceeding revenues and other financing sources by $5.0 million during the fiscal year. Total revenues increased by $794,000 (3%), expenditures increased by $6.2 million (17%), and net other financing sources (uses) decreased by $5.8 million (46%) when compared to the prior year.

Key changes in general fund revenues over the prior year include an increase in intergovernmental revenues of $406,000 (58%) due to increased state paving grants, an increase in investment earnings of $236,000 (20%) due to rising interest rates, and an increase in fines and forfeitures of $157,000 (32%) due to increased collection efforts.

Key changes in general fund expenditures over the prior year include an increase in general government expenditures of $2.6 million (72%), attributable to a $1.9 million payment to the Defined Benefit Pension Plan to fund a COLA increase for retirees, a $523,000 increase in personal services due to market wage adjustments and a 4% COLA for employees, and a 30% increase in the employer contribution to the defined benefit plan. Public safety expenditures increased $2.2 million (12%), of which $2.0 million is attributable to increases in personal services and benefits due to police department implementation of a pay incentive package in October, a 4% COLA for employees, and a 30% increase in the employer defined benefit contribution. Public works expenditures increased $734,000 (9%). Of that increase, $484,000 was attributable to the increases in personal services and benefits, and $140,000 was for the purchase of real estate. Culture and recreation expenditures increased from the prior year by $465,000 (11%). Personal wages and benefits increased $393,000 due to increase to wages and defined benefit contributions, and contracted services increased $115,000 due to increases in lawncare, sports officiating, and commercial insurance.

Other financing sources of $18.8 million decreased $1.1 million (6%) from the prior year due to a decrease in the transfer from the WLSF Commission of $3.6 million, offset by a one-time transfer in 2024 from the DWRSWMA of $2.5 million to subsidize the City's operations.

Other financing uses of $12.0 million increased by $4.7 million (65%) from the prior year. The largest current year transfers out included $4.7 million to the ARPA grant fund to provide local matching funds for two large federally funded capital projects, $4.3 million to the 2020 SPLOST capital projects fund to fund the John Davis Recreation Center and 2024 resurfacing projects, $1.2 million to the capital acquisition fund for various capital asset replacement and facility repairs, and $1.2 million to the debt service fund for payment of debt principal and interest. The largest prior year transfers out included $5.3 million to the capital acquisition fund for various capital asset replacements and facility repairs and $1.2 million to the debt service fund for payment of debt principal and interest.

Capital Projects Funds

- The bonded capital projects fund is used to account for the acquisition and construction of major capital assets funded by the 2021 debt issuance. Total debt proceeds of $17.0 million were received in this fund during 2021, which included a premium on issuance of $1.4 million. Current year expenditures totaled $4.1 million mostly for stormwater projects. During 2024, a total of $3.7 million was transferred to the 2015 capital projects fund, the ARPA grant fund, and the Airport grant fund to fund projects. At the end of 2024, fund balance was $7.4 million. Of this fund balance, $3.9 million is restricted for stormwater projects and $3.5 is restricted to complete pickleball courts and Al Rollins Complex improvements.

- The SPLOST 2024 capital projects fund is used to account for the acquisition and construction of major capital assets associated with the 2024 SPLOST. SPLOST revenues of $1.2 million were collected, and no funds have been expended. Significant activity in this fund will begin in 2025.

- The SPLOST 2020 capital projects fund is used to account for the acquisition and construction of major capital assets associated with the 2020 SPLOST that ended in 2024. Significant activity in this fund began in 2021. SPLOST revenues of $4.2 million were collected, investments generated an additional $440,000. Transfers in from the economic development special revenue fund of $1.9 million and from the general fund of $4.3 million were received to fund the John Davis Recreation Center project and additional 2024 resurfacing projects. A total of $6.4 million was expended in the current year for paving, renovations at the John Davis Recreation Center, a police property and evidence building, and public works equipment. At the end of 2024, fund balance was $19.7 million, and is restricted to complete SPLOST projects, which include additional expenditures for the renovation of the John Davis Recreation Center and the police property and evidence building, additional paving and stormwater projects, and public safety equipment.

- The SPLOST 2015 capital projects fund is used to account for the acquisition and construction of major capital assets. Revenues were derived primarily from the 2015 SPLOST that ended in 2019. All projects, with the exception of certain stormwater/drainage projects, have been substantially completed. Those uncompleted projects will utilize existing fund balance until finished. Investment earnings totaled $32,000, and transfers in from the bonded capital projects fund of $386,000 for the Prater Alley drainage project were received. Expenditures totaled $2.1 million, primarily for stormwater and Greenway projects. At the end of 2024, fund balance was $2.2 million, and is restricted to complete the remaining projects.

- The capital acquisition fund is used to account for expenditures for general capital outlays. Revenues are derived primarily from transfers from the general fund, which totaled $1.2 million for the year. Total expenditures were $5.0 million for public safety, recreation, and public works vehicles and equipment, turf replacements for parks, cameras and access controls for buildings, and various repair and maintenance projects. At the end of 2024, fund balance was $3.7 million, and is restricted for future capital acquisitions.

Proprietary Funds

The proprietary funds share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This provides a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

Major Proprietary Fund

The WLSF Commission provides electric, natural gas, water, wastewater, and information technology services to customers in the City of Dalton, Whitfield County, and portions of Murray, Gordon, Catoosa, and Floyd counties.

The WLSF Commission net position represents 97% of total proprietary fund net position. Financial analysis in regards to the WLSF Commission can be found in the business-type activities section.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City of Dalton's general fund budget is prepared and adopted in accordance with Georgia law. Over the course of the year, the original budget was amended by various appropriations approved by Council. In addition, Council approved several adjustments to prevent budget overruns. The amendments to the general fund resulted in a net increase to budgeted revenues of $1.7 million, a net increase to budgeted expenditures of $2.4 million, and a net decrease to other financing sources (uses) of $5.6 million. The following highlights the most significant differences between original and adjusted budgets for revenue:

- Increased revenues to reflect increases in sales tax collections of $344,000, insurance premium tax of $232,000, and title ad valorem tax of $190,000. These are attributable to increases in sales volume coupled with inflationary costs.
- Additional allocation for road project funds received from Georgia Department of Transportation of $541,000.
- Investment earnings increase of $450,000 due to financial institutions offering higher rates of return on investments.
- Additional payment into the City's Defined Benefit Pension Plan of $1.9 million.
- Increased budget for public works to cover renovations a Burr Park of $129,000 and $140,000 for cash needed in exchange of Pentz Street property.
- Increase in other financing sources for a one-time operational transfer from a joint-venture of $2.5 million, utility transfer of $1.7 million, and additional hotel-motel tax revenue of $808,000. Decrease in other financing sources of $2.3 million for funds previously transferred to bonded capital projects that were redirected to other funds to meet project shortfalls funded with SPLOST revenues.
- Increase in other financing sources for grant matches of $6.6 million and capital improvement projects funding of $1.2 million.

General fund expenditures were $42.5 million, 97% of the final amended budget. There were no net over expenditures by general fund departments. Total actual expenditures were $1.3 million lower that the adjusted budget. Personal services and benefits were $600,000 (2%) under the final budget due to position vacancies.

Total actual general fund revenues exceeded the final adjusted budget by $20,000. General fund actual other financing sources were under final budget by $2,000, and actual other financing uses were under final budget by $18,000.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's book value of investment in capital assets for governmental and business-type activities at December 31, 2024 was $114.6 million and $1,145.0 million, respectively. The book value of the governmental activities investment in capital assets increased by $18.9 million. The book value of the business-type activities investment in capital assets decreased by $25.1 million. Depreciated cost for capital assets of the City as a whole decreased by $6.2 million. See Note 3-E for additional information about changes in capital assets during the calendar year. The following table provides a summary of capital asset balances by asset type.

Capital Assets, Net of Accumulated Depreciation
Fiscal Years 2024 and 2023

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Non-depreciable assets:						
Land	$ 20,509,005	$ 20,025,021	$ 5,215,145	$ 5,215,145	$ 25,724,150	$ 25,240,166
Construction in progress	16,069,350	6,855,690	18,509,513	151,890,059	34,578,863	158,745,749
Total non-depreciable	36,578,355	26,880,711	23,724,658	157,105,204	60,303,013	183,985,915
Depreciable assets:						
Land improvements	63,836,801	57,399,975	9,768,971	11,935,880	73,605,772	69,335,855
Buildings and improvements	34,809,987	34,842,922	3,763,487	3,763,489	38,573,474	38,606,411
Machinery, equipment, and furniture	37,647,686	35,942,629	3,130,266	3,058,926	40,777,952	39,001,555
Intangibles	1,208,301	1,184,147	-	-	1,208,301	1,184,147
Utility plant	-	-	1,788,543,000	1,645,756,000	1,788,543,000	1,645,756,000
Infrastructure	113,264,459	107,773,461	-	-	113,264,459	107,773,461
Total depreciable assets	250,767,234	237,143,134	1,805,205,724	1,664,514,295	2,055,972,958	1,901,657,429
Less accumulated depreciation	172,770,805	168,337,838	706,445,449	672,934,556	879,216,254	841,272,394
Book value-depreciable assets	77,996,429	68,805,296	1,098,760,275	991,579,739	1,176,756,704	1,060,385,035
Percentage depreciated	69%	71%	39%	40%	43%	44%
Nuclear fuel, at amortized cost	-	-	22,555,000	21,415,000	22,555,000	21,415,000
Book value - all assets	$114,574,784	$ 95,686,007	$1,145,039,933	$1,170,099,943	$1,259,614,717	$1,265,785,950

Major capital asset changes during the current year for governmental activities included capital asset additions of $25.2 million and depreciation expense of $5.3 million. The following highlights the 2024 capital asset additions:

- General government purchases of $775,000 for an HVAC replacement project for City Hall, vehicle for City administration, security upgrades to City Hall, and property acquisition
- Public safety purchases of $2.4 million; property and evidence building $1.7 million, security upgrades $91,000, vehicle and equipment purchases of $609,000
- Public works vehicle and equipment purchases of $1.7 million; major purchases include two garbage trucks and a construction dump truck
- Public works resurfacing projects of $4.4 million and infrastructure expenses of $10.1 million for drainage/detention/flood projects
- Culture and recreation expenses of $5.8 million; major projects included the John Davis Recreation Center, pickleball complex, four turf field replacements at various parks, mini-pitch soccer field, completion of the Mill Line greenway project, playground upgrades, and various equipment purchases

Major capital asset changes during the current year ended for business-type activities were primarily attributable to the WLSF Commission and included the following:

- During 2024, the WLSF Commission saw a net decrease in plant in service, as a result of the addition of Vogtle Units 3 & 4 being in service and incurring depreciation.

Long-term Debt

At the end of the calendar year, the City had total leases and revenue bonds outstanding of $168.4 million. This is a decrease of $2.3 million from the prior year. Refer to Note 3-J for additional information regarding the City's long-term debt.

	Governmental activities		Business-type activities		Totals	
	2024	2023	2024	2023	2024	2023
Leases payable	$ 18,139,423	$ 18,897,624	$ -	$ -	$ 18,139,423	$ 18,897,624
Revenue bonds	-	-	150,251,000	151,756,000	150,251,000	151,756,000
Total	$ 18,139,423	$ 18,897,624	$ 150,251,000	$ 151,756,000	$ 168,390,423	$ 170,653,624

The City maintains a bond credit rating of Aa2 from Moody's on general obligation bonds. The WLSF Commission maintains a bond credit rating of A2 from Moody's.

State statutes limit the amount of general obligation debt a governmental entity may issue, which is up to 10% of its total assessed valuation. The current debt limitation for the City of Dalton is $507.8 million, which is significantly in excess of the City's general obligation debt outstanding of $39.5 million. Refer to Note 4-D for conduit debt obligation with limited commitments with the City of Dalton Public School Systems issuance of 2018 general obligation bonds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 2025 general fund budget reflects a $532,000 (2%) decrease in revenues when compared to 2024 actual revenues. Budgeted expenditures for 2025 increased $2.0 million (5%) when compared to actual 2024 expenditures. The 2025 budgeted other financing sources reflect a decrease of $2.5 million and other financing (uses) reflect a decrease of $10.1 million, for a net increase of $14.4 million (110%) when compared to 2024 actual. The City's adopted 2025 general fund budget is balanced without utilization of fund balance.

The City considered the following factors when preparing the 2025 budget:

- Assessed property values are expected to increase due to reassessments, but the millage rate is expected to be rolled back.
- The expected decrease in revenues and other financing sources of $3.0 million when compared to 2024 actual is due mostly to a reduction in interest and miscellaneous revenue of $547,000 and the one-time transfer from joint-venture of $2.5 million.
- The 2025 budget reflects a 4% cost of living increase for full-time employees and the addition of 2 full-time positions.
- Employee health cost was projected to increase 10%, of which the employer will bear all the increase.
- The employer defined benefit pension contribution required match will decrease to 39% from 42% in 2024. The employee match will remain at 5%.
- The OPEB Trust will be exhausted in 2025 and departments have budgeted retiree premiums to be paid from departmental budgets.

At the end of May, 2025:

- The Whitfield County Tax assessor has yet to produce a final 2024 tax digest. The City adopted a temporary millage rate based on the temporary tax digest provided by the Board of Tax Assessors for 2024. The City does expect an increase in the 2024 tax digest due to reassessments and anticipate little actual growth in 2025. Regardless, the City plans to rollback taxes for the 2024 and 2025 values.
- General fund operating revenues are 4% ($311,000) less than operating revenues for the same period in 2024:
    - Taxes $65,000
    - Municipal court fees $80,000
    - Fines and forfeitures $58,000
    - Investment income $111,000
- The transfer fee from the City's utility department is $52,000 more than transferred during the first quarter of 2024 and greater than budgeted. Any amounts over budget will be utilized to offset any revenue shortages.
- 2024 SPLOST collections are tracking 27% over budget.
- Expenditures are $1.1 million (7%) more than 2024 actuals for the same period. However, expenditures as of 5/31/25 are $300,000 below budget due to vacant positions in police, public works, and recreation.
- Unemployment dropped to 3.2% in April 2025, down from 6.1% in December 2024.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. If you have questions concerning this document or would like to request additional information, contact the City's Chief Financial Officer, 300 West Waugh Street, Dalton, Georgia 30720 or access the City's website at www.daltonga.gov. The separately issued financial statements for The WLSF Commission can be obtained by contacting their finance department, Dalton Utilities, 1200 VD Parrott Junior Parkway, Dalton, Georgia 30721.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Dalton, Georgia
Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	City of Dalton Building Authority
Assets				
Current Assets				
Cash and cash equivalents	$ 40,727,692	$ 20,697,863	$ 61,425,555	$ 22,284,495
Investments	3,027,836	35,409,000	38,436,836	-
Restricted cash	3,754,621	7,446,000	11,200,621	-
Receivables:				
Accounts	12,245,838	23,694,153	35,939,991	-
Taxes	6,936,748	-	6,936,748	-
Intergovernmental	7,947,268	-	7,947,268	-
Interest	-	669,000	669,000	442
Leases	-	286,000	286,000	3,825,000
Unbilled revenues	-	10,594,000	10,594,000	-
Fuel stocks	-	2,901,000	2,901,000	-
Materials and supplies inventory	172,293	23,271,093	23,443,386	-
Deposits and prepaid items	3,473	2,664,964	2,668,437	-
Total Current Assets	74,815,769	127,633,073	202,448,842	26,109,937
Noncurrent Assets				
Nondepreciable capital assets	36,578,355	23,724,658	60,303,013	-
Depreciable capital assets, net	77,996,429	1,098,760,275	1,176,756,704	-
Nuclear fuel, at amortized cost	-	22,555,000	22,555,000	-
Customer deposit fund	-	3,746,000	3,746,000	-
Combined renewals and extensions fund	-	33,203,000	33,203,000	-
Restricted wastewater settlement liability fund	-	10,242,000	10,242,000	-
Restricted nuclear decommissioning	-	43,103,000	43,103,000	-
Lease and SBITA assets	-	266,000	266,000	-
Leases receivable (less current portion)	-	5,060,000	5,060,000	25,695,000
Regulatory asset	-	98,369,000	98,369,000	-
Investment in joint ventures	1,509,520	18,461,957	19,971,477	-
Total Noncurrent Assets	116,084,304	1,357,490,890	1,473,575,194	25,695,000
Total Assets	190,900,073	1,485,123,963	1,676,024,036	51,804,937
Deferred Outflows of Resources	8,379,456	8,407,719	16,787,175	-
Total Assets and Deferred Outflows	$ 199,279,529	$ 1,493,531,682	$ 1,692,811,211	$ 51,804,937

(continued)

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	City of Dalton Building Authority
Liabilities				
Current Liabilities				
Accounts payable and accrued expenses	$ 5,231,533	$ 26,250,205	$ 31,481,738	$ 22,085,578
Accrued interest payable	212,404	-	212,404	-
Unearned revenue	838,410	25,283	863,693	-
Compensated absences payable	1,500,000	40,000	1,540,000	-
Revenue bonds payable	-	5,966,000	5,966,000	3,825,000
Settlement liability	-	5,000,000	5,000,000	-
Leases payable	695,000	-	695,000	-
Customer deposits	-	6,944,000	6,944,000	-
Total Current Liabilities	8,477,347	44,225,488	52,702,835	25,910,578
Long-Term Liabilities				
Compensated absences payable (less current portion)	4,343,748	86,299	4,430,047	-
Asset retirement obligations	-	66,595,000	66,595,000	-
Revenue bonds payable (less current portion)	-	144,285,000	144,285,000	25,695,000
Settlement liability (net of current portion)	-	10,000,000	10,000,000	-
Leases payable (less current portion)	17,444,423	-	17,444,423	-
Net pension liability	4,511,096	4,409,626	8,920,722	-
Net OPEB liability	8,039,559	8,818,583	16,858,142	-
Other	-	3,926,000	3,926,000	-
Total Long-Term Liabilities	34,338,826	238,120,508	272,459,334	25,695,000
Total Liabilities	42,816,173	282,345,996	325,162,169	51,605,578
Deferred Inflows of Resources	11,865,795	21,821,861	33,687,656	-
Net Position				
Net investment in capital assets	112,316,751	989,061,933	1,101,378,684	-
Restricted for:				
Debt service	5,394	6,687,000	6,692,394	-
Capital projects	18,297,157	-	18,297,157	-
General government	328,861	-	328,861	
Public safety	286,231	-	286,231	-
Public works	5,308,988	-	5,308,988	-
Culture and recreation	234,317	-	234,317	-
Health and welfare	192,499	-	192,499	
Development	1,695,928	-	1,695,928	-
Other purposes	-	3,624,000	3,624,000	-
Nuclear decommissioning	-	44,622,000	44,622,000	-
Wastewater settlement liability	-	15,898,000	15,898,000	-
Pension	-	14,453,000	14,453,000	-
OPEB	-	2,501,000	2,501,000	-
Unrestricted	5,931,435	112,516,892	118,448,327	199,359
Total Net Position	144,597,561	1,189,363,825	1,333,961,386	199,359
Total Liabilities, Deferred Inflows, and Net Position	$ 199,279,529	$ 1,493,531,682	$ 1,692,811,211	$ 51,804,937

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Activities
For the Year Ended December 31, 2024

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions, and Transfers	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Building Authority
Primary Government								
Governmental Activities:								
General government	$ 7,332,337	$ 541,468	$ 196,820	$ 3,449,560	$ (3,144,489)	$ -	$ (3,144,489)	$ -
Judicial	578,045	733,047	-	-	155,002	-	155,002	-
Public safety	20,428,628	1,417,807	14,247	1,674,144	(17,322,430)	-	(17,322,430)	-
Public works	9,939,058	101,533	1,179,637	4,325,872	(4,332,016)	-	(4,332,016)	-
Health and welfare	487,836	-	180,976	143,512	(163,348)	-	(163,348)	-
Culture and recreation	6,604,152	303,347	-	4,066,006	(2,234,799)	-	(2,234,799)	-
Housing and development	690,851	-	241,349	-	(449,502)	-	(449,502)	-
Interest on long-term debt	(443,859)	-	-	-	443,859	-	443,859	-
Total Governmental Activities	45,617,048	3,097,202	1,813,029	13,659,094	(27,047,723)	-	(27,047,723)	-
Business-Type Activities:								
WLSF:								
Electric system	142,210,000	202,915,000	-	-	-	60,705,000	60,705,000	-
Gas system	22,562,000	24,403,000	-	-	-	1,841,000	1,841,000	-
Water system	31,662,000	32,387,000	-	-	-	725,000	725,000	-
Wastewater system	26,573,000	24,971,000	-	-	-	(1,602,000)	(1,602,000)	-
Information technology system	18,208,000	22,235,000	-	-	-	4,027,000	4,027,000	-
Landfill	-	1,491,466	-	-	-	1,491,466	1,491,466	-
Convention Center	673,489	-	-	-	-	(673,489)	(673,489)	-
Municipal golf course	1,340,983	1,637,226	-	-	-	296,243	296,243	-
Municipal airport	1,218,639	727,617	-	-	-	(491,022)	(491,022)	-
Total Business-Type Activities	244,448,111	310,767,309	-	-	-	66,319,198	66,319,198	-
Total - Primary Government	$ 290,065,159	$ 313,864,511	$ 1,813,029	$ 13,659,094	(27,047,723)	66,319,198	39,271,475	-
Total - Component Unit	$ 281,778	$ (13,251)	$ -	$ -				(295,029)
		General Revenues						
		Property taxes levied for general purposes			8,218,744	-	8,218,744	-
		Selective taxes			16,254,660	-	16,254,660	-
		Hotel/motel taxes			2,103,611	-	2,103,611	-
		Investment earnings			1,892,095	5,398,491	7,290,586	-
		Contributions in aid of construction			-	9,966,000	9,966,000	-
		Donations - unrestricted			904,444	-	904,444	-
		Miscellaneous			596,450	453,000	1,049,450	-
		Total General Revenues			29,970,004	15,817,491	45,787,495	-
		Transfers			12,953,882	(12,953,882)	-	282,220
		Total General Revenues and Transfers			42,923,886	2,863,609	45,787,495	282,220
		Change in Net Position			15,876,163	69,182,807	85,058,970	(12,809)
		Net Position Beginning of Year			128,721,398	1,120,181,018	1,248,902,416	212,168
		Net Position End of Year			$ 144,597,561	$ 1,189,363,825	$ 1,333,961,386	$ 199,359

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

City of Dalton, Georgia
Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	$ 11,446,908	$ 29,280,784	$ 40,727,692
Restricted cash	-	3,754,621	3,754,621
Investments	3,027,836	-	3,027,836
Receivables:			
Accounts	2,018,617	10,192,777	12,211,394
Taxes	6,924,417	12,331	6,936,748
Intergovernmental - federal	-	5,636,276	5,636,276
Intergovernmental - state	-	903,330	903,330
Intergovernmental - local	96,810	1,310,852	1,407,662
Interfund	6,191,391	269	6,191,660
Inventory	172,293	-	172,293
Prepaid items	3,473	-	3,473
Total Assets	$ 29,881,745	$ 51,091,240	$ 80,972,985
Liabilities			
Accounts payable	$ 786,757	$ 3,776,582	$ 4,563,339
Accrued expenditures	616,113	-	616,113
Unearned revenue	99,250	739,160	838,410
Interfund payable	269	6,191,391	6,191,660
Total Liabilities	1,502,389	10,707,133	12,209,522
Deferred Inflows of Resources			
Unavailable revenue - property taxes	598,489	854	599,343
Fund Balances			
Nonspendable:			
Inventory and prepaid items	175,766	-	175,766
Restricted:			
General government (airport grant funds)	-	328,861	328,861
Public safety (police and fire expenditures)	-	286,231	286,231
Public works (cemetery chapel and street improvements)	103,675	5,205,313	5,308,988
Culture and recreation (greenway, disc golf, and parks)	234,317	-	234,317
Health and welfare (OPIOID expenditures)	-	192,499	192,499
Housing and development (grant expenditures)	-	1	1
Economic development (taxes and PILOT revenues)	-	186,407	186,407
Debt service (debt service expenditures)	-	5,394	5,394
Capital projects (SPLOST projects and other projects)	-	34,178,547	34,178,547
Unrestricted:			
Committed:			
General government (airport projects)	641,000	-	641,000
Culture and recreation (garden project)	20,000	-	20,000
Economic development (902 S Hamilton project)	622,300	-	622,300
Unassigned	25,983,809	-	25,983,809
Total Fund Balances	27,780,867	40,383,253	68,164,120
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 29,881,745	$ 51,091,240	$ 80,972,985

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2024

Total Governmental Fund Balances		$ 68,164,120
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets do not represent financial resources and therefore are not reported in the funds but are reported for governmental activities:		
Cost	287,345,589	
Less accumulated depreciation	(172,770,805)	114,574,784
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		599,343
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:		
Interfund receivables	(6,191,660)	
Interfund payables	6,191,660	-
Long-term liabilities that are not due and payable in the current period are not reported in governmental funds but are reported on the statement of net position:		
Accrued interest on leases payable	(212,404)	
Leases payable	(18,139,423)	
Compensated absences	(5,843,748)	
Net pension liability	(4,511,096)	
Net OPEB liability	(8,039,559)	(36,746,230)
The Joint Development Authority (JDA) is a joint venture of the City of Dalton and Whitfield County, Georgia. The equity interest in the JDA is shown on the government-wide statement of net position but is reported on the fund balance sheet only to the extent the investment is evidenced by current financial resources, such as amounts due to and from the entity:		
City's portion of equity investment		1,509,520
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds:		
Deferred outflows related to pensions	6,801,374	
Deferred inflows related to pensions	(8,106,516)	
Deferred outflows related to OPEB	1,578,082	
Deferred inflows related to OPEB	(3,759,279)	(3,486,339)
Net Position of Governmental Activities		$ 144,597,561

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 24,431,146	$ 2,115,357	$ 26,546,503
Licenses and permits	433,262	-	433,262
Intergovernmental - federal	5,984	7,236,946	7,242,930
Intergovernmental - state	979,637	926,694	1,906,331
Intergovernmental - local	117,293	5,532,825	5,650,118
Charges for services	1,827,180	-	1,827,180
Fines and forfeitures	655,471	181,289	836,760
Investment earnings	1,416,704	948,135	2,364,839
Miscellaneous	762,780	109,009	871,789
Total Revenues	30,629,457	17,050,255	47,679,712
Expenditures			
Current:			
General government	6,163,108	97,363	6,260,471
Judicial	653,036	-	653,036
Public safety	21,718,894	47,628	21,766,522
Public works	8,342,113	-	8,342,113
Health and welfare	25,984	242,842	268,826
Culture and recreation	4,551,176	698,603	5,249,779
Housing and development	697,286	153,276	850,562
Capital Outlay:			
General government	-	4,728,582	4,728,582
Public safety	12,588	2,548,375	2,560,963
Public works	281,814	15,361,816	15,643,630
Health and welfare	-	226,788	226,788
Culture and recreation	28,695	5,509,142	5,537,837
Debt Service:			
Principal retirement	-	660,000	660,000
Interest and fiscal charges	-	526,550	526,550
Total Expenditures	42,474,694	30,800,965	73,275,659
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,845,237)	(13,750,710)	(25,595,947)
Other Financing Sources (Uses)			
Proceeds from sale of assets	41,440	143,312	184,752
Transfers in	18,769,559	17,537,512	36,307,071
Transfers out	(11,970,724)	(7,071,795)	(19,042,519)
Total Other Financing Sources (Uses)	6,840,275	10,609,029	17,449,304
Net Change in Fund Balances	(5,004,962)	(3,141,681)	(8,146,643)
Fund Balances Beginning of Year	32,785,829	43,524,934	76,310,763
Fund Balances End of Year	$ 27,780,867	$ 40,383,253	$ 68,164,120

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Net Changes in Fund Balances - Total Governmental Funds		$ (8,146,643)
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 as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:		
Depreciation expense	(5,312,514)	
Capital outlay	28,697,800	23,385,286
Donations of or contributions for capital assets not reported at the fund level.		826,705
Transfer of capital assets from governmental funds to the Municipal Airport enterprise fund.		(4,310,670)
Write off of capital assets are not reported at the fund level.		(1,012,544)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		30,512
Elimination of transfers between governmental funds:		
Transfers in	(18,445,071)	
Transfers out	18,445,071	-
Debt proceeds 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 repayment reduces long-term liabilities in the statement of net position. Additionally, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:		
Repayment of leases	660,000	
Amortization of premium on leases	98,201	758,201
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. These items include:		
Net change in accrued compensated absences liability	(433,741)	
Net change in accrued interest on leases payable	872,208	
Pension benefit (expense)	2,623,727	
OPEB benefit (expense)	1,141,048	4,203,242
The Joint Development Authority (JDA) is a joint venture of the City of Dalton and Whitfield County, Georgia. The current year payments to the JDA are reported as expenditures for the housing and development function on the fund statements, but the City's interest in the government-wide net income or loss is reported on the statement of activities:		
City's portion of the government-wide JDA current year net income		159,711
The internal service funds have historically been by management to charge the costs of the operation and maintenance of insurance funds to individual funds, and are not reported in the government-wide statement of activities. For the 2023 year forward, the City has obtained commercial insurance and has discontinued use of the internal service funds. Current year income or loss is reported in the general governmental function in the statement of activities:		(17,637)
Change in Net Position of Governmental Activities		$ 15,876,163

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes	$ 24,015,000	$ 24,811,700	$ 24,431,146	$ (380,554)
Licenses and permits	420,000	420,000	433,262	13,262
Intergovernmental - federal	13,000	13,000	5,984	(7,016)
Intergovernmental - state	441,000	982,000	979,637	(2,363)
Intergovernmental - local	120,000	120,000	117,293	(2,707)
Charges for services	1,665,000	1,665,000	1,827,180	162,180
Fines and forfeitures	476,000	476,000	655,471	179,471
Investment earnings	850,000	1,300,000	1,416,704	116,704
Miscellaneous	868,000	821,300	762,780	(58,520)
Total Revenues	28,868,000	30,609,000	30,629,457	20,457
Expenditures				
Current:				
General government	4,321,000	6,279,500	6,163,108	116,392
Judicial	645,000	654,000	653,036	964
Public safety	22,056,000	22,016,000	21,718,894	297,106
Public works	8,953,000	9,044,500	8,342,113	702,387
Health and welfare	26,000	26,000	25,984	16
Culture and recreation	4,550,500	4,588,400	4,551,176	37,224
Housing and development	742,500	756,500	697,286	59,214
Total Current	41,294,000	43,364,900	42,151,597	1,213,303
Capital Outlay				
Public safety	4,000	40,000	12,588	27,412
Public works	17,000	303,000	281,814	21,186
Culture and recreation	15,000	21,100	28,695	(7,595)
Total Capital Outlay	36,000	364,100	323,097	41,003
Total Expenditures	41,330,000	43,729,000	42,474,694	1,254,306
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,462,000)	(13,120,000)	(11,845,237)	1,274,763
Other Financing Sources (Uses)				
Proceeds from sale of assets	5,000	40,000	41,440	1,440
Transfers in	16,656,000	18,773,000	18,769,559	(3,441)
Transfers out	(4,199,000)	(11,988,500)	(11,970,724)	17,776
Total Other Financing Sources (Uses)	12,462,000	6,824,500	6,840,275	15,775
Net Change in Fund Balances	$ -	$ (6,295,500)	(5,004,962)	$ 1,290,538
Fund Balances Beginning of Year			32,785,829	
Fund Balances End of Year			$ 27,780,867	

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water, Light, and Sinking Fund Commission	Other Proprietary Funds	Total Funds	Governmental Activities - Internal Service Funds
Assets				
Current Assets:				
Cash and cash equivalents	$ 19,984,000	$ 713,863	$ 20,697,863	$ -
Short-term investments	35,409,000	-	35,409,000	-
Customer deposit fund	759,000	-	759,000	-
Custodial bond funds	6,687,000	-	6,687,000	-
Accounts receivable, net	23,694,000	153	23,694,153	34,444
Unbilled revenues	10,594,000	-	10,594,000	-
Leases receivable	286,000	-	286,000	-
Interest receivable	669,000	-	669,000	-
Fuel stocks	2,901,000	-	2,901,000	-
Materials and supplies inventory	23,185,000	86,093	23,271,093	-
Deposits and prepaid items	2,649,000	15,964	2,664,964	-
Total Current Assets	126,817,000	816,073	127,633,073	34,444
Noncurrent Assets:				
Land	-	5,215,145	5,215,145	-
Construction in progress	11,732,000	6,777,513	18,509,513	-
Nuclear fuel, at amortized cost	22,555,000	-	22,555,000	-
Depreciable capital assets, net	1,093,784,000	4,976,275	1,098,760,275	-
Customer deposit fund	3,746,000	-	3,746,000	-
Combined renewals/extensions fund	33,203,000	-	33,203,000	-
Restricted wastewater settlement liability fund	10,242,000	-	10,242,000	-
Restricted nuclear decommissioning fund	43,103,000	-	43,103,000	-
Regulatory assets, net	98,369,000	-	98,369,000	-
Lease and SBITA assets	266,000	-	266,000	-
Leases receivable	5,060,000	-	5,060,000	-
Investment in joint ventures	-	18,461,957	18,461,957	-
Total Noncurrent Assets	1,322,060,000	35,430,890	1,357,490,890	-
Total Assets	1,448,877,000	36,246,963	1,485,123,963	34,444
Deferred Outflows of Resources	8,165,000	242,719	8,407,719	-
Total Assets and Deferred Outflows	$ 1,457,042,000	$ 36,489,682	$ 1,493,531,682	$ 34,444

(continued)

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water, Light, and Sinking Fund Commission	Other Proprietary Funds	Total Funds	Governmental Activities - Internal Service Funds
Liabilities				
Current Liabilities:				
Accounts payable and accrued expenses	$ 26,029,000	$ 221,205	$ 26,250,205	$ 52,081
Unearned revenue	-	25,283	25,283	-
Compensated absences payable	-	40,000	40,000	-
Revenue bonds payable	5,966,000	-	5,966,000	-
Settlement liability	5,000,000	-	5,000,000	-
Customer deposits	6,944,000	-	6,944,000	-
Total Current Liabilities	43,939,000	286,488	44,225,488	52,081
Long-Term Liabilities:				
Compensated absences (net of current portion)	-	86,299	86,299	-
Revenue bonds payable (net of current portion)	144,285,000	-	144,285,000	-
Settlement liability (net of current portion)	10,000,000	-	10,000,000	-
Net pension liability	4,281,000	128,626	4,409,626	-
Net OPEB liability	8,574,000	244,583	8,818,583	-
Asset retirement obligations	66,595,000	-	66,595,000	-
Other	3,926,000	-	3,926,000	-
Total Long-Term Liabilities	237,661,000	459,508	238,120,508	-
Total Liabilities	281,600,000	745,996	282,345,996	52,081
Deferred Inflows of Resources	21,469,000	352,861	21,821,861	-
Net Position				
Net investment in capital assets	972,093,000	16,968,933	989,061,933	-
Restricted for:				
Other purposes	3,624,000	-	3,624,000	-
Nuclear decommissioning	44,622,000	-	44,622,000	-
Wastewater settlement liability	15,898,000	-	15,898,000	-
Pension	14,453,000	-	14,453,000	-
OPEB	2,501,000	-	2,501,000	-
Unrestricted	94,095,000	18,421,892	112,516,892	(17,637)
Total Net Position	1,153,973,000	35,390,825	1,189,363,825	(17,637)
Total Liabilities, Deferred Inflows, and Net Position	$ 1,457,042,000	$ 36,489,682	$ 1,493,531,682	$ 34,444

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water, Light, and Sinking Fund Commission	Other Proprietary Funds	Total	Governmental Activities - Internal Service Funds
Operating Revenues				
Charges for services	$ 306,911,000	$ 1,946,261	$ 308,857,261	$ 129,632
Merchandise sales	-	176,718	176,718	-
Tournaments	-	114,065	114,065	-
Concessions	-	116,640	116,640	-
Miscellaneous	-	11,159	11,159	-
Total Operating Revenues	306,911,000	2,364,843	309,275,843	129,632
Operating Expenses				
Personal services and benefits	29,444,000	913,329	30,357,329	-
Purchased and contracted services	170,553,000	301,074	170,854,074	-
Supplies	-	788,325	788,325	-
Depreciation and amortization	36,550,000	556,894	37,106,894	-
Claims	-	-	-	147,269
Total Operating Expenses	236,547,000	2,559,622	239,106,622	147,269
Operating Income (Loss)	70,364,000	(194,779)	70,169,221	(17,637)
Non-Operating Revenues (Expenses)				
Interest income	6,596,000	14,491	6,610,491	-
Interest expense	(4,668,000)	-	(4,668,000)	-
Net increase (decrease) in fair value of investments	(1,212,000)	-	(1,212,000)	-
Miscellaneous income	453,000	-	453,000	-
Income (loss) from joint ventures	-	817,977	817,977	-
Total Non-Operating Revenues (Expenses)	1,169,000	832,468	2,001,468	-
Income Before Contributions and Transfers	71,533,000	637,689	72,170,689	(17,637)
Contributions and Transfers				
Contributions in aid of construction	9,966,000	-	9,966,000	-
Transfers in (out)	(15,362,000)	2,408,118	(12,953,882)	-
Total Contributions and Transfers	(5,396,000)	2,408,118	(2,987,882)	-
Change in Net Position	66,137,000	3,045,807	69,182,807	(17,637)
Net Position Beginning of Year	1,087,836,000	32,345,018	1,120,181,018	-
Net Position End of Year	$ 1,153,973,000	$ 35,390,825	$ 1,189,363,825	$ (17,637)

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water, Light, and Sinking Fund Commission	Other Proprietary Funds	Total	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities				
Cash received from customers	$ 297,207,000	$ 2,356,307	$ 299,563,307	$ -
Cash received from overparity in transmission facilities	3,951,000	-	3,951,000	-
Cash received from interfund services provided	-	-	-	143,629
Cash payments for personnel services and benefits	(29,444,000)	(967,559)	(30,411,559)	-
Cash payments for goods, services, claims, and fees	(168,389,000)	(907,049)	(169,296,049)	(143,629)
Net Cash Provided by (Used in) Operating Activities	103,325,000	481,699	103,806,699	-
Cash Flows from Noncapital Financing Activities				
Transfers out	(15,362,000)	-	(15,362,000)	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(15,362,000)	-	(15,362,000)	-
Cash Flows from Capital and Related Financing Activities				
Payments long-term debt	(11,480,000)	-	(11,480,000)	-
Acquisition and construction of capital assets	(52,274,000)	(257,214)	(52,531,214)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	(63,754,000)	(257,214)	(64,011,214)	-
Cash Flows from Investing Activities				
Investment earnings	6,546,000	14,491	6,560,491	-
Sales and maturity of investment securities	104,684,000	-	104,684,000	-
Purchases of investment securities	(135,960,000)	-	(135,960,000)	-
Net Cash Provided by (Used in) Investing Activities	(24,730,000)	14,491	(24,715,509)	-
Net Increase (Decrease) in Cash and Cash Equivalents	(521,000)	238,976	(282,024)	-
Cash and Cash Equivalents Beginning of Year	20,505,000	474,887	20,979,887	-
Cash and Cash Equivalents End of Year	$ 19,984,000	$ 713,863	$ 20,697,863	$ -

(continued)

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water, Light, and Sinking Fund Commission	Other Proprietary Funds	Total	Governmental Activities - Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	$ 70,364,000	$ (194,779)	$ 70,169,221	$ (17,637)
Adjustments:				
Depreciation	36,550,000	556,894	37,106,894	-
Amortization	6,346,000	-	6,346,000	-
Pension (benefit)/expense	1,039,000	(80,721)	958,279	-
OPEB (benefit)/expense	(722,000)	10,435	(711,565)	-
(Increase) Decrease in Assets:				
Accounts receivable	(6,208,000)	(153)	(6,208,153)	13,997
Fuel stocks	1,011,000	-	1,011,000	-
Materials and supplies inventory	(2,173,000)	8,248	(2,164,752)	-
Prepaid expenses and deposits	-	(2,434)	(2,434)	-
Increase (Decrease) in Liabilities:				
Accounts payable and accrued expenses	(267,000)	180,048	(86,952)	3,640
Customer deposits	1,878,000	-	1,878,000	-
Unearned revenue	-	(8,383)	(8,383)	-
Settlement liability	(5,000,000)	-	(5,000,000)	-
Other	507,000	12,544	519,544	-
Claims payable	-	-	-	-
Net Cash Provided by (Used in) Operating Activities	$ 103,325,000	$ 481,699	$ 103,806,699	$ -
Noncash Investing, Capital, and Financing Activities				
Net increase (decrease) in fair value of investments	$ (1,212,000)	$ -	$ (1,212,000)	$ -
Accrued property additions at year end	$ 726,000	$ -	$ 726,000	$ -
Acquisition of capital assets from interfund transfers	$ -	$ 4,310,670	$ 4,310,670	$ -

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

	Pension and OPEB Trust Funds	Municipal Court and Police Custodial Funds
Assets		
Cash and cash equivalents	$ 1,603,985	$ 568,137
Investments, at fair value:		
Georgia Municipal Employees Benefit System OPEB Trust Account	180,376	-
MetLife Large Cap Equity Index Fund	11,399,258	-
MetLife Aggregate Bond Index Fund	28,133,742	-
MetLife Intermediate Duration Bond Fund	9,744,247	-
Vanguard Institutional Index Fund	66,480,314	-
Vanguard Small Cap Index Fund	21,121,930	-
Vanguard Total Bond Market Index Fund	19,267,387	-
Total Assets	$ 157,931,239	$ 568,137
Liabilities		
Current Liabilities:		
Accounts payable	$ 2,725	$ 22,095
Total Liabilities	2,725	22,095
Net Position		
Restricted for pension	157,748,138	-
Restricted for OPEB	180,376	-
Restricted for others	-	546,042
Total Net Position	157,928,514	546,042
Total Liabilities and Net Position	$ 157,931,239	$ 568,137

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Statement of Changes in Fiduciary Net Position
Trust Funds and Custodial Funds
For the Year Ended December 31, 2024

	Pension and OPEB Trust Funds	Municipal Court and Police Custodial Funds
Additions		
Contributions:		
Employer	$ 8,218,086	$ -
Plan members	593,940	-
Total contributions	8,812,026	-
Fine/confiscation collections	-	2,029,692
Investment income:		
Interest and dividends	3,322,828	-
Net increase (decrease) in fair value of investments	16,120,610	-
Total investment income	19,443,438	-
Less: investment expense	152,231	-
Net investment earnings	19,291,207	-
Total Additions	28,103,233	2,029,692
Deductions		
Administrative expenses	62,694	-
Premium payments	555,972	-
Benefit payments	9,241,439	-
Fine/confiscation remittances	-	1,978,914
Total Deductions	9,860,105	1,978,914
Change in Net Position	18,243,128	50,778
Net Position Beginning of Year	139,685,386	495,264
Net Position End of Year	$ 157,928,514	$ 546,042

See accompanying notes to the basic financial statements.

City of Dalton, Georgia
Notes to the Basic Financial Statements
December 31, 2024

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The City of Dalton, Georgia ("City") operates under a council-administration form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, culture and recreation, education, public improvements, planning and zoning, general administrative services, and public utilities.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") as applied to governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for governmental accounting and financial reporting. The most significant of the City's accounting policies are described below.

1-A Reporting Entity

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

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

The City of Dalton Building Authority ("Building Authority") is a legally separate entity and has been included as a discretely presented component unit in the accompanying financial statements. It is reported as a separate column in the government-wide statements to emphasize that it is legally separate from the City. The City appoints the members of the five-person board and all debt issuances must first be approved by the City Council. Financial information of the Building Authority can be obtained from the City of Dalton Finance Department. Separate financial statements for the Building Authority are not prepared.

Related party organizations - The Dalton Housing Authority is a related organization which has not been included in the reporting entity. The Authority provides low-income housing to eligible families in the City. The Authority's Board consists of six members appointed by City Council, however the City is not financially accountable (impose will or have a financial benefit or burden relationship) for the Authority.

The Downtown Dalton Development Authority ("DDDA") is a related organization which has not been included in the reporting entity. The Authority provides centralized leadership for communication on downtown issues. The DDDA was created by constitutional ratification by the 1980 general election. The City of Dalton does not appoint a simple majority of the DDDA's governing board. One member of the City Council serves as liaison between the DDDA and the City. The remaining six DDDA board members are elected by the business and property owners in the downtown Dalton district, according to enabling legislation. The City is not able to impose its will on the DDDA. The DDDA's power to issue bonds, notes, or other obligations is not subject to approval by the City of Dalton. The Authority is not a component unit because it meets none of the three criteria for consideration as a component unit. The DDDA is different from many other downtown development authorities in Georgia. Several Georgia cities created downtown development authorities by local constitutional amendments approved by the Georgia General Assembly. In 1981, the General Assembly passed enabling legislation which provided for the establishment of downtown development authorities from that point forward, and some municipalities elected to surrender provisions of existing authorities and operate under the provisions of the new Code. However, the City of Dalton chose to retain the provisions of its original act created by local constitutional amendment with enabling legislation.

1-A Reporting Entity (continued)

Joint ventures - The City participates with Whitfield County in the Dalton-Whitfield Regional Solid Waste Management Authority ("DWRSWMA"). The City has fifty percent equity in this entity. Separately issued financial statements of the DWRSWMA can be obtained from their administrative office: 4350 Gazaway Drive SE, Dalton, Georgia 30720.

The City participates with Whitfield County in the Northwest Georgia Trade and Convention Center Authority ("Convention Center"). The Convention Center was formerly accounted for within the City as an enterprise fund. The Convention Center became a separate authority in 2003. The County and City retained their respective shares of their equity balances as of December 31, 2002. The City and County each now have fifty percent interest in the income or loss of this entity. Separately issued financial statements of the Convention Center can be obtained from their administrative office: 2211 Tony Ingle Parkway, Dalton, Georgia 30720.

The City participates with Whitfield County in the Dalton-Whitfield Joint Development Authority ("JDA"), formerly known as the Dalton-Whitfield Economic Development Authority ("EDA"). The JDA was created during 2007 to replace and to serve the same purpose as the EDA. Both entities existed as of December 31, 2024, but shared a board and activity. The EDA will be dissolved in the future and the JDA will continue to operate. The City has fifty percent equity in this entity. Separately issued financial statements of the JDA can be obtained from their administrative office: 100 S. Hamilton Street, Dalton, Georgia 30720.

Under Georgia law, the City, in conjunction with other cities and counties in the region, is a member of the Northwest Georgia Regional Commission ("NWGRC") and is required to pay annual dues thereto. The City utilizes the NWGRC for projects such as performing planning and administrative services. During its year ended December 31, 2024, the City paid $34,508 in dues to the NWGRC. Membership in a NWGRC is required by the Official Code of Georgia Annotated ("OCGA") Section 50-8-39 which provides for the organizational structure of the NWGRC in Georgia. The NWGRC board membership includes the chief elected official of 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 the NWGRC. Separately issued financial statements may be obtained from the NWGRC, PO Box 1798, Rome, Georgia 30162.

1-B Basis of Presentation

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

Government-wide financial statements - The government-wide financial statements include the statement of net position and the statement of activities. They include all funds of the reporting entity except for fiduciary funds. Individual funds are not displayed at this financial reporting level. These statements distinguish governmental activities, which are generally supported by City general revenues, from business-type activities, which are generally financed in whole or in part by charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the City's business-type activities. Direct expenses are those that are specifically associated with a function and therefore are clearly identifiable to that particular function. The City does allocate the indirect expenses of the internal service funds to the functions in the statement of activities.

1-B Basis of Presentation (continued)

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

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

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

Major individual governmental and enterprise funds are reported in separate columns.

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

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

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

Nonmajor governmental funds – The City’s nonmajor governmental funds include special revenue funds, capital projects funds, and a debt service fund. The special revenue funds include the hotel/motel tax fund, the confiscated assets fund, the community development block grant fund, the airport improvement grant fund, the ARPA grant fund, the other grants fund, the tax allocation district #1 fund, the tax allocation district #3 fund, the tax allocation district #4 fund, the economic development fund, and the opioid settlement fund. The capital projects funds include the bonded capital projects fund, the SPLOST 2024 capital projects fund, the SPLOST 2020 capital projects fund, the SPLOST 2015 capital projects fund, and the capital acquisition fund.

1-B Basis of Presentation (continued)

Proprietary funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are classified as major and nonmajor enterprise funds and internal service funds.

Major enterprise fund – The Water, Light, and Sinking Fund Commission ("WLSF Commission") is used to account for the operations of Dalton Utilities, a public utility providing electric, natural gas, water, wastewater, and information technology services to the City and to customers in Dalton, Whitfield County, and portions of Murray, Gordon, Catoosa, and Floyd counties.

Nonmajor enterprise funds - Nonmajor enterprise funds include the municipal golf course, the municipal airport, the Northwest Georgia Trade and Convention Center Authority, and the Dalton-Whitfield Regional Solid Waste Management Authority.

Internal service funds – These funds are used to account for the financing of goods or services provided by one department to other departments or agencies of the City on a cost-reimbursement basis. The internal service fund is a risk pool fund, paying remaining claims from the closed workers' compensation insurance and health insurance funds.

Fiduciary funds – Fiduciary funds are used to report assets that, by definition, are being held in a trustee or custodial capacity for the benefit of others and are therefore not available to support City programs. Fiduciary fund reporting focuses on net position. The City has four fiduciary funds which include two trust funds and two custodial funds. The fiduciary funds are not included in the government-wide financial statements.

Pension trust fund – The pension trust fund accounts for the activities of the Mayor and Council of the City of Dalton Employee's Pension Plan, which accumulates resources for pension benefit payments to qualified City employees.

Other postemployment benefit ("OPEB") trust fund – The OPEB trust fund accounts for the activities of the City of Dalton Postretirement Plan, which accumulates resources for postemployment benefit payments to qualified City retirees.

Municipal court custodial fund – The municipal court custodial fund reports resources which are not held in a trust, and are in the name of the City, but are held for parties outside the City. The fund accounts for various fees, fines, and surcharges held by the municipal court.

Police custodial fund – The police custodial fund reports resources which are not held in a trust, and are in the name of the City, but are held for parties outside the City. The fund accounts for various confiscations held by the police department.

1-C Measurement Focus

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

1-C Measurement Focus (continued)

Fund financial statements - Governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

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

The fiduciary funds are accounted for on a flow of economic resources measurement focus. The statement of fiduciary net position presents the trust funds' and custodial funds' assets, liabilities, and net position. The statement of changes in fiduciary net position reports additions to and deductions from net position.

1-D Basis of Accounting

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

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

Revenues - non-exchange transactions **-** Non-exchange transactions in which the City receives value without directly giving equal value in return include grants and donations. On an accrual basis, revenue from sales tax is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the year for which the taxes are levied (Note 3-C). Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

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

1-D Basis of Accounting (continued)

WLSF Commission - The WLSF Commission follows GAAP and governmental accounting and financial reporting standards issued by GASB and also conforms to the provisions of GASB accounting for the effects of rate regulation. In the event that a portion of the WLSF Commission's operations are no longer subject to the provisions of GASB's accounting for the effects of rate regulation as a result of a change in regulation or the effects of competition, the WLSF Commission would be required to write off related regulatory assets and liabilities that are not specifically recoverable through regulated rates (Note 3-D). In addition, the WLSF Commission would be required to determine if any impairment of other assets, including capital assets, exists, and write down the assets, if impaired, to their fair value.

The WLSF Commission's accounts are maintained separately for each system generally in accordance with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission for the electric and natural gas sectors (with the exception of its capital asset accounts) and generally in accordance with the Uniform System of Accounts prescribed by the National Association of Regulatory Utility Commissioners for the water, wastewater, and information technology sectors (with the exception of its capital asset accounts).

Rates charged to customers are established solely by the WLSF Commission. Electric, natural gas, water, wastewater, and information technology customers are billed so that operating revenues and investment earnings shall be sufficient to meet operating and maintenance expenses, debt service requirements, and certain reserve requirements. In addition, no funds obtained from ad valorem taxes are to be used for operating and maintenance expenses of the WLSF Commission.

WLSF Commission revenue for utility services is recorded when the commodity or service is delivered and includes an estimate for utility services provided but unbilled at the end of the year. Unbilled revenues included in operating revenues were $10,600,000 for the year ended December 31, 2024.

In the information technology sector, the WLSF Commission has adopted the industry standard of billing customers in advance for telecommunication services. Such amounts are recorded on the statement of net position and recognized as revenues in the periods the services are provided. Unearned revenues included in accounts payable and accrued expenses were $700,000 for the year ended December 31, 2024.

Electricity that is purchased and not used by the WLSF Commission is sold back to Southern Power Company ("SPC"), the wholesale power subsidiary of the Southern Company. In 2024, total MW hours sold back to SPC were 52,278 with proceeds of $2,200,000, which are presented as an offset to purchased energy expense.

Deferred/unearned revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (they are measurable but not available) rather than as revenue.

Grants and entitlements received (e.g., cash advances) before the eligibility requirements are met also are recorded as deferred revenue.

Deferred revenue is reclassified as unearned revenue on the government-wide statement of net position.

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

1-E Assets, Liabilities, and Fund Balance

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include cash on hand, amounts in demand deposits, non-negotiable certificates of deposit, and short-term investments with a maturity date within three months of the date acquired by the City. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. All other investments are stated at fair value based on quoted market prices. The carrying amount is a reasonable estimate of fair value for such short-term investments. Restricted cash and cash equivalents refers to those funds limited by law, regulations, or WLSF Commission action as to their allowable disbursement. Unrestricted cash and cash equivalents refers to all other funds not meeting the requirements of restricted cash and cash equivalents.

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

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

The WLSF Commission's investment policy allows the following types of investments:

- Government obligations which are direct general obligations of the U.S. government, U.S. government agencies, or obligations that are unconditionally guaranteed by the U.S. government
- Obligations of the Federal Home Loan Bank that are senior debt obligations
- Repurchase agreements with a term of thirty days or less
- Certificates of deposit of national or state banks
- Securities or other interests in any no-load and open-end management-type investment company or investment trust registered under the Investment Company Act of 1940
- Investments in the local government investment pool (i.e., Georgia Fund I)
- Any other investments to the extent and at the time permitted by then-applicable law for the investment of public funds

At December 31, 2024, the City's bank balance was $50,462,636, $36,151,265 of which was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging or financial institution's trust department or agent, but not in the name of the City.

At December 31, 2024, the City of Dalton Building Authority's bank balance was $22,284,495, $21,821,433 of which was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging or financial institution's trust department or agent, but not in the name of the Building Authority.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

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

1-E-4 Inventories

The governmental and proprietary funds' supply inventories are stated at cost, which is determined on a first-in, first-out basis. Inventories of the governmental and proprietary funds are expensed when consumed.

The WLSF Commission values inventory, including fuel stocks, using the average cost method. Storage gas inventory is stated at the lower of cost or market using the weighted-average cost method. In 2024, no adjustment was needed to reflect the lower of market pricing compared to cost.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024 and prepaid deposits are recorded as prepaid items. The expense or expenditure is recognized during the benefiting period.

1-E-6 Restricted Assets

The City has cash balances which are restricted as to use for capital projects, in accordance with the terms of debt agreements. Those amounts are included in current assets and are reported as restricted cash.

The WLSF Commission has investments in certain restricted funds, including the customer deposit fund, which is included in both current and noncurrent assets on the statement of net position, and the combined utilities renewals and extensions fund, the wastewater settlement liability fund, and the nuclear decommissioning fund, included in noncurrent assets on the statement of net position. The nuclear decommissioning fund holds funds in accordance with the Nuclear Regulatory Commission's ("NRC") guidelines. The other restricted funds are segregated from the operating funds at the discretion of the WLSF Commission. Investments in the nuclear decommissioning fund and the other restricted funds are stated at fair market value. The combined utilities construction funds are reported using cost-based measures.

1-E-7 Capital Assets

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

1-E-7 Capital Assets (continued)

Capital assets, which include property, plant, equipment, and infrastructure assets, are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City's infrastructure consists of roads, bridges, airport infrastructure, and water lines. During initial capitalization of general infrastructure assets, the City chose to include all such items regardless of their acquisition date or amount. The City estimated the historical cost for the initial reporting of these assets. The City maintains a capitalization threshold of five thousand dollars for machinery, equipment, furniture and fixtures, and works of art; a threshold of ten thousand dollars for land improvements, building improvements, and intangibles; and no threshold for land, buildings, infrastructure assets, vehicles, and motorized equipment. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value as of the date received. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized in enterprise funds is capitalized.

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

	Estimated Lives	
Description	Governmental Activities	Business-type Activities
Land improvements	10 - 45 years	10 - 45 years
Buildings	25 - 50 years	25 - 50 years
Building improvements	5 - 15 years	5 - 25 years
Vehicles	6 years	6 years
Machinery	5 - 12 years	5 - 15 years
Equipment	5 - 12 years	5 - 40 years
Furniture and fixtures	20 years	--
Utility plant	--	5 - 60 years
Intangibles	5 years	--
Bridges and culverts	40 - 50 years	--
Streets	20 - 50 years	--
Mast arms	20 - 50 years	--

At the inception of financed purchases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments. The City is obligated under certain leases, independently and through the City of Dalton Building Authority, a component unit, as disclosed in Note 3-H, as of December 31, 2024.

1-E-7 Capital Assets (continued)

Participation in electric generation and transmission facilities - The WLSF Commission participates in ownership of electric generation and transmission facilities to meet the present and future service demands of its customers. They have entered into agreements with Georgia Power Company ("GPC"), acting as agent, Oglethorpe Power Corporation ("OPC"), and Municipal Electric Authority of Georgia ("MEAG") for the construction, purchase, ownership, operation, and maintenance of the following facilities:

Electric Plant in Service	WLSF Ownership Percentage	Gross Investment Balance as of December 31, 2024
Plant Hatch, Nuclear Units 1 and 2	2.2%	$ 88,622,000
Plant Vogtle, Nuclear Units 1, 2, 3, and 4	1.6%	425,301,000
Plant Scherer, Coal-Fired Units 1 and 2	1.4%	45,087,000

The WLSF Commission's proportionate share of direct expenses for joint operation of the above plants is included in the corresponding operating expense captions in the accompanying statements of revenues, expenses, and changes in fund net position. The WLSF Commission is responsible for providing its own financing for its ownership in the above plants.

WSLF Commission utility plant - Utility plant constructed or purchased by the WLSF Commission is stated at cost, which includes material and labor costs and applicable overheads. Property received as a contribution is recorded at its estimated fair value on the date received. The costs of maintenance, repairs, and minor replacements of property are charged to expense. The costs of renewals and improvements are capitalized. Detailed property records are not maintained for assets other than automobiles and electric transmission plants in service acquired prior to 1998. Property descriptions and dollar amounts from individual invoices are maintained in the capital asset system for all post-1998 records. The cost of property retired or otherwise disposed of in the normal course of business is charged to accumulated depreciation at the time such property is removed from service.

The WLSF Commission defines capital assets as assets with an initial individual cost of more than $2,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or constructed.

The cost of WLSF Commission property retired or disposed of in the normal course of business which does not have detailed property records is estimated by management. Property retirements and disposals totaled $988,000 for the year ended December 31, 2024. The property retired or disposed of in the normal course of business approximates its original cost.

The WLSF Commission continues to amortize into income a deferred gain recognized on the sale of integrated transmission system ("ITS") assets in 2012. The gain, presented in the statement of net position in deferred inflows of resources, is being recognized to income ratably over the useful life of the ITS facilities (approximately 37 years) as an annual reduction to depreciation expense of $172,000.

1-E-7 Capital Assets (continued)

Depreciation of the major classes of utility plant is computed on additions when placed in service using rates computed under the composite straight-line method, which approximated 1.9% in 2024, and is based on the following remaining useful lives:

Electric system	30-60 years
Natural gas system	15-80 years
Water system	40-75 years
Wastewater system	40-60 years
Information technology system	3-40 years

Depreciation studies are conducted periodically to update the composite rates that are approved by the WLSF Commission Board. When property subject to composite rates is retired or otherwise disposed of in the normal course of business, its original cost, together with the cost of removal, less salvage, is charged to accumulated depreciation. For other property dispositions, the applicable cost and accumulated depreciation are removed from the statement of net position accounts and a gain or loss is recognized.

In accordance with GASB's accounting for the impairment of capital assets, the WLSF Commission periodically evaluates the carrying value of capital assets. A capital asset is considered impaired when its usefulness has significantly and unexpectedly declined. The WLSF Commission is required to evaluate notable events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Events or changes in circumstances that may indicate impairment include evidence of physical damage; enactment or passage of laws or regulations, or other changes, in environmental factors; technological changes or evidence of obsolescence; changes in the manner or duration of use of the asset; or construction stoppage. A capital asset is generally considered impaired if both (a) the decline in usefulness of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. Impaired capital assets that will no longer be used by the WLSF Commission will be reported at the lower of carrying value or fair value. There were no impairments in 2024.

Amortization of nuclear fuel - The cost of nuclear fuel, including a provision for the disposal of spent fuel, is amortized to fuel expense based on usage. Nuclear fuel amortization is included in production expense and totaled $6,346,000 during 2024.

Nuclear decommissioning - The NRC requires all licensees operating commercial nuclear power reactors to establish a plan for providing, with reasonable assurance, funds for decommissioning. While the WLSF Commission does not operate the nuclear plants, its joint ownership requires it to bear its share of the related decommissioning costs. The WLSF Commission has an external trust fund to comply with the NRC's regulations. See Note 3-A for additional information on the trust fund. The NRC's minimum external funding requirements are based on a generic estimate of the cost to decommission only the radioactive portions of a nuclear unit based on the size and type of reactor. The WLSF Commission has transferred and will continue to transfer sufficient funds to the external trust to ensure that, over time, the deposits and earnings of the trust will provide the minimum funding amounts prescribed by the NRC.

1-E-7 Capital Assets (continued)

Site study cost is the estimate to decommission a specific facility as of the site study year. The estimated costs of decommissioning based on the most current study completed in 2024 for the WLSF Commission's ownership interests in plants Hatch and Vogtle Units 1 through 4 were as follows:

	Plant Hatch	Plant Vogtle
Decommissioning periods		
Beginning year	2034	2047
Completion year	2088	2092
Site study cost	$ 2,351,297,000	$ 3,964,989,000
WLSF's portion	2.2%	1.6%
	$ 51,729,000	$ 63,440,000

The decommissioning cost estimates are based on prompt dismantlement and removal of the plants from service. The actual decommissioning costs may vary from the above estimates because of changes in the assumed dates of decommissioning, changes in NRC requirements, or changes in the assumptions used in making these estimates. See Note 3-J for details regarding asset retirement obligations, including nuclear decommissioning.

1-E-8 Parity Income

The WLSF Commission is required, under the Integrated Transmission System Agreement ("ITS Agreement") with GPC, Georgia Transmission Corporation, and MEAG, to maintain a specified level of investment (i.e., parity) in transmission facilities necessary to provide for the transporting of electric energy for customers within the state of Georgia which is in proportion to the WLSF Commission's use of such system. Parity will, therefore, fluctuate in response to any changes in the WLSF Commission's load requirements, as well as any changes in the level of investment in transmission facilities made by the other participants in the ITS Agreement. As of December 31, 2024, the WLSF Commission's investment in ITS facilities was greater than parity, as defined by the ITS Agreement. The required level of investment and the excess investment in the transmission facilities are included in utility plant. The excess investment earns parity income from the other participants in the ITS Agreement, which is reported as parity income.

The WLSF Commission's total investment in ITS facilities at December 31, 2024 was $182,700,000. In 2024, the WLSF Commission recognized $172,000 into income from the deferred inflow of resources resulting from the sale of transmission lines in 2012 (Note 1-E-7). The unrecognized gain presented within deferred inflows of resources is $4,388,000 at December 31, 2024. Parity income for the year ended December 31, 2024 totaled $4,000,000.

1-E-9 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the City's past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable. The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated absence liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only when due.

1-E-10 Accrued Liabilities and Long-term Obligations

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

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

1-E-11 Premiums, Discounts, and Issuance Costs

On the government-wide statement of net position and the proprietary fund statement of net position, premiums and discounts are netted against the related debt instrument. On the government-wide statement of activities and proprietary fund statement of revenues, expenses, and changes in fund net position, premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method and issuance costs are reported as expenses.

At the governmental fund reporting level, premiums and discounts are reported as other financing sources and uses, separate from the face amount of the debt issued. Issuance costs are reported as expenditures.

1-E-12 Net Position and Fund Balances

The City's net position on the government-wide statement of net position is classified as follows:

Net investment in capital assets - This represents the City's total investment in capital assets, net of accumulated depreciation and net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position - This represents resources for which the City is legally or contractually obligated to spend resources for continuation of federal programs, economic development, debt service, and capital projects in accordance with restrictions imposed by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position This represents resources derived from property taxes, sales taxes, grants and contributions not restricted to specific programs, charges for services, and miscellaneous revenues. These resources are used for transactions relating to general operations of the City, and may be used at the discretion of the City Council to meet current expenses for those purposes.

1-E-12 Net Position and Fund Balances (continued)

It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

At the governmental fund financial reporting level, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City's fund balances are classified as follows:

1) **Non-spendable fund balance** - Non-cash assets such as inventories or prepaid items. Non-spendable fund balance for governmental funds totaled $175,766 at December 31, 2024.

2) **Restricted fund balance** - Funds with limitations imposed on their use by external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted fund balance for governmental funds totaled $40,721,245 at December 31, 2024. The major projects that comprise this total include: $34,178,547 held in five capital projects funds to be used for SPLOST projects as approved by voter referendum (see Schedule of Projects Constructed with Special Purpose Local Option Sales Tax for project to date information) and to be used for general projects; $5,205,313 held in the ARPA special revenue fund for future public works expenditures; $328,861 held in the airport improvement grant fund for general government airport expenditures; $286,231 held in the confiscated assets special revenue fund for future public safety expenditures; $192,499 held in the opioid settlement special revenue fund for future health and welfare expenditures; $186,407 held in four special revenue funds for economic development both generally and within specific tax allocation districts; $5,394 held in the debt service funds to pay future debt service; and $234,317 for various culture and recreation projects, $88,675 for cemetery chapel renovations and infant headstones, and $15,000 for streetscape projects, all held in the general fund.

3) **Committed fund balance** - Amounts that can only be used for specific purposes pursuant to a majority vote of the City Council, the City's highest level of decision making authority, by resolution. Commitments may only be modified or rescinded by a majority vote of the Council. Commitments must be adopted prior to the end of the year; however, the amount to be committed may be determined up to 120 days after year end. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Committed fund balance for governmental funds totaled $1,283,300 at December 31, 2024, and will be used to provide matching funding for specific airport and garden grants and a JDA initiative.

4) **Assigned fund balance** - Amounts intended by the City Council for specific purposes. Under the City's adopted policy, amounts may be assigned by the finance committee, under the authorization of the City Council. Amounts appropriated to eliminate a projected deficit in the subsequent year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. Equity amounts reported in special revenue funds, capital projects funds, and debt service funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance. Assigned fund balance for governmental funds totaled $0 at December 31, 2024.

5) **Unassigned fund balance** - Residual spendable fund balance for the general fund after subtracting all above amounts. The general fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance, as all fund balances of other governmental funds are, at a minimum, assigned to specific purposes. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

1-E-12 Net Position and Fund Balances (continued)

Non-spendable fund balances and restricted fund balances are considered restricted net position on the statement of net position. Committed, assigned, and unassigned fund balances are considered unrestricted net position on the statement of net position.

When expenditures are incurred by the City that would qualify for payment with either restricted or unrestricted funds, it will be paid from restricted funds. When an expenditure is incurred that qualifies for payment from one of the three unrestricted fund balances categories, it will be applied in the following order: committed, assigned, then unassigned.

1-E-13 Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category; deferred outflows of resources related to pension and deferred outflows of resources related to OPEB, which are reported in the government-wide and proprietary funds' statements of net position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. The City has three items that qualify for reporting in this category. The first is unavailable revenue, which arises only under the modified accrual basis of accounting, and is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, and these amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other two are deferred inflows of resources related to pension and deferred inflows of resources related to OPEB, which are reported in the government-wide and proprietary funds' statements of net position.

The WLSF Commission reports deferred inflows and outflows of resources related to pension, OPEB, leases, and subscription-based information technology arrangements ("SBITAs"), and also reports deferred inflows of resources related to the sale of certain ITS assets during 2012 as disclosed in Notes 1-E-7 and 1-E-8 and leased assets as disclosed in Note 3-H.

Deferred inflows and outflows for the City at December 31, 2024 are as follows:

	Governmental Activities	Business-type Activities	Total
Deferred outflows - pensions	$ 6,801,374	$ 6,648,929	$ 13,450,303
Deferred outflows - OPEB	1,578,082	1,758,790	3,336,872
	$ 8,379,456	$ 8,407,719	$ 16,787,175
Deferred inflows - pensions	$ 8,106,516	$ 7,924,143	$ 16,030,659
Deferred inflows - OPEB	3,759,279	4,163,718	7,922,997
Deferred inflows - ITS sale	-	4,388,000	4,388,000
Deferred inflows - lease assets	-	5,346,000	5,346,000
	$ 11,865,795	$ 21,821,861	$ 33,687,656

1-E-14 Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, wastewater, electricity, information technology systems, natural gas, golfing, and airport fees. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of each fund.

Non-operating revenues are those revenues that are not generated from the primary activity of the proprietary funds. These revenues include interest and investment income and changes in the fair value of investments. Non-operating expenses include interest expense on debt.

1-E-15 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Payments for external services, labor, supplies, and other items provided by one department to another department are treated as reductions of the provider's expenditures/expenses and increases in the recipient's expenditures/expenses. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented as reductions in internal balances.

On the government-wide statement of activities, transfers between governmental and business-type activities are reported as general revenues. Direct expenses are not eliminated from the various functional categories. Interfund transfers reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

Interfund activity for services provided and used, such as utility services provided by the WLSF Commission, are not eliminated in the process of consolidation.

1-E-16 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. Significant management estimates include the estimation of pension and OPEB liabilities and the useful lives of depreciable assets. Significant management estimates related to the WLSF Commission include the estimation of unbilled revenues, the impacts of regulation, and the valuation of investments.

1-E-17 Major Customers

WLSF Commission customers comprising at least 10% of revenue by sector or in total for the year ended December 31, 2024 are detailed below. No other customer accounted for more than 10% percent of the WLSF Commission's sector or total sales during 2024.

Customer	Total	Electric	Gas	Water	Sewer	Information Technology
Core Scientific	21.5%	32.5%	< 10%	< 10%	< 10%	< 10%
Shaw Industries	< 10%	< 10%	22.9%	< 10%	19.8%	< 10%
Engineered Floors	< 10%	11.5%	10.6%	< 10%	< 10%	< 10%
Aladdin Manufacturing	< 10%	< 10%	< 10%	< 10%	13.8%	< 10%

The DWRSWMA's fee revenue from three major customers during the year ended December 31, 2024 comprised approximately 47% of total fee revenue. Each represented 20%, 18%, and 9%, respectively, of fee revenue for the year then ended.

1-E-18 Comparative Data

Comparative total data for the prior year has been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

1-F Restatements and Reclassifications

Certain 2023 amounts have been reclassified to conform to the 2024 presentation, with no material impact on total assets, total liabilities, total net position, total revenues, total expenditures, or total expenses.

Note 2 - Stewardship, Compliance, and Accountability

2-A Budgetary Information

The City adopts an annual operating budget for the general fund, special revenue funds, the debt service fund, and the capital acquisition capital projects fund. A project budget is adopted for the bonded capital projects fund and the 2024, 2020, and 2015 SPLOST capital projects funds. The annual budgets are adopted on a basis consistent with GAAP. The budget for the capital projects fund is adopted on a basis consistent with GAAP except the budget period is a project period rather than an annual period. Formal budgetary integration is employed for management control purposes in the enterprise funds. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the department/function level within each individual fund. The department head is authorized to transfer budget line-items within the department's budget. Any change in total to a fund or departmental appropriation within a fund requires City Council approval. All unexpended annual appropriations lapse at year end.

2-B Implementation of New Standards

The City and WLSF Commission implemented GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*, which has the primary objective of enhancing accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Implementing GASB Statement No. 100 did not have an impact for the fiscal year 2024.

The City and WLSF Commission also implemented GASB Statement No. 101, *Compensated Absences*, the objective of which is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. GASB Statement No. 101 did have an impact on amount accrued for compensated absences for the WLSF Commission in the 2024 fiscal year.

Note 3 - Detailed Notes on All Funds

3-A Investments

All investments are carried at fair value based on quoted market prices as required by GASB's accounting and reporting for investments and external investment pools, which requires that governmental entities report investments at fair value in the statement of net position and balance sheets and recognize all investment income, including changes in the fair value of investments, as other income in the statement of activities and statement of revenues, expenses/expenditures, and changes in fund net position/balances.

Custodial credit risk for investments is the risk that, in the event of the failure of a counterparty to a transaction, the City will not be able to recover the value of the investment or the collateral securities that are in the possession of an outside party. The City has an investment policy for credit risk that limits its investments to those authorized by Georgia law.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2024:

- Cash, money market accounts, and certificates of deposit in the amount of $44,482,313 for governmental funds, $713,863 for nonmajor proprietary funds, $1,603,985 for trust funds, $568,137 for custodial funds, and $22,284,495 for the discretely presented component unit are presented in the financial statements and are reported at cost or amortized cost and are not subject to fair value hierarchy measurement.
- Investments in the local government investment pool, a 2a-7-like investment, in the amount of $3,027,836 for governmental funds are presented in the financial statements and, while reported at fair value, are not subject to the fair value hierarchy measurement. The pool is managed to maintain a constant net asset value of $1.00. The fund is rated AAAf/S1 by Fitch. The primary objectives of the pool are safety of capital, liquidity, investment income, and diversification. The weighted average maturity was 27 days at December 31, 2024.
- Investments in index and other mutual funds in the amount of $106,869,631 for trust funds are valued based on quoted prices in active markets for identical assets (level 1).
- Investments in index and other mutual funds in the amount of $49,277,247 for trust funds are valued based on significant other observable inputs (level 2).

3-A Investments (continued)

- Investments in the Georgia Municipal Employees Benefit System OPEB Trust in the amount of $180,376 for trust funds are valued using significant unobservable inputs (level 3).

Investments (pension trust fund) – In general, the cash and investments held by the Mayor and Council of the City of Dalton Employee's Pension Plan ("Pension Plan") in the pension trust fund are exempt from the City's investment and cash management policies, including the requirement that deposits be federally insured. The City of Dalton Pension Board has adopted a separate investment policy for the pension trust fund.

The assets of the Pension Plan are invested in an immediate participation contract with Metropolitan Life Insurance Company and in mutual funds with Vanguard. The pension trust fund investments follow State of Georgia Code Sections 47-20-82, 47-20-83, and 47-20-84 for authorized investments.

The pension investment policy limits investment in equity securities to 70% (book value – cost) of total asset value. Investments in international equities and derivative investments are prohibited. The investment manager is restricted from using financial leverage or engaging in short sale techniques. Domestic equities must be traded on the New York or American Stock Exchange, NASDAQ system, or any other major exchange and single securities may not comprise more than 5% (market value) of the investment's equity mix. Domestic fixed income shall be of investment grade quality and the average credit quality of the Pension Plan's fixed income assets should be rated A or higher as rated by Standard & Poor's or Moody's rating services.

Investments subject to credit risk include the following investments maintained in the pension trust fund and in the OPEB trust fund:

	Fair Value	Rating
MetLife Large Cap Equity Index Fund	$ 11,399,258	Not rated
MetLife Aggregate Bond Index Fund	28,133,742	Not rated
MetLife Intermediate Duration Bond Fund	9,744,247	Not rated
Vanguard Institutional Index Fund	66,480,314	Not rated
Vanguard Institutional Small Cap Index Fund	21,121,930	Not rated
Vanguard Total Bond Market Index Fund	19,267,387	Not rated
Total pension trust fund investments	$ 156,146,878	
Georgia Municipal Employees Benefit System OPEB Trust Account	$ 180,376	Not rated
Total OPEB trust fund investments	$ 180,376	

Investments (WLSF Commission) – The WLSF Commission invests in U.S. government and government agency securities including those of States and territories within, fully insured or U.S. government guaranteed instruments including those of States and territories within, and repurchase agreements that are registered and held by the WLSF Commission or an agent in the WLSF Commission's name. The contractual maturities of these securities range from one month to 20 years.

The WLSF Commission has the following recurring fair value measurements as of December 31, 2024:

- Cash and certificates of deposit in the amount of $10,200,000 are reported at cost or amortized cost and are not subject to fair value hierarchy measurement.
- U.S. government securities in the amount of $113,700,000 are valued based on observable market data and valuations of similar inputs (level 2 inputs).
- No investment securities are valued using level 3 inputs.

3-A Investments (continued)

The fair value analysis of the investments for the year ended December 31, 2024 is as follows:

Fund Type	Cost	Fair Value at 1/1/24	Fair Value		Fair Value at 12/31/24	Change in Fair Value
			Purchases	Sales		
Customer deposit fund	$ 4,616,000	$ 4,121,000	$ 1,627,000	$ 1,161,000	$ 4,505,000	$ (82,000)
Certificates of deposit	-	760,000	1,822,000	-	2,582,000	-
Combined utilities renewals and extensions fund	34,427,000	29,905,000	26,550,000	21,521,000	34,095,000	(839,000)
Wastewater settlement liability fund	15,592,000	19,967,000	5,828,000	10,187,000	15,897,000	289,000
Utilities sinking fund	20,734,000	-	53,466,000	32,926,000	21,135,000	595,000
Wetlands mitigation fund	3,624,000	-	3,624,000	-	3,624,000	-
Nuclear decommissioning fund	47,134,000	41,644,000	43,043,000	38,889,000	44,623,000	(1,175,000)
Total	$ 126,127,000	$ 96,397,000	$ 135,960,000	$ 104,684,000	$ 126,461,000	$ (1,212,000)

The WLSF Commission had the following investments and maturities for the year ended December 31, 2024:

	Credit Quality	Fair Value	Investment Maturities (in Years)			
			Less than 1	1 to 5	6 to 10	10 +
Cash and cash equivalents	Not Rated	$ 12,751,000	$ 12,751,000	$ -	$ -	$ -
City of Atlanta GA Wtr & WW Rev	AAA/Aaa	3,274,000	-	895,000	-	2,379,000
City of Union City GA	AAA/Aaa	221,000	-	221,000	-	-
Cowetta Co, Wtr & WW Rev	AAA/Aaa	210,000	-	-	-	210,000
Downtown Savannah Authority	AAA/Aaa	406,000	-	406,000	-	-
Federal Farm Credit Banks	AAA/Aaa	14,774,000	-	9,712,000	5,062,000	-
Federal Home Loan Bank	AAA/Aaa	13,311,000	4,954,000	8,357,000	-	-
Federal National Mortgage Association	AAA/Aaa	547,000	-	-	-	547,000
Metro Atlanta Rapid Transit Auth	AAA/Aaa	3,274,000	-	-	3,274,000	-
State of GA	AAA/Aaa	3,009,000	-	-	423,000	2,586,000
Small Business Administration Pools	AAA/Aaa	56,223,000	-	-	56,223,000	-
United States Treasury	AAA/Aaa	18,461,000	18,461,000	-	-	-
Total		$ 126,461,000	$ 36,166,000	$ 19,591,000	$ 64,982,000	$ 5,722,000

Interest rate risk for investments is the risk a government may face should changes in the interest rate affect the fair value of its investments. The WLSF Commission's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk for investments is the risk that, in the event of the failure of a counterparty to a transaction, the WLSF Commission will not be able to recover the value of the investment or the collateral securities that are in the possession of an outside party. The WLSF bond ordinance follows Georgia state law in restricting investments to obligations of the United States government, states and political subdivisions, and obligations that are fully insured or guaranteed by the U.S. government.

Concentration of credit risk for investments is the risk of loss attributed to the magnitude of an investment in a single issuer. The WLSF Commission does not place a limit on the amount it may invest in any one issuer.

3-B Receivables

Receivables at December 31, 2024 consisted of taxes, interest, accounts (billings for user charges), and intergovernmental receivables arising from grants and contracts.

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

3-C Property Taxes

Property tax rates are set by the City each year and are limited by statutory or constitutional provision. The Whitfield County tax assessor's office sets property values and assesses property tax bills in accordance with those values and tax rates set by all applicable taxing authorities. The Whitfield County tax commissioner's office collects property taxes for the City. Property taxes are levied as of January 1 on property values assessed as of the same date. The tax bills are typically mailed on October 20 and are considered due upon receipt by the taxpayer; however, the actual due date is based on a period ending sixty days after the tax billing. After December 20, the bill becomes delinquent and penalties and interest may be assessed by the City. If the tax is unpaid after ninety days from due date, a lien is placed against the property. For the 2024 year, property tax values are based on a 2024 Temporary Tax Digest. The Whitfield County Tax Commissioner was ordered by the Superior Court of Whitfield County in October of 2024 to collect taxes based on the Temporary Tax Digest and Millage Rates established by the taxing entities. As of the publishing of this report, the City has not received a certified tax digest from the Whitfield County Tax Commissioner.

Taxes receivable at December 31, 2024 consists of uncollected property taxes levied during the year ended December 31, 2024 and prior years. A 1% allowance for uncollectible taxes has been considered in reporting taxes receivable. The amount of taxes uncollected sixty days subsequent to year end for all tax years has been included in taxes receivable, and corresponding deferred revenue has been recorded. Taxes receivable are reported in the general fund and in the special revenue tax allocation district funds, and are summarized below.

Gross property taxes receivable	$ 5,732,979
Allowance for uncollectible taxes	(57,329)
Taxes receivable	$ 5,675,650
Taxes uncollected 60 days subsequent to year end, net of allowance, reported in deferred inflows	$ (599,343)

3-D Regulatory Assets

As the WLSF Commission has the authority to set rates, they follow GASB's accounting for the effects of rate regulation, which provides for the reporting of assets and liabilities consistent with the economic effect of the rate structure. Regulatory assets represent probable future revenues associated with certain costs that are expected to be recovered from customers through the rate-making process. Regulatory liabilities represent probable future reductions in revenues associated with amounts that are expected to be credited to customers through the rate-making process.

Regulatory assets reflected in the statement of net position as of December 31, 2024 relate to the following:

Asset retirement obligations (a)	$	54,831,000
Pension (b)		19,972,000
OPEB (c)		13,407,000
Wansley (d)		10,159,000
Total regulatory assets - net	$	98,369,000

(a) Amount being recovered over the life of the related capital asset and will be settled following completion of the related activities. In 2024, the WLSF Commission reconciled asset retirement cost and asset retirement obligation balances to reflect consistency with the majority Co-owners and state the long-term amounts to be recovered over the life of the related assets. These changes were completed to improve understanding of the financial statements and did not impact probable future reveunes associated with costs or the statement of revenues, expenses, and changes in fund net position.

(b) The adoption of GASB 68 in 2015 required the recognition of the funded status of defined benefit pensions in the statement of net position, with a cumulative effect of adpotion recorded as a restatement of beginning net position for 2015. The WLSF Commission Board, however, is recognizing this cumulative impact amount as a regulatory asset, which resulted in no restatement to the beginning net position for 2015. The Board has approved an amortization period to recognize the recovery of the regulatory asset beginning in January 2024 and continuing until 2044. See Note 3-K for additional information.

(c) The adoption of GASB 75 in 2018 required the recognition of the funded status of defined OPEB in the statement of net position, with a cumulative effect of adpotion recorded as a restatement of beginning net position for 2018. The WLSF Commission Board, however, is recognizing this cumulative impact amount as a regulatory asset, which resulted in no restatement to the beginning net position for 2018. The Board has approved an amortization period to recognize the recovery of the regulatory asset beginning in January 2024 and continuing until 2044. See Note 3-L for additional information.

(d) In July 2022, the Georgia Public Service Commission approved Georgia Power's 2022 integrated resource plan which included the co-owners' intent to retire the coal-fired units at Plant Wansley, in which the WLSF Commission owns a 1.4% interest. Plant Wansley was retired in August 2022, and the WLSF Commission Board of Commissioners directed the WLSF Commission to create a regulatory asset for the continued recovery of the remaining net book value of the plant assets as of the retirement date and approved an amortization period to recognize the recovery of the regulatory asset beginning in January 2023 and continuing through 2030.

3-E Capital Assets

Governmental capital asset activity for the year ended December 31, 2024 is as follows:

	Balance 12/31/2023	Additions	Disposals & Transfers	Balance 12/31/2024
Capital assets not being depreciated:				
Land	$ 20,025,021	$ 1,146,542	$ (662,558)	$ 20,509,005
Construction in progress	6,855,690	13,264,229	(4,050,569)	16,069,350
Total capital assets not being depreciated	26,880,711	14,410,771	(4,713,127)	36,578,355
Other capital assets:				
Land improvements	57,399,975	2,612,515	3,824,311	63,836,801
Buildings	31,512,658	-	(180,735)	31,331,923
Building improvements	3,330,264	349,668	(201,868)	3,478,064
Vehicles	7,314,934	1,098,162	(473,284)	7,939,812
Machinery	16,683,355	901,551	(138,665)	17,446,241
Equipment	11,767,648	326,016	(8,723)	12,084,941
Furniture & fixtures	176,692	-	-	176,692
Intangibles	1,184,147	24,154	-	1,208,301
Bridge and bridge culvert	10,093,703	1,153,095	-	11,246,798
Streets and streetscape	97,256,019	4,337,903	-	101,593,922
Mast arm lighting	423,739	-	-	423,739
Total other capital assets	237,143,134	10,803,064	2,821,036	250,767,234
Total cost	264,023,845	25,213,835	(1,892,091)	287,345,589
Accumulated depreciation:				
Land improvements	29,889,750	1,632,305	(50,099)	31,471,956
Buildings	13,968,240	619,563	(180,735)	14,407,068
Building improvements	2,010,382	126,876	(104,971)	2,032,287
Vehicles	5,751,475	505,391	(396,355)	5,860,511
Machinery	10,760,976	816,315	(138,664)	11,438,627
Equipment	4,909,334	591,013	(8,723)	5,491,624
Furniture & fixtures	176,259	433	-	176,692
Intangibles	1,145,273	21,791	-	1,167,064
Bridge and bridge culvert	7,830,337	215,027	-	8,045,364
Streets and streetscape	91,620,493	773,234	-	92,393,727
Mast arm lighting	275,319	10,566	-	285,885
Total accumulated depreciation	168,337,838	5,312,514	(879,547)	172,770,805
Governmental activities capital assets, net	$ 95,686,007	$ 19,901,321	$ (1,012,544)	$ 114,574,784

3-E Capital Assets (continued)

Depreciation expense is allocated to the governmental activities functions for the year ended December 31, 2024 as follows:

General government	$ 561,188
Judicial	2,569
Public safety	1,053,527
Public works	2,279,116
Culture and recreation	1,415,615
Health and welfare	499
	$ 5,312,514

Business-type capital asset activity for the year ended December 31, 2024 is as follows:

	Balance at 12/31/2023	Additions	Disposals and Reclassifications	Balance at 12/31/2024
Capital assets not being depreciated:				
Land	$ 5,215,145	$ -	$ -	$ 5,215,145
Construction in progress	154,157,784	14,670,729	(150,319,000)	18,509,513
Total capital assets not being depreciated	159,372,929	14,670,729	(150,319,000)	23,724,658
Other capital assets:				
Land improvements	9,668,157	100,814	-	9,768,971
Buildings	3,692,433	-	-	3,692,433
Building improvements	71,054	-	-	71,054
Vehicles	51,996	-	-	51,996
Machinery and equipment	3,006,930	71,340	-	3,078,270
Utility plant	1,645,756,000	40,510,000	102,277,000	1,788,543,000
Total other capital assets	1,662,246,570	40,682,154	102,277,000	1,805,205,724
Total cost	1,821,619,499	55,352,883	(48,042,000)	1,828,930,382
Accumulated depreciation:				
Land improvements	6,623,209	322,572	-	6,945,781
Buildings	2,521,492	76,380	-	2,597,872
Building improvements	68,247	216	-	68,463
Vehicles	51,996	-	-	51,996
Machinery and equipment	1,864,612	157,725	-	2,022,337
Utility plant	661,805,000	35,928,000	(2,974,000)	694,759,000
Total accumulated depreciation	672,934,556	36,484,893	(2,974,000)	706,445,449
Nuclear fuel, at amortized cost	21,415,000	7,486,000	(6,346,000)	22,555,000
Business-type activities capital assets, net	$ 1,170,099,943	$ 26,353,990	$ (51,414,000)	$ 1,145,039,933

3-F Interfund Balances and Transfers

Interfund balances at December 31, 2024 consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year. Interfund balances at December 31, 2024 consisted of the following:

	Payable from:		
Payable to:	General fund	Nonmajor governmental funds	Total
General fund	$ -	$ 6,191,391	$ 6,191,391
Nonmajor governmental funds	269	-	269
Total	$ 269	$ 6,191,391	$ 6,191,660

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to segregate money for anticipated capital projects, to provide additional resources for current operations or debt service, and to move remaining funds once a project is completed. All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer. Interfund transfers for the year ended December 31, 2024 consisted of the following:

	Transfer from:				
Transfer to:	General fund	WLSF Commission fund	Nonmajor governmental funds	Nonmajor enterprise funds	Total
General fund	$ -	$ 15,362,000	$ 907,559	$ 2,500,000	$ 18,769,559
Nonmajor governmental funds	11,970,724	-	5,566,788	-	17,537,512
Nonmajor enterprise funds	-	-	4,908,118	-	4,908,118
Total	$ 11,970,724	$ 15,362,000	$ 11,382,465	$ 2,500,000	$ 41,215,189

Within the nonmajor governmental funds transfer to the nonmajor enterprise funds of $4,908,118, $4,310,670 is a transfer of capital assets. For the enterprise funds, the transfer is reported in the fund statements. For the governmental funds, the transfer is reported only at the government-wide level.

3-G Compensated Absences

Employees of the City of Dalton are entitled to paid vacations, sick days, and loss leave depending on the length of their service. As of April 1, 1998, employees are entitled to accumulate ten sick days a year up to a maximum of one hundred twenty sick days. Upon retirement, up to sixty days can be added to the length of service for retirement purposes. As of April 1, 1998, employees are entitled to accumulate twelve vacation days a year up to a maximum of forty. When separated from services, employees are entitled to receive payment for accumulated vacation time. Prior to April 1, 1998, employees with sick and vacation days in excess of these amounts capped leave hours as of that date. Therefore, employees hired prior to April 1, 1998 can have leave hours in excess of maximum amounts above.

3-H Leases

The City is subject to a variety of lease agreements, none of which meet the criteria for inclusion in the financial statements under GASB 87.

The City leases eleven pieces of office equipment and two rental spaces from outside vendors with fixed payment terms, either with terms of less than 12 months, or with title not transferring. Total lease expense on these leases approximates $72,000 for the year ended December 31, 2024.

The City leases fourteen pieces of land, buildings, or equipment to others. One equipment lease has fixed payment terms, and has terms of less than twelve months. Ten building and land leases are leased at terms that do not meet the criteria for an exchange-like transaction, as they are at discounted values. Three land leases from the airport to others are regulated by the Federal Aviation Authority. Total lease income on these leases, included in miscellaneous income, approximates $106,000 for the year ended December 31, 2024.

The WLSF Commission has several leases under the scope of the Statement for which the WLSF Commission is the lessor. Most of the leases where the WLSF Commission is the lessor are land leases, with the exception of one right-of-way lease. The WLSF Commission has one equipment lease under the scope of the Statement for which it is the lessee. Leasing activity is not an integral part of the WLSF Commission's operations, and the equipment lease is not significant.

WLSF Commission as Lessee - The WLSF Commission has a lease for multiple copy machines with MSA Business Technology. The lease was created in June of 2023 and amended in August of 2023 and will continue until July 31, 2028. Ownership will not transfer at the end of lease. As of December 31, 2024, the total assets and liabilities associated with the remaining payments total $36,866. The lease assets are recorded with capital assets and corresponding liabilities are reflected in the statement of net position.

WLSF Commission as Lessor - The WLSF Commission currently has land lease agreements with multiple companies. These leases do not include interest and range from 5 to 20 years with options for automatic renewal. The leases include cost escalators at each renewal. Annual revenue associated with leases for the years ended December 31, 2024 was immaterial. The accumulation of the remaining amounts to be received over the life of the lease agreements totaled $5,346,000 at December 31, 2024. These amounts are recorded as current and non-current receivables with a corresponding amount classified as a deferred inflow of resources on the statement of net position.

3-I Subscription-Based Information Technology Agreements

As noted in Note 2-B, the City and the WLSF Commission have adopted GASB Statement No. 96 effective January 1, 2023.

Under the provisions of the Statement, numerous software subscriptions held by the City fall within the scope of SBITAs. However, all of these subscriptions are classified as short-term SBITAs or are immaterial. Consistent with the stipulations of the Statement, none of the SBITAs are recorded, and the implementation of this Standard had no impact on the City.

Under the provisions of the Statement, numerous software subscriptions held by the WLSF Commission fall within the scope of SBITAs. Notably, a significant portion of these subscriptions are classified as short-term SBITAs. Consistent with the stipulations of GASB Statement No. 96, short-term subscriptions are not recorded within the statement of net position. The terms of the WLSF Commission's long-term SBITAs range from 36 to 72 months. The related balance associated with SBITAs for the year ended December 31, 2024 is $229,000. This amount is represented in capital assets, with corresponding liabilities recorded in the statements of net position.

3-J Long-term Debt

Building Authority Revenue Bonds, Series 2021, dated April 20, 2021, were issued as a public offering with a par amount of $18,360,000, plus an original issue premium of $1,964,026, and all-in true interest cost of 1.82% for a total debt service amount of $23,953,335. The bonds were issued to acquire, construct, and install certain public buildings, facilities, and equipment necessary for the operation of the City, to refund the Building Authority Recovery Zone Economic Development Bonds, and to cover issuance costs. As these bonds were issued in the name of the City of Dalton Building Authority, they were reflected as a lease payable on the government-wide financial statements.

At December 31, 2024, the amount presented as leases on the government-wide statement of net position consisted of the following:

Leases payable	$ 16,470,000
Unamortized premium	1,669,423
Less: current maturities	(695,000)
Total long-term leases payable	$ 17,444,423

Debt service requirements to maturity are as follows:

Date Due	Principal	Interest	Total
2025	$ 695,000	$ 492,675	$ 1,187,675
2026	730,000	457,050	1,187,050
2027	770,000	419,550	1,189,550
2028	815,000	379,925	1,194,925
2029	850,000	338,300	1,188,300
2030-2034	4,845,000	1,105,475	5,950,475
2035-2039	5,435,000	509,050	5,944,050
2040-2041	2,330,000	46,800	2,376,800
	$ 16,470,000	$ 3,748,825	$ 20,218,825

3-J Long-term Debt (continued)

City of Dalton, Georgia, Combined Utilities Revenue Bonds, Series 2020, dated December 10, 2020 and maturing March 1, 2041, were issued as a public offering in the amount of $84,510,000. The bonds were issued primarily for the benefit of the WLSF Commission to fund electric capital projects, excluding Vogtle Units 3 & 4, with a par amount of $84,510,000 plus an original issue premium of $16,301,111, and all-in true interest cost of 2.46% for a total debt service amount of $128,268,314. The bonds require that the WLSF Commission produce net revenues not less than 120% of the debt service requirement for the then current sinking fund year. The WLSF Commission was in compliance with that requirement as of December 31, 2024.

City of Dalton, Georgia, Combined Utilities Revenue Bonds, Series 2017, dated November 21, 2017 and maturing March 1, 2038, were issued as a public offering in the amount of $66,660,000. The bonds were issued primarily for the benefit of the WLSF Commission to fund water and wastewater projects with a par amount of $66,660,000 and all-in true interest cost of 3.24% for a total debt service amount of $103,620,575. The bonds require that the WLSF Commission produce net revenues not less than 120% of the debt service requirement for the then current sinking fund year. The WLSF Commission was in compliance with that requirement as of December 31, 2024.

At December 31, 2024, WLSF Commission debt consisted of the following:

Bond offering principal	$ 124,534,000
Bond principal in escrow	4,766,000
Unamortized debt premium, net of $1.5 M of debt issuance costs	20,951,000
Less: current maturities	(5,966,000)
Total long-term debt	$ 144,285,000

Bond debt service requirements to maturity are as follows:

Date Due	Principal	Interest	Total
2025	5,966,000	5,524,000	11,490,000
2026	6,269,000	5,225,000	11,494,000
2027	6,595,000	4,912,000	11,507,000
2028	6,929,000	4,582,000	11,511,000
2029	7,285,000	4,234,000	11,519,000
2030-2034	42,150,000	15,308,000	57,458,000
2035-2039	42,200,000	6,060,000	48,260,000
2040-2041	7,140,000	327,000	7,467,000
	$ 124,534,000	$ 46,172,000	$ 170,706,000

The WLSF Commission does not have any unused lines of credit or assets pledged as collateral.

All long-term obligations of the City's governmental funds will be financed through future debt service fund available financial sources as they become due. Principal and interest payments related to the WLSF Commission are financed from income derived from the operation of their systems.

3-J Long-term Debt (continued)

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. In prior years, the funds used to relieve the liability included the general fund, the WLSF Commission fund, the airport fund, and the municipal golf course fund. Any net pension liability will be paid from the pension trust fund. Any net OPEB liability will be paid from the OPEB trust fund. Any remaining net pension liability or net OPEB liability which cannot be satisfied by those funds will be paid from funds which have participants that comprise the obligation balance, primarily the general fund and the WLSF Commission fund.

Asset retirement obligations and other costs of removal – The WLSF Commission records asset retirement obligations ("ARO") for legal obligations associated with the ultimate costs of retiring long-lived assets. The present value of the ultimate costs for an asset's future retirement must be recorded in the period in which the liability is incurred. The costs must be capitalized as part of the related long-lived asset and depreciated over the asset's useful life.

The ARO recognized in the financial statements to retire long-lived assets primarily relates to the WLSF Commission's ownership interests in the jointly owned nuclear plants Hatch and Vogtle, as well as coal ash ponds, landfills, and gypsum cells related to jointly owned coal-fired plants Wansley and Scherer. The WLSF Commission recognizes in the statement of revenues, expenses, and change in fund net position allowed removal costs for both legal obligations and for other costs of removal in accordance with regulatory treatment. Any differences between costs recognized for accounting purposes and those reflected in rates are recognized as either a regulatory asset or liability.

Details of the ARO reflected in the statement of net position as of December 31, 2024 are as follows:

ARO balance at December 31, 2023	$	103,898,000
Liabilities incurred		4,149,000
Accretion		3,885,000
Liabilities settled		(974,000)
Reconciliation		(61,688,000)
Cash flow revisions		17,325,000
ARO balance at December 31, 2024	$	66,595,000

In 2024, the WLSF Commission recorded cash flow revisions of $17,325,000 to its ARO related to the jointly owned coal-fired plants, associated with the Coal Combustion Residuals from Electric Utilities final rule published by the Environmental Protections Agency ("EPA") in April 2015 ("CCR Rule"), and to the jointly owned nuclear facilities at Plant Hatch and Plant Vogtle.

In 2024, the WLSF Commission reconciled asset retirement cost and asset retirement obligation balances to reflect consistency with the majority co-owners and clearly state the long-term amounts associated with the life of the related assets. This change was made in accordance with GASB Statement No. 83, *Certain Asset Retirement Obligations,* which provides that as a minority owner (less than 50%) of applicable jointly owned generation facilities, the WLSF Commission uses the measurement produced by the nongovernmental minority owner that has operational responsibility for the generating units ("ARO Measurement"), to account for its ARO, which is included in non-current liabilities on the statement of net position. These changes were completed to improve understanding of the financial statements and did not impact total future obligations or the statement of revenues, expenses, and change in fund net position.

3-J Long-term Debt (continued)

Changes in long-term liabilities - The City's long-term obligations consisted of the following at December 31, 2024:

	Outstanding 12/31/2023	Additions	Reductions	Revisions	Outstanding 12/31/2024	Amounts Due in One Year
Governmental activities:						
Leases payable	$ 17,130,000	$ -	$ (660,000)	$ -	$ 16,470,000	$ 695,000
Unamortized premium on debt	1,767,624	-	(98,201)	-	1,669,423	-
Compensated absences	5,410,007	2,326,642	(1,892,901)	-	5,843,748	1,500,000
Total governmental activities	$ 24,307,631	$ 2,326,642	$ (2,651,102)	$ -	$ 23,983,171	$ 2,195,000
Business-type activities						
Wastewater settlement liability	$ 20,000,000	$ -	$ (5,000,000)	$ -	$ 15,000,000	$ 5,000,000
Asset retirement obligations	103,898,000	8,034,000	(974,000)	(44,363,000)	66,595,000	-
Revenue bonds payable	130,206,000	-	(906,000)	-	129,300,000	5,966,000
Unamortized premium on revenue bonds	21,550,000	86,000	(685,000)	-	20,951,000	-
Compensated absences	113,755	60,895	(48,351)	-	126,299	40,000
Total business-type activities	$ 275,767,755	$ 8,180,895	$ (7,613,351)	$ (44,363,000)	$ 231,972,299	$ 11,006,000

3-K Pensions

Plan description - The Mayor and Council of the City of Dalton Employees' Pension Plan ("Pension Plan") was established to provide retirement benefits for eligible employees. The Pension Plan is a defined benefit single employer public employee retirement system. The Pension Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The Pension Plan is subject to the provisions of Section 401(a) and 501(a) of the Internal Revenue Code. The Mayor and Council of the City of Dalton serve as the Pension Plan administrator. The Pension Plan is accounted for in the pension trust fund, financial statements for which are found on pages 34 - 35 and 161 - 162 of this report. The Pension Plan is audited on a biennial basis and issues stand-alone financial statements in conjunction with those audits. The most recent stand-alone financial statement issued by the Pension Plan was for the year ended December 31, 2022. The most recent unaudited stand-alone financial statement issued by the Pension Plan was for the year ended December 31, 2024, and may be obtained from the City of Dalton Finance Department. The Pension Plan's fiduciary net position has been determined on the same basis used by the Pension Plan and is equal to the fair value of assets calculated under the accrual basis of accounting.

Summary of significant accounting policies - The City of Dalton Pension Plan financial statements are prepared on the accrual basis of accounting. Contributions from the City and the City's employees are recognized as revenue in the period that contributions are due. Investment income is recognized as earned by the Pension Plan. The net appreciation (depreciation) in the fair value of investments held by the Pension Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of fiduciary net position. Benefits and refunds of the Pension Plan are recognized when due and payable in accordance with the terms of the Pension Plan. All contributions to the Pension Plan, less any administrative expenses paid out, are invested into insurance contracts with the Metropolitan Life Insurance Company or in index funds with Vanguard. The Pension Plan's investment contracts and index funds are valued at fair value. The value of the assets is determined in regards to applicable laws and regulations. The value of any assets not publicly traded will reflect prevailing interest rates and prices of publicly traded securities of similar quality.

3-K Pensions (continued)

Eligibility - All full-time employees of a participating employer who were hired prior to July 1, 2002 are eligible to participate in the Pension Plan after completing six months of service as a covered employee, except that the Mayor, Councilmembers, Commissioners, and Authority Board Members are not eligible to participate in the Pension Plan. Participating employers include the City, including the Public Safety Commission, the WLSF Commission, and the Recreation Commission; the Dalton-Whitfield Convention and Visitors Bureau; and the Dalton-Whitfield Regional Solid Waste Management Authority. Employees who began work after July 1, 2002 are eligible for participation in the defined contribution plan (Note 3-M). The Pension Plan provides pension benefits, early retirement benefits, and death benefits.

Benefits - Benefits fully vest after ten years of service. Normal retirement benefits are available to employees of any age after thirty years of service. Employees who retire at the normal retirement date are entitled to monthly pension payments for the remainder of their lives equal to .15% of their average monthly compensation, multiplied by their years of credited service for which they were employed by a participating employer of the Pension Plan. These benefit payments are subject to a discretionary annual cost-of-living adjustment as determined and approved on an annual basis by the Mayor and Council of the City of Dalton. The participant's average monthly compensation is equal to the average of the participant's highest 36 consecutive basic monthly earnings during their last 120 months of employment; basic monthly earnings are equal to total compensation for a calendar year, excluding lump sum payments for severance and unused sick and vacation leave, and are deemed to be earned uniformly throughout each calendar year; annual compensation is limited to $200,000 per year. Monthly pension benefits will be paid as a life annuity to the participant, with ten years guaranteed. Pension Plan provisions include a 55% survivor annuity payable to the participant's surviving spouse, commencing after the ten years of the full benefit amount. The surviving spouse may receive death benefits for life.

Pension Plan provisions include early retirement benefits whereby an employee may terminate his employment with the City after accumulating fifteen years of service and reaching the age of fifty or after accumulating ten years of service and reaching the age of fifty-five. The retirement benefits are reduced by 0.5% for each month by which the participant's early retirement age precedes their normal retirement age.

The benefit terms of the Pension Plan have not changed from the prior measurement date.

Current membership of active and inactive participants as of the most recent Pension Plan valuation date of January 1, 2025 is as follows:

Actively employed participants		125
Average age		52.4 years
Average service		26.5 years
Total annualized compensation for the prior year	$	11,274,906
Total expected compensation for the current year	$	11,641,340
Participants receiving a benefit		
Service retirees		327
Beneficiaries		81
Inactive participants - deferred; vested		16

3-K Pensions (continued)

Contribution requirements - In accordance with the most recent actuarial report, the Pension Plan's funding policy for employers should be decreased from 34.0% (at the last valuation date) to 32.16% of covered payroll to adequately fund the Pension Plan's ongoing costs and an amortization of the unfunded actuarial accrued liability over a 20-year period from January 1, 2020 with level dollar payments. Employees are required to pay 5% of their pensionable earnings to the Pension Plan. The funding policy of the Pension Plan is established and may be amended by the Mayor and the Council. During 2024, the City and WLSF Commission elected to make a contribution of $3,229,000 to the plan to fund COLA increases to plan participants.

Investments - The Pension Plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote. The Board has full power to invest or reinvest Pension Plan assets in any kind of property which the Pension Board deems proper. It is the policy of the Pension Board to purse an investment strategy which reduces risk through prudent diversification of the portfolio. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class for the investments of the Pension Plan are as follows:

Investment Category	Target Allocation	Expected Long Term Real Return
Domestic large cap stocks	40%	6.00% per annum
Domestic small cap stocks	15%	6.75% per annum
Domestic fixed income	45%	2.00% per annum
Total or weighted arithmetic average	100%	4.31% per annum

For the year ended December 31, 2024, the annual money-weighted rate of return on the Pension Plan's investments, net of Pension Plan investment expense, was 13.98%. The money-weighted rate of return expressed investment performance, net of investment expense, adjusted for the changing amounts actually invested.

3-K Pensions (continued)

The following actuarial assumptions used in the determination of the City's net pension liability were based on the results of an actuarial experience study for the period January 1, 2024 through December 31, 2024:

Actuarial Assumptions	
Discount rate:	6.81% per annum (2.50% per annum is attributable to long term inflation); this rate was used to discount all future benefit payments.
Investment return:	6.81% per year
Salary increases:	3.25% per year
Cost of living increase:	None assumed
Mortality basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees (without pay adjustments), with full generational improvements in mortality using Scale MP-2020.
Retirement:	Retirement is assumed to occur at normal retirement age.
Other decrements:	Assumed employment termination is based on age and ranges from 23.00% at age 20 to 4.00% at age 55. Assumed disability is based on age and gender and ranges from 0.04% for males and 0.02% for females at age 20 to 2.24% for males and 1.27% for females at age 65.
Non-investment expenses:	$50,000 per year
Future contributions:	Contributions from the employer and employees are assumed to be made as legally required.
Changes:	No assumptions were changed since the prior measurement date.

Discount rate - The discount rate used to measure the total pension liability was 6.81%. There has been no change to the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employees and the participating employers make their contributions at the actuarially determined rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 6.81% was applied to all periods of projected benefit payments to determine the total pension liability.

3-K Pensions (continued)

Proportionate share of net pension liability of the City – The net pension liability reported by the City is based on the measurement date of December 31, 2024. The components of the net pension liability allocable to the City as of the Pension Plan's year end are as follows:

	Allocable Total Pension Liability	Allocable Plan Fiduciary Net Position	Allocable Net Pension Liability
Balance at December 31, 2023	$ 160,412,959	$ 135,656,448	$ 24,756,511
Changes for the year:			
Service cost	1,427,462	-	1,427,462
Expected interest growth	10,668,338	9,175,040	1,493,298
Unexpected interest growth	-	9,498,845	(9,498,845)
Demographic experience	(622,692)	-	(622,692)
Contributions - employer	-	7,979,399	(7,979,399)
Contributions - employee	-	576,690	(576,690)
Benefit payments and refunds	(8,973,029)	(8,973,029)	-
Administrative expenses	-	(48,568)	48,568
Benefit term changes	-	-	-
Assumption changes	-	-	-
Allocation changes	(826,101)	(698,610)	(127,491)
Net changes	1,673,978	17,509,767	(15,835,789)
Balance at December 31, 2024	$ 162,086,937	$ 153,166,215	$ 8,920,722
Allocable Plan Fiduciary Net Position as a percentage of Allocable Total Pension Liability			94%

The following represents the net pension liability allocable to the City as of the measurement date and the Pension Plan's year end, December 31, 2024, calculated using the discount rate of 6.81%, as well as what the net pension liability would be using a discount rate that is 1% lower or 1% higher than the current rate:

	Discount Rate Minus 1.00%	Discount Rate 6.81%	Discount Rate Plus 1.00%
Allocable total pension liability	$ 179,393,325	$ 162,086,937	$ 147,574,416
Allocable plan fiduciary net position	153,166,215	153,166,215	153,166,215
Net pension liability for City	$ 26,227,110	$ 8,920,722	$ (5,591,799)

3-K Pensions (continued)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions – For the year ended December 31, 2024, the City recognized pension benefit of $7,009,448. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Allocable Deferred Outflows of Resources	Allocable Deferred Inflows of Resources
Differences between projected and actual investment earnings	$ 13,449,763	$ 16,030,690
Changes in proportion	540	(31)
Balance as of December 31, 2024	$ 13,450,303	$ 16,030,659

The above amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	Allocable Deferred Outflows of Resources	Allocable Deferred Inflows of Resources	Net Outflows (Inflows) Recognized to (Benefit) Expense
2025	$ 6,725,152	$ 5,892,329	$ 832,823
2026	6,725,151	4,119,284	2,605,867
2027	-	4,119,282	(4,119,282)
2028	-	1,899,764	(1,899,764)
2029	-	-	-

The deferred outflows of resources, net pension liability, and deferred inflows of resources were allocated and reported among the Pension Plan's participants, which includes City departments, the WLSF Commission, and the DWRSWMA, a joint venture. Amounts recorded for DWRSWMA are not reflected on the statements of net position, as the balances and activity are reported as a net investment in the joint venture. The allocations were as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources
Governmental activities	$ 6,801,374	$ 4,511,096	$ 8,106,516
WLSF Commission	6,455,000	4,281,000	7,693,000
Municipal golf course	193,929	128,626	231,143
DWRSWMA	401,782	266,845	479,556
	$ 13,852,085	$ 9,187,567	$ 16,510,215

3-K Pensions (continued)

Financial statements – The Pension Plan's statement of fiduciary net position at December 31, 2024 was as follows:

Assets	
Cash and cash equivalents	$ 1,603,985
Investments, at fair value:	
MetLife Large Cap Equity Index Fund	11,399,258
MetLife Small Cap Index Fund	28,133,742
MetLife Aggregate Bond Index Fund	9,744,247
Vanguard Institutional Index Fund	66,480,314
Vanguard Small Cap Index Fund	21,121,930
Vanguard Total Bond Market Index Fund	19,267,387
Total Assets	$ 157,750,863
Liabilities	
Current Liabilities:	
Accounts payable	$ 2,725
Total Liabilities	2,725
Net Position	
Restricted for pension	157,748,138
Total Net Position	157,748,138
Total Liabilities and Net Position	$ 157,750,863

3-K Pensions (continued)

The Pension Plan's statement of changes in fiduciary net position for the year ended December 31, 2024 was as follows:

Additions	
Contributions:	
Employer	$ 8,218,086
Plan members	593,940
Total contributions	8,812,026
Investment income:	
Interest and dividends	3,317,944
Net increase (decrease) in fair value of investments	16,064,253
Total investment income	19,382,197
Less: investment expense	151,233
Net investment earnings	19,230,964
Total Additions	28,042,990
Deductions	
Administrative expenses	48,236
Benefit payments	9,241,439
Total Deductions	9,289,675
Change in Net Position	18,753,315
Net Position Beginning of Year	138,994,823
Net Position End of Year	$ 157,748,138

Additional information on the Pension Plan is presented in the financial statements as required supplementary information, which immediately follows these notes to the basic financial statements.

In addition to the Pension 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. The City bears no liability for their employees' participation in those plans. Further information regarding these plans can be obtained from those plans' annual reports.

3-L Other Postemployment Benefits

Plan description – The City of Dalton OPEB Plan ("OPEB Plan") was established to provide other postemployment benefits for eligible retirees and beneficiaries. The OPEB Plan is a single employer defined benefit healthcare plan, providing both health and life insurance at the same levels afforded to active employees. The OPEB Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10.1). The Mayor and Council of the City of Dalton serve as the OPEB Plan administrator. The Mayor and Council hold the authority to amend or establish benefit provisions and employee and employer contribution rates. The OPEB Plan is accounted for in the OPEB trust fund, financial statements for which are found on pages 34 – 35 and 161 - 162 of this report. The most recent unaudited stand-alone financial statement issued by the OPEB Plan was for the year ended December 31, 2024, and may be obtained from the City of Dalton Finance Department. The OPEB Plan's fiduciary net position has been determined on the same basis used by the OPEB Plan and is equal to the fair value of assets calculated under the accrual basis of accounting.

Summary of significant accounting policies – The OPEB Plan financial statements are prepared on the accrual basis of accounting. Contributions from the City and the City's employees are recognized as revenue in the period that contributions are due. Investment income is recognized as earned by the OPEB Plan. The net appreciation (depreciation) in the fair value of investments held by the OPEB Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of fiduciary net position. All contributions to the OPEB Plan, less insurance premiums and administrative expenses paid out, are invested in a trust fund with Georgia Municipal Association, and are valued at fair value. The value of the assets is determined in regards to applicable laws and regulations. The value of any assets not publicly traded will reflect prevailing interest rates and prices of publicly traded securities of similar quality.

Eligibility – All full-time employees of a participating employer who were hired prior to September 1, 2007 are eligible to participate in the OPEB Plan. The OPEB Plan covers eligible retirees and beneficiaries of the City of Dalton, including the Public Safety Commission and the Recreation Commission; the WLSF Commission; the Northwest Georgia Trade and Convention Center Authority; and the Dalton Whitfield Regional Solid Waste Management Authority. All full-time employees hired prior to September 1, 2007 become eligible for health insurance coverage based upon the earlier of attaining: (1) age sixty-five with five years of service, (2) age fifty-five with twenty-five years of service, or (3) any age with thirty years of service. If a retiree is eligible for health insurance coverage, the OPEB Plan will also provide health insurance coverage for the retiree's spouse so long as the retiree is covered. Employees hired after September 1, 2007 are not eligible for health insurance benefits after retirement.

Benefits – Eligible individuals receive subsidized healthcare coverage until age sixty-five or for no more than five years if hired after May 31, 1998. The OPEB Plan provides life insurance until age seventy in an amount equal to the participant's basic annual compensation in force on the date of retirement, rounded to the next higher $1,000. The maximum benefit provided is $25,000 ($30,000 for retirees who retired before June 1, 1989). The benefit terms of the OPEB Plan have not changed from the prior measurement date.

3-L Other Postemployment Benefits (continued)

Membership in the OPEB Plan consisted of the following at December 31, 2024:

Current retirees and beneficiaries receiving benefits	183
Active employees not yet receiving benefits	614
Total number of covered individuals	797

Funding policy – The Mayor and Council determine the contribution requirements to the OPEB Plan on an annual basis. The participating employers do not contribute to the plan at this time, and have not since 2014. Eligible retirees are required to share in the cost of health insurance coverage. Annual contribution rates for 2024 are as follows:

Coverage	Annual Retiree Premium
Individual	$ 1,176
Individual + 1	3,588

Investments – The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the Mayor and Council by a majority vote. The Mayor and Council have full power to invest or reinvest OPEB Plan assets in any kind of property which they deem proper. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class for the investments of the OPEB Plan are as follows:

Investment Category	Target Allocation	Expected Long Term Real Return
Domestic equities	50%	5.95% per annum
International equities	15%	6.45% per annum
Domestic fixed income	25%	1.55% per annum
Real estate	10%	3.75% per annum
Total or weighted arithmetic average	100%	4.71% per annum

3-L Other Postemployment Benefits (continued)

The following actuarial assumptions used in the determination of the net OPEB liability were based on the results of an actuarial experience study for the period January 1, 2024 through December 31, 2024:

Actuarial Assumptions	
Discount rate:	4.28% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
Expected long-term return on assets:	7.21% per annum (2.50% per annum is attributable to long-term inflation)
Salary increases:	3.25% per annum
Cost of living increases:	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates; life insurance premiums are not assumed to increase.
Healthcare cost trend rates:	Increases in healthcare costs are assumed to be 7.50% for the 2024 fiscal year graded down by 0.50% per year to 5.00% for the 2029 and later fiscal years.
Age-related morbidity:	Insurance premiums are assumed to increase with each year of age in accordance with the rates set forth in the Society of Actuaries report "Health Care Costs - From Birth to Death" prepared by Dale H. Yamamoto (June, 2013). Rates set forth in Chart 2 (Group Costs by Age for 2009/10) were used to develop the morbidity rates prior to age 65 and the rates set forth in Table 4 (Development of Plan Specific Medicare Age Curve) were used to develop the morbidity rates after age 65.
Implied health subsidy:	Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy has been assumed for the 2024 fiscal year based on the age-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates.
Mortality basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general employees, with full generational improvements in mortality using Scale MP-2020.
Retirement:	Retirement is assumed to occur at the earliest age of 65 with five years of service, age 55 with ten years of service, age 50 with fifteen years of service, or any age with thirty years of service.
Other decrements:	Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1).
Coverage election:	100% of eligible employees are assumed to elect medical coverage upon retirement or disability; all retirees (current and future) have been assumed to continue their current health plan coverage election.
Spouses and dependents:	Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.

3-L Other Postemployment Benefits (continued)

Actuarial Assumptions	
COBRA:	Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.
Changes:	Since the prior measurement date, the discount rate was increased from 4.00% per annum to 4.28% per annum.

Discount rate – The discount rate used to measure the total OPEB liability was 4.28%. That rate is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date. The expected long-term rate of return on assets was determined as of the valuation date by the trust's investment manager.

Proportionate share of the net OPEB liability of the City – The net OPEB liability is based on the measurement date of December 31, 2024. The components of the net OPEB liability allocable to the City as of the OPEB Plan's year end are as follows:

	Allocable Total OPEB Liability	Allocable Plan Fiduciary Net Position	Allocable Net OPEB Liability
Balance at December 31, 2023	$ 18,571,490	$ 657,908	$ 17,913,582
Changes for the year:			
Service cost	139,467	-	139,467
Expected interest growth	763,650	28,342	735,308
Unexpected investment income	-	29,374	(29,374)
Demographic experience	(1,804,438)	-	(1,804,438)
Benefit payments	(532,660)	(532,660)	-
Administrative expenses	-	(13,853)	13,853
Assumption changes	(211,048)	-	(211,048)
Allocation changes	104,494	3,702	100,792
Net changes	(1,540,535)	(485,095)	(1,055,440)
Balance at December 31, 2024	$ 17,030,955	$ 172,813	$ 16,858,142

Allocable Plan Fiduciary Net Position as a percentage of Allocable Total OPEB Liability	1%

3-L Other Postemployment Benefits (continued)

The following represents the net OPEB liability allocable to the City as of the measurement date and the OPEB Plan's year end, December 31, 2024, calculated using the healthcare cost trend rate of 7.50% downgraded to 5.00%, as well as what the net OPEB liability would be using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate:

	Trend Rates Minus 1.00%	Healthcare Trend Rate 7.50% - 5.00%	Trend Rates Plus 1.00%
Allocable total OPEB liability	$ 16,266,011	$ 17,030,955	$ 17,849,754
Allocable plan fiduciary net position	172,813	172,813	172,813
Net OPEB liability for City	$ 16,093,198	$ 16,858,142	$ 17,676,941

The following represents the net OPEB liability allocable to the City as of the measurement date and the OPEB Plan's year end, December 31, 2024, calculated using the discount rate of 4.28%, as well as what the net OPEB liability would be using a discount rate that is 1% lower or 1% higher than the current rate:

	Discount Rate Minus 1.00%	Discount Rate 4.28%	Discount Rate Plus 1.00%
Allocable total OPEB liability	$ 17,805,813	$ 17,030,955	$ 16,312,365
Allocable plan fiduciary net position	172,813	172,813	172,813
Net OPEB liability for City	$ 17,633,000	$ 16,858,142	$ 16,139,552

OPEB expense and deferred outflows and inflows of resources related to other postemployment benefits – For the year ended December 31, 2024, the City recognized an OPEB benefit of $1,290,613. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Allocable Deferred Outflows of Resources	Allocable Deferred Inflows of Resources
Differences between projected and actual investment earnings	$ 175,929	$ 134,534
Differences between expected and actual economic experience	1,920,925	5,637,996
Changes in actuarial assumptions	1,266,050	2,174,709
Changes in proportion	(26,032)	(24,242)
Balance as of December 31, 2024	$ 3,336,872	$ 7,922,997

3-L Other Postemployment Benefits (continued)

The above amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year	Allocable Deferred Outflows of Resources	Allocable Deferred Inflows of Resources	Net Outflows (Inflows) Recognized to (Benefit) Expense
2025	$ 1,320,348	$ 3,294,852	$ (1,974,504)
2026	1,239,210	1,750,604	(511,394)
2027	482,183	1,748,053	(1,265,870)
2028	238,009	811,775	(573,766)
2029	57,122	317,713	(260,591)

The deferred outflows of resources, net OPEB liability, and deferred inflows of resources were allocated and reported among the OPEB Plan's participating employers, which includes City departments, the WLSF Commission, the Northwest Georgia Trade and Convention Center Authority, and the Dalton-Whitfield Solid Waste Authority. Allocations to the participating employers were as follows:

	Deferred Outflows of Resources	Net OPEB Liability	Deferred Inflows of Resources
Governmental activities	$ 1,578,082	$ 8,039,559	$ 3,765,696
WLSF Commission	1,710,000	8,574,000	4,042,000
Nonmajor proprietary funds	48,790	244,583	115,301
Convention Center	62,525	184,757	87,098
DWRSWMA	110,673	552,986	284,929
	$ 3,510,070	$ 17,595,885	$ 8,295,024

3-L Other Postemployment Benefits (continued)

Financial statements – The OPEB Plan's statement of fiduciary net position at December 31, 2024 was as follows:

Assets	
Investments, at fair value:	
Georgia Municipal Employees Benefit System OPEB Trust Account	$ 180,376
Total Assets	$ 180,376
Net Position	
Restricted for OPEB	$ 180,376
Total Net Position	$ 180,376

The OPEB Plan's statement of changes in fiduciary net position for the year ended December 31, 2024 was as follows:

Additions	
Investment income:	
Interest and dividends	$ 4,884
Net increase (decrease) in fair value of investments	56,357
Total investment income	61,241
Less: investment expense	998
Net investment earnings	60,243
Total Additions	60,243
Deductions	
Administrative expenses	14,458
Premium payments	555,972
Total Deductions	570,430
Change in Net Position	(510,187)
Net Position Beginning of Year	690,563
Net Position End of Year	$ 180,376

Additional information on the OPEB Plan is presented in the financial statements as required supplementary information, which immediately follows the notes to the basic financial statements.

3-M Defined Contribution Plan

Employees with an employment commencement date, including former employees rehired after a severance, on or after July 1, 2002 will not be allowed to participate in the Pension Plan (Note 3-K). Employees hired or re-hired after July 1, 2002 will be covered by the City of Dalton Employee Retirement Plan ("Retirement Plan"), which is a combined profit sharing/money purchase plan. The Mayor and Council of the City approved the Retirement Plan, maintain it, and are the authority under which the contribution requirements are established or may be amended. All full-time employees who are at least eighteen years old, have completed six months of continuous service, and work at least 1,000 per year are eligible to participate in the Retirement Plan. The Retirement Plan is a defined contribution plan in which the employer contributes 5% of the employee's compensation, up to an annual limit of $200,000, regardless of employee contribution amounts. Beyond this, the employer will match up to the first 5% of the employee's compensation that the employee contributes to the plan. Employees hired on or after December 27, 2014 become vested in the employer's contributions over a three-year period. Employees hired prior to December 27, 2014 become vested in employer matching contributions after 1 year of service. In 2014, the Retirement Plan was revised to include a Roth contribution option. Employees who participate in the Pension Plan are allowed to make contributions to the Retirement Plan up to IRS annual limitations, but do not receive matching employer contributions. For the year 2024, plan-wide employee contributions approximated $2,500,000 and plan-wide employer contributions approximated $3,200,000. For the year 2024, plan-wide forfeitures of employer matching contributions totaled $4,267 and the ending balance in the forfeiture account was $118,705.

3-N Net Position

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2024 is calculated as follows:

	Governmental Activities	Business-type Activities	Total
Cost of capital assets	$ 287,345,589	$ 1,851,485,382	$ 2,138,830,971
Less: accumulated depreciation	(172,770,805)	(706,445,449)	(879,216,254)
Book value	114,574,784	1,145,039,933	1,259,614,717
Less: capital related debt	-	(129,300,000)	(129,300,000)
Less: premium on capital related debt	-	(20,951,000)	(20,951,000)
Less: payables for capital items	(2,258,033)	-	(2,258,033)
Less: asset retirement obligations	-	(66,595,000)	(66,595,000)
Less: deferred inflows of resources - ITS sale	-	(4,388,000)	(4,388,000)
Add: lease and SBITA assets	-	266,000	266,000
Add: regulatory asset - capital asset AROs	-	64,990,000	64,990,000
Net investment in capital assets	$ 112,316,751	$ 989,061,933	$ 1,101,378,684

Net position restricted for capital projects for governmental activities, reported on the government-wide statement of net position as of December 31, 2024, is calculated as follows:

	Governmental Activities
Capital projects fund balance	$ 34,178,547
Less: capital related debt	(16,470,000)
Less: premium on capital related debt	(1,669,423)
Add: payables for capital items included elsewhere	2,258,033
Net position restricted for capital projects	$ 18,297,157

3-O Interutility Sales

The WLSF Commission records sales of electricity, natural gas, water, wastewater, and information technology (at rates charged to customers for similar services) among its utility systems as revenue of the selling utility system and expense of the purchasing utility system. During the year ended December 31, 2024, interutility sales were as follows:

Electric	$	3,896,000
Natural gas		12,000
Water		271,000
Wastewater		180,000
Information technology		2,522,000
Total	$	6,881,000

Note 4 - Other Notes

4-A Hotel/Motel Lodging Tax

The City has levied a 7% tax in accordance with the provisions of O.C.G.A. 48-13-51(b). The City is required to spend an amount equal to at least 57% for the purposes of promoting tourism, conventions, and trade shows or for facilities used for these purposes. A summary of the transactions for the current year are as follows:

Lodging tax receipts	$	2,103,611
Disbursements for tourism, conventions, trade shows, center support, and tourism product development	$	1,296,052
Percentage of tax receipts		61.6%

The City transferred $807,559 of hotel/motel tax receipts to the general fund for the current year.

4-B Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The government has transferred risk of loss to commercial insurers for the majority of the risks for which it is exposed.

The City was self-insured in the past for workers' compensation insurance and health insurance. A risk pool fund was created to pay any remaining workers' compensation or health insurance claims. As claims arise, the risk pool fund charges the specific department to reimburse the claim expense. For the years ended December 31, 2024, 2023, and 2022 there were no settlements in excess of stop-loss insurance coverage.

The risk pool fund had a decrease in net position for 2024. This decrease in net position of $17,637 was allocated to the general government function in the statement of activities.

4-B Risk Management (continued)

The WLSF Commission has transferred risk of loss to commercial insurers for the majority of the risks for which it is exposed, except for any potential environmental liabilities, as disclosed in Note 4-C.

The WLSF Commission maintains private insurance through its participation with GPC and agreements of indemnity with the NRC to cover third-party liability arising from a nuclear incident, which might occur at the nuclear plants in which the WLSF Commission has an interest. In the event a public liability loss arising from a nuclear incident at a facility currently covered by government indemnification exceeds $450,000,000, under the current provisions of the Price-Anderson Act, the owners of a nuclear power plant could be assessed a deferred assessment of up to $137,600,000 per incident for each licensed reactor operated by it, but not more than $20,500,000 per reactor per incident to be paid in a calendar year. The WLSF Commission is liable for its share of any such deferred assessment, based on its ownership percentage in nuclear plants as set forth in Note 1.

GPC, on behalf of all co-owners of Plants Hatch and Vogtle, is a member of Nuclear Electric Insurance Limited ("NEIL"). NEIL is a mutual insurer established to provide insurance coverage against property damage to its members' nuclear generating facilities. In the event that losses exceed accumulated reserve funds, the members are subject to retroactive premium assessments in proportion to their participation in the mutual insurer. The WLSF Commission's maximum annual assessment would be $2,400,000 under current policies.

All retrospective assessments, whether generated for liability, property, or replacement power, may be subject to applicable state premium taxes.

4-C Commitments and Contingent Liabilities

Vogtle Units 3 & 4 nuclear development – The WLSF Commission is participating with GPC, OPC, and MEAG, (collectively, the "Vogtle Owners") to construct two new nuclear reactors generating electric capacity of approximately 1,100 MWs each at the Plant Vogtle Site. Vogtle Units 3 and 4 began construction in 2009, with Unit 3 being placed into commercial operation on July 31, 2023 and Unit 4 on April 29, 2024. The WLSF Commission has a 1.6% ownership stake in Vogtle Units 3 and 4. Through December 31, 2024, the WLSF Commission has spent $308,900,000 on the new units.

General litigation matters – The WLSF Commission is subject to certain claims and legal actions arising in the ordinary course of business. Litigation over claims of various types, including property damage, personal injury, common law nuisance, and citizen enforcement of environmental requirements, has increased generally throughout the U.S. The ultimate outcome of such pending or potential litigation against the WLSF Commission cannot be predicted at this time; however, for current proceedings not specifically reported herein, management does not anticipate that the ultimate liabilities, if any, arising from such current proceedings would have a material effect on the WLSF Commission's financial statements.

Land Application System - In October 2019, the WLSF Commission received two ante litem notices asserting state law tort claims related to the WLSF Commission's Land Application System, which allege negligence which caused personal injuries and property damages to claimants in a total amount of $5 million. On October 31, 2019, the WLSF Commission denied the claims of the ante litem notice. At this time, no suit has been filed by the claimants. The WLSF Commission intends to vigorously pursue and defend this matter. However, the ultimate outcome of this matter cannot be determined at this time.

4-C Commitments and Contingent Liabilities (continued)

Clean Water Act Claims - City of Rome, Georgia v. Board of Water Light and Sinking Fund Commissioners of the City of Dalton, Georgia d/b/a Dalton Utilities, et. al. - This suit was originally filed in 2019 by the City of Rome, Georgia against several floorcovering and chemical manufacturers. The case was amended in May 2022 to include the WLSF Commission, and alleges that PFAS chemicals from operations had entered the waterways in and around Dalton through the land application system ("LAS") operated by the WLSF Commission, resulting in alleged damages to the City of Rome. In December 2022, the City of Rome case was settled by all defendants, including the WLSF Commission, with confidential terms of settlement. The WLSF Commission's financial part of the settlement is an agreement to pay $25 million dollars to the City of Rome in annual payments of $5 million dollars, beginning in June of 2023 and continuing until the settlement amount of $25 million dollars is paid in full. As of December 31, 2024, the WLSF Commission is compliant with the terms agreed upon.

In addition to the financial term of the settlement set forth above, a settlement agreement and general release was executed between the parties containing the following provision: The WLSF Commission "warrants and represents that, to address claims asserted in the Rome and Johnson cases, it will take reasonable steps to prevent the future release of PFAS from the LAS into surrounding waterways by (1) seeking input from the Georgia Environmental Protection Division ("EPD") and, as necessary, the EPA; (2) seeking funding necessary to add PFAS treatment to its current wastewater operations; and (3) at the appropriate time with necessary approvals in place, entering into a consent order requiring the WLSF Commission to address the release of PFAS at the LAS with measures including: (a) shifting from an LAS permit to a direct discharge permit; (b) reducing the historic PFAS at the LAS; (c) minimizing the release of PFAS from the LAS into surrounding waterways." At this time, the financial cost and timing associated with this term of settlement is not known and not reasonably estimable.

Clean Water Act Claims - Johnson v. 3M, et al (including the Board of Water Light and Sinking Fund Commissioners of the City of Dalton, Georgia d/b/a Dalton Utilities) - In 2020, the WLSF Commission was named as a defendant in a claim that it was in violation of the Clean Water Act and two additional state laws. In September 2021, the court dismissed one of the state law claims. At this time, the WLSF Commission is unable to determine the potential liabilities that could result from unfavorable outcomes in these matters. The WLSF Commission intends to vigorously pursue and defend these matters. However, the ultimate outcome of these matters cannot be determined at this time.

Clean Water Act Claims - Coosa River Basin Initiative, et al (including the Board of Water Light and Sinking Fund Commissioners of the City of Dalton, Georgia d/b/a Dalton Utilities) – In April 2025, the WLSF Commission was named as a defendant in a claim that it was in violation of the Clean Water Act and the Georgia Water Quality Control Act. This litigation is in the early stages. The WLSF Commission intends to vigorously pursue and defend these matters. However, the ultimate outcome of these matters cannot be determined at this time.

Core Scientific Bankruptcy - On December 21, 2022, Core Scientific, Inc., and certain of its subsidiaries ("Core") filed voluntary chapter 11 bankruptcy petitions in the United States Bankruptcy Court for the Southern District of Texas. Prior to the commencement of the bankruptcy proceeding, the WLSF Commission supplied Core with electric utility and other services to power its cryptocurrency mining operations. At the petition date, Core owed the WLSF Commission $9.1 million related to utility services provided prior to the petition date. On January 24, 2024, a promissory note agreement was reached between Core and the WLSF Commission where the full balance owed of $9.1 million would be repaid with interest. As of May 2, 2024, all funds related to the promissory note were received by the WLSF Commission.

Certain environmental contingencies - The WLSF Commission is subject to present and developing environmental regulations by various federal, state, and local jurisdictions.

4-C Commitments and Contingent Liabilities (continued)

Five-year permit for wastewater treatment - During 1997, the WLSF Commission was issued a five-year permit for its wastewater treatment systems by the EPD of the Georgia Department of Natural Resources. The permit was contingent upon the undertaking by the WLSF Commission to make certain improvements to its wastewater treatment systems and included a compliance schedule for those improvements. The WLSF Commission completed all improvements required under the 1997 permit. In March 2002, the WLSF Commission requested and received a two-year extension of the permit to allow time for a full watershed assessment to be performed. The assessment was completed on December 24, 2003 and a permit renewal application was submitted in accordance with the requirements of the existing permit. The existing five-year permit was issued March 26, 2007, and expired March 25, 2012. On March 23, 2012, the WLSF Commission was granted an indefinite extension by the EPD on its existing permit while its application for a reissuance of the five-year permit is evaluated. On March 23, 2015, a new permit was received by the WLSF Commission, effective April 1, 2015 but was appealed. It was amended on October 13, 2015 and expired at midnight on March 31, 2020. The WLSF Commission is allowed to operate on the expired permit due to the length of time to review applications, which has been submitted to the EPA.

Fuel commitments - The WLSF Commission has entered into various long-term commitments for the procurement and delivery of natural gas and electricity to consumers, which are not recognized on the statement of net position. In 2024, the WLSF Commission incurred purchased gas expense of $16,100,000 and purchased electricity expense of $78,500,000, the majority of which was purchased under long-term commitments. The WLSF Commission expects that a substantial amount of its future gas and purchased electricity needs will continue to be purchased under long-term commitments.

4-D Conduit Debt Obligations

Conduit debt obligations with limited commitments – In April 2018, the City issued general obligation bonds for the use and benefit of the City of Dalton Board of Education to finance the construction and equipping of a new school building. The City of Dalton Board of Education is the obligor of the debt pursuant to a contractual agreement. The City of Dalton Board of Education is not a component unit of the City. The bonds are payable solely from a voter-approved property tax, as facilitated through a Dalton Public Schools debt service millage rate. In addition, no commitments beyond the pledged tax funds, the payments from the City of Dalton Board of Education, and maintenance of the tax-exempt status of the conduit debt obligations were extended by the City for any of those bonds. At December 31, 2024, the bonds have an aggregate outstanding principal amount payable of $39,525,000.

4-E Joint Ventures

The City participates with Whitfield County in the Dalton-Whitfield Regional Solid Waste Management Authority. All budgetary and financial records are maintained by the City of Dalton. The DWRSWMA issued separate audited financial statements dated May 19, 2025.

The City and Whitfield County share equally in operations of the DWRSWMA, which operates solid waste disposal sites within Whitfield County. Administration is accomplished through a five-member board with each government appointing two members and those four appointing the fifth member. Current expenditures are funded through user fees and, if necessary, equal transfers from both governments. The City's equity interest in this joint venture is reported as an enterprise fund. The City's share of the resulting income or loss from the joint venture is shown separately as charge for services on the statement of activities.

State and federal laws and regulations require the DWRSWMA to place a final cover on its landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at each site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the DWRSWMA reports a portion of the closure and post-closure care costs as a non-operating expense in each period based on landfill capacity used as of each balance sheet date. The accrual for closure and post-closure cost is summarized by location as follows:

Landfill sites:	Westside	Old Dixie Phases 2, 4, & 5	Old Dixie Phase 6	Balefill	Total
Estimated future costs:					
Closure	Completed	Completed	$ 15,098,000	$ 1,546,000	$ 16,644,000
Post-closure	1,001,000	2,608,000	8,599,000	1,551,000	13,759,000
	1,001,000	2,608,000	23,697,000	3,097,000	30,403,000
Percentage of total landfill capacity used at					
December 31, 2024	100.0%	100.0%	67.0%	99.6%	
	$ 1,001,000	$ 2,608,000	$ 15,884,000	$ 3,085,000	$ 22,578,000

The DWRSWMA will record the remaining estimated cost of closure and post-closure care costs of $7,825,000 as the remaining capacity is filled. Estimated remaining landfill life is 11.34 years. The above estimates are based on what it would cost to perform all closure and post-closure care in 2024. Actual costs when incurred may be higher due to inflation, changes in technology, or changes in laws and regulations.

4-E Joint Ventures (continued)

The DWRSWMA landfill closure and post-closure requirements are being funded from user fees and interest earned from investments. If these revenues are inadequate or additional post-closure care requirements are determined, these costs may need to be covered by charges to future landfill users.

According to the latest inspection reports issued by the Georgia Department of Natural Resources, dated September 22, 2023, the DWRSWMA was in compliance for closure and post-closure care financial assurance requirements through for the year ended December 31, 2022. Information has been submitted indicating the DWRSWMA is in compliance with the requirements for the year ended December 31, 2023. The Authority has not yet submitted information, but asserts they will again be in compliance for the year ended December 31, 2024.

Condensed audited financial statements for the DWRSWMA at December 31, 2024 are as follows:

Statement of Net Position		
Assets		
Current assets	$	25,274,816
Capitalized assets		23,990,834
Other assets		101,833
Total assets		49,367,483
Deferred outflows of resources		512,455
Total assets and deferred outflows	$	49,879,938
Liabilities		
Current liabilities	$	597,963
Non-current liabilities		23,661,593
Total liabilities		24,259,556
Deferred inflows of resources		875,611
Net position		24,744,771
Total liabilities, deferred inflows, and net position	$	49,879,938
Statement of Revenues, Expenses, and Changes in Fund Net Position		
Operating revenues	$	10,550,557
Operating expenses		(5,643,705)
Depreciation		(1,516,494)
Operating income (loss)		3,390,358
Non-operating revenues (expenses)		(5,407,427)
Change in net position		(2,017,069)
Beginning net position		26,761,840
Ending net position	$	24,744,771

4-E Joint Ventures (continued)

The City participates with Whitfield County in the Northwest Georgia Trade and Convention Center Authority. All budgetary and financial records are maintained by the City of Dalton. The Convention Center issued separate audited financial statements dated May 23, 2025.

The City and Whitfield County share equally in operations of the Convention Center, which operates to promote tourism within the City of Dalton and Whitfield County by hosting conventions, special events, and trade shows. Current expenditures are funded through user fees and, if necessary, equal transfers from both governments. The City's equity interest in this joint venture is reported as an enterprise fund. The City's share of the resulting income or loss from the joint venture is shown separately as charge for services on the statement of activities.

Condensed audited financial statements for the Convention Center at December 31, 2024 are as follows:

Statement of Net Position	
Assets	
Current assets	$ 679,075
Capitalized assets	9,354,749
Total assets	10,033,824
Deferred outflows of resources	62,525
Total assets and deferred outflows	$ 10,096,349
Liabilities	
Current liabilities	$ 582,831
Non-current liabilities	251,119
Total liabilities	833,950
Deferred inflows of resources	87,098
Net position	9,175,301
Total liabilities, deferred inflows, and net position	$ 10,096,349
Statement of Revenues, Expenses, and Changes in Fund Net Position	
Operating revenues	$ 1,845,989
Operating expenses	(2,366,337)
Depreciation	(846,321)
Operating income (loss)	(1,366,669)
Non-operating revenues (expenses)	1,214,584
Change in net position	(152,085)
Beginning net position	9,327,386
Ending net position	$ 9,175,301

4-E Joint Ventures (continued)

The City participates with Whitfield County in the Dalton-Whitfield Joint Development Authority and the Dalton-Whitfield Economic Development Authority, which are reported as one entity as disclosed in Note 1. All budgetary and financial records are maintained by the JDA, which is housed at the Dalton-Whitfield Chamber of Commerce. The JDA issued separate audited financial statements dated June 6, 2025.

The City and Whitfield County share equally in operations of the JDA, which operates to promote economic development within the City of Dalton and Whitfield County. Current expenditures are funded through equal transfers from both governments and fees charged related to bond issuances. The City's transfer to this entity is shown as an expenditure of the general fund, and the City's equity interest in this joint venture is shown as an investment in a joint venture for governmental activities in the government-wide statement of net position. The City's share of the resulting income or loss from the joint venture is shown as an expense for economic development on the statement of activities.

Condensed audited financial statements for the JDA at December 31, 2024 are as follows:

Statement of Net Position		
Assets		
Current assets	$	2,636,052
Capitalized assets		29,187
Noncurrent assets		406,111
Total assets	$	3,071,350
Current liabilities	$	52,311
Net position		3,019,039
Total liabilities and net position	$	3,071,350
Statement of Activities		
Program revenues	$	173,518
General revenues		637,668
Economic development expenses		(491,765)
Change in net position		319,421
Beginning net position		2,699,618
Ending net position	$	3,019,039

4-F Component Unit

The City of Dalton Building Authority is a legally separate entity and has been included as a discretely presented component unit in the accompanying financial statements. It is reported as a separate column in the government-wide statements to emphasize that it is legally separate from the City. The City of Dalton Board of Education, Whitfield County, Georgia, and the City of Dalton, Georgia each have outstanding debt in the Building Authority's name, as discussed in Note 3-J. All debt proceeds and payments related to Building Authority issued debt flow through the Building Authority. The entity reports inflows from the City of Dalton Board of Education, Whitfield County, and the City as transfers in and reports the related outflows of principal, interest, and sinking fund payments as debt service expenditures, as the entity is primarily a conduit for the respective governmental entities. The Building Authority holds various cash balances from proceeds from debt on behalf of the City, Whitfield County, or of the Board of Education. Amounts held in the Building Authority's cash account are reported as a receivable or payable in the financials.

4-G Debt Contingency

The City of Dalton Building Authority issued revenue bonds as a private placement offering during 2020 to finance certain SPLOST projects and other projects and renovations within Whitfield County. The bonds were satisfied during 2024, and the amount of the bonds outstanding as of December 31, 2024 is $0.

The City of Dalton Building Authority issued revenue bonds as a public offering during 2022 to finance certain capital outlay projects for the City of Dalton Board of Education. The amount of the bonds outstanding as of December 31, 2024 is $13,050,000.

4-H Tax Abatements

The Dalton-Whitfield Joint Development Authority (a joint venture between the City and Whitfield County, as disclosed in Note 1-A) has entered into several agreements for abatement of property taxes. The JDA provides tax incentives, based upon certain criteria, to potential and existing entities for the purpose of furthering economic growth in the Dalton-Whitfield area. The JDA is not a taxing authority. The tax abatements offered are abatements of Whitfield County, Georgia property tax and City of Dalton, Georgia property tax. Whitfield County and the City must approve the tax incentive agreements prior to their execution.

The criteria that makes an entity eligible for tax abatements through the JDA include providing new capital investment and/or new jobs in the Dalton-Whitfield area. The amount of the tax abatement transaction is determined based upon a specified rubric. Planned new jobs, community investment, diversification, wage levels, project location, and other factors are considered in determining the amount of tax abatement offered to an entity. The tax abatement period for a project can last up to fifteen years.

The entity must be willing to enter into a contractual agreement with the JDA and willing to enter into a bond financed sale leaseback transaction ("Industrial Revenue Bonds") which transfers title to improvements (land, buildings, equipment) during the life of the tax deferment/abatement plan to the JDA, as provided by Georgia state law. The local taxing jurisdictions and the public receive notice of the title transfer pursuant to an Industrial Revenue Bond validation.

4-H Tax Abatements (continued)

Entities with tax abatements are required to file an annual report with the JDA which certifies the number of jobs created, the cumulative amount of capital investment, and other applicable measurements. In the event the entity fails to meet specified goals, a percentage method described in each agreement is used to determine the shortfall. The shortfall percentage is multiplied by the amount of taxes abated for the year for the project to arrive at a recovery payment. The recovery payment is due with the annual report.

Twenty-six abatement agreements are outstanding as of December 31, 2024. Reductions in tax revenues attributable to local governments are as follows:

Government Entity	2024 Tax Reduction
City of Dalton, Georgia	$ 60,134
Whitfield County, Georgia	1,426,348
City of Dalton Board of Education	527,403
Whitfield County Board of Education	3,426,663

REQUIRED SUPPLEMENTARY INFORMATION

City of Dalton, Georgia
Required Supplementary Information
Schedule of Changes in the Net Pension (Asset) Liability
December 31, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability:										
Service cost	$ 1,743,901	$ 1,652,021	$ 1,592,733	$ 1,453,620	$ 1,439,780	$ 1,426,355	$ 1,566,107	$ 1,470,510	$ 1,517,033	$ 1,470,162
Expected interest growth	8,238,500	8,495,017	8,713,989	8,904,957	9,270,324	9,429,765	9,868,313	10,314,455	10,633,869	10,987,459
Demographic experience	(1,273,686)	216,267	(54,192)	(798,265)	(780,862)	(1,001,988)	3,245,665	(703,877)	2,169,780	(641,319)
Benefit payments and refunds	(6,513,889)	(6,904,562)	(7,133,475)	(7,440,532)	(7,499,751)	(7,662,936)	(7,845,115)	(8,464,660)	(8,994,541)	(9,241,439)
Benefit term changes	-	-	-	-	-	-	-	2,543,098	-	-
Assumption changes	1,890,054	-	-	3,352,582	-	4,198,143	-	(252,245)	-	-
Allocation changes	-	-	-	-	674	-	(2)	-	-	-
Net change in total pension liability	4,084,880	3,458,743	3,119,055	5,472,362	2,430,165	6,389,339	6,834,968	4,907,281	5,326,141	2,574,863
Total pension liability - beginning (a)	122,337,634	126,422,514	129,881,257	133,000,312	138,472,674	140,902,839	147,292,178	154,127,146	159,034,427	164,360,568
Total pension liability - ending (c)	$ 126,422,514	$ 129,881,257	$ 133,000,312	$ 138,472,674	$ 140,902,839	$ 147,292,178	$ 154,127,146	$ 159,034,427	$ 164,360,568	$ 166,935,431
Plan fiduciary net position:										
Employer contributions	$ 7,099,703	$ 6,841,734	$ 7,225,029	$ 7,311,443	$ 7,729,413	$ 9,130,197	$ 3,251,149	$ 2,600,285	$ 1,651,195	$ 8,218,086
Employee contributions	784,871	769,249	727,343	688,300	663,908	677,164	646,835	647,018	608,829	593,940
Benefit payments and refunds	(6,513,878)	(6,904,591)	(7,133,475)	(7,440,532)	(7,499,751)	(7,662,936)	(7,845,115)	(8,464,660)	(8,994,541)	(9,241,439)
Administrative expenses	(59,791)	(42,900)	(59,239)	(50,901)	(69,262)	(79,278)	(61,000)	(49,056)	(51,592)	(50,021)
Expected interest growth	5,718,288	5,800,923	6,299,827	7,130,290	6,967,184	8,411,988	9,461,022	10,412,008	8,353,212	9,449,492
Unexpected investment income	(5,527,933)	814,584	5,258,879	(10,188,016)	12,813,826	7,913,820	9,130,438	(34,630,214)	11,429,573	9,782,983
Allocation changes	-	-	-	-	(684)	-	(2)	-	-	-
Net change in plan fiduciary net position	1,501,260	7,278,999	12,318,364	(2,549,416)	20,604,634	18,390,955	14,583,327	(29,484,619)	12,996,676	18,753,041
Plan fiduciary net position - beginning (b)	83,354,643	84,855,903	92,134,902	104,453,266	101,903,850	122,508,484	140,899,439	155,482,766	125,998,147	138,994,823
Plan fiduciary net position - ending (d)	$ 84,855,903	$ 92,134,902	$ 104,453,266	$ 101,903,850	$ 122,508,484	$ 140,899,439	$ 155,482,766	$ 125,998,147	$ 138,994,823	$ 157,747,864
Net pension (asset) liability - beginning (a) - (b)	$ 38,982,991	$ 41,566,611	$ 37,746,355	$ 28,547,046	$ 36,568,824	$ 18,394,355	$ 6,392,739	$ (1,355,620)	$ 33,036,280	$ 25,365,745
Net pension (asset) liability - ending (c) - (d)	$ 41,566,611	$ 37,746,355	$ 28,547,046	$ 36,568,824	$ 18,394,355	$ 6,392,739	$ (1,355,620)	$ 33,036,280	$ 25,365,745	$ 9,187,567
Pension Plan's fiduciary net position as a % of total pension liability	67%	71%	79%	74%	87%	96%	101%	79%	85%	94%
Covered payroll	$ 16,758,095	$ 15,756,935	$ 15,113,517	$ 14,091,077	$ 13,722,784	$ 13,304,622	$ 13,740,735	$ 13,030,951	$ 12,664,635	$ 11,986,986
Net pension liability as a percentage of covered payroll	248%	240%	189%	260%	134%	48%	N/A	254%	200%	77%

City of Dalton, Georgia
Required Supplementary Information
Schedule of Funding Progress for Pensions
December 31, 2024

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension (Asset) Liability	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
12/31/2015	$ 126,422,514	$ 84,855,903	$ 41,566,611	67%	$ 16,758,095	248%
12/31/2016	129,881,257	92,134,902	37,746,355	71%	15,756,935	240%
12/31/2017	133,000,312	104,453,266	28,547,046	79%	15,113,517	189%
12/31/2018	138,472,674	101,903,850	36,568,824	74%	14,091,077	260%
12/31/2019	140,902,839	122,508,484	18,394,355	87%	13,722,784	134%
12/31/2020	147,292,178	140,899,439	6,392,739	96%	13,304,622	48%
12/31/2021	154,127,146	155,482,766	(1,355,620)	101%	13,740,735	N/A
12/31/2022	159,034,427	125,998,147	33,036,280	79%	13,030,951	254%
12/31/2023	164,360,568	138,994,823	25,365,745	85%	12,664,635	200%
12/31/2024	166,935,431	157,747,864	9,187,567	94%	11,986,986	77%

N/A - Not applicable

City of Dalton, Georgia
Required Supplementary Information
Schedule of Actuarially Determined Contributions for Pensions
December 31, 2024

Year End	Actuarially Determined Contribution (1)	Contributions Recognized by the Plan (2)	Difference Between (1) and (2)	Covered Payroll	Contributions as a % of Covered Payroll
12/31/2015	$ 7,099,703	$ 7,099,703	$ -	$ 16,758,095	42%
12/31/2016	6,657,107	6,841,734	(184,627)	15,756,935	43%
12/31/2017	7,409,656	7,225,029	184,627	15,113,517	48%
12/31/2018	7,311,443	7,311,443	-	14,091,077	52%
12/31/2019	7,728,729	7,729,413	(684)	13,722,784	56%
12/31/2020	9,130,197	9,130,197	-	13,304,622	69%
12/31/2021	3,251,149	3,251,149	-	13,740,735	24%
12/31/2022	2,600,285	2,600,285	-	13,030,951	20%
12/31/2023	1,651,195	1,651,195	-	12,664,635	13%
12/31/2024	5,482,015	8,218,086	(2,736,071)	11,986,986	69%

City of Dalton, Georgia
Required Supplementary Information
Schedule of Annual Money-Weighted Rates of Return and Notes to Required Supplementary Information for Pensions
December 31, 2024

Schedule of Annual Money-Weighted Rates of Return, Net of Investment Expense:

December 31, 2024	13.98%

Notes to Required Supplementary Information for Pension:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Employers' reporting date:	December 31, 2024
Measurement date:	December 31, 2024
Actuarial valuation date:	January 1, 2024
Actuarial cost method:	Projected unit credit cost
Amortization method:	The unfunded actuarial accrued liability is amortized over a 20 year period from January 1, 2020 with level dollar payments.
Asset method:	The actuarial value of assets is equal to the fair value of assets.
Interest rate:	6.81% per annum
Discount rate:	6.81% per annum
Inflation:	2.50% per year
Salary increases:	3.25% per year
Changes in assumptions:	No assumptions were changed since the prior measurement date.
Changes in benefit terms:	No benefit terms were changed since the prior measurement date.

City of Dalton, Georgia
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability
December 31, 2024

	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability:							
Service cost	$ 718,157	$ 343,785	$ 372,240	$ 327,457	$ 145,558	$ 213,077	$ 145,570
Expected interest growth	1,345,164	1,142,963	453,023	461,185	1,100,391	696,378	797,068
Demographic experience	(4,699,489)	(4,840,113)	(36,737)	5,507,148	(6,499,491)	(462,682)	(1,883,404)
Benefit payments and refunds	(755,998)	(766,394)	(805,454)	(1,388,280)	(873,409)	(700,627)	(555,971)
Assumption changes	96,681	(7,827,897)	1,041,897	63,701	(2,149,127)	1,562,265	(220,284)
Net change in total OPEB liability	(3,295,485)	(11,947,656)	1,024,969	4,971,211	(8,276,078)	1,308,411	(1,717,021)
Total OPEB liability - beginning (a)	35,707,910	32,412,425	20,464,769	21,489,738	26,460,949	18,184,871	19,493,282
Total OPEB liability - ending (c)	$ 32,412,425	$ 20,464,769	$ 21,489,738	$ 26,460,949	$ 18,184,871	$ 19,493,282	$ 17,776,261
Plan fiduciary net position:							
Retiree contributions	$ 193,146	$ 187,598	$ 198,496	$ 195,291	$ -	$ -	$ -
Benefit payments and refunds	(755,998)	(766,394)	(805,454)	(1,388,280)	(873,409)	(700,627)	(555,971)
Administrative expenses	(24,560)	(14,717)	(24,180)	(19,282)	(16,533)	(17,973)	(14,459)
Expected interest growth	296,647	236,909	222,135	190,631	89,122	64,539	29,583
Unexpected investment income	(456,718)	480,291	257,561	290,148	(459,073)	96,443	30,660
Net change in plan fiduciary net position	(747,483)	123,687	(151,442)	(731,492)	(1,259,893)	(557,618)	(510,187)
Plan fiduciary net position - beginning (b)	4,014,804	3,267,321	3,391,008	3,239,566	2,508,074	1,248,181	690,563
Plan fiduciary net position - ending (d)	$ 3,267,321	$ 3,391,008	$ 3,239,566	$ 2,508,074	$ 1,248,181	$ 690,563	$ 180,376
Net OPEB liability - beginning (a) - (b)	$ 31,693,106	$ 29,145,104	$ 17,073,761	$ 18,250,172	$ 23,952,875	$ 16,936,690	$ 18,802,719
Net OPEB liability - ending (c) - (d)	$ 29,145,104	$ 17,073,761	$ 18,250,172	$ 23,952,875	$ 16,936,690	$ 18,802,719	$ 17,595,885
OPEB Plan's fiduciary net position as a percentage of total OPEB liability	10%	17%	15%	9%	7%	4%	1%
Covered payroll	$ 31,589,049	$ 34,333,776	$ 40,206,869	$ 39,986,095	$ 44,439,081	$ 45,356,859	$ 44,608,622
Net OPEB liability as a percentage of covered payroll	92%	50%	45%	60%	38%	41%	39%

Note: 2018 was the first year that data was measured in accordance with GASB 75.
Note: Only seven years of information is presented in the schedule above; ten years of information will be presented as it becomes available.

City of Dalton, Georgia
Required Supplementary Information
Schedule of Funding Progress for OPEB
December 31, 2024

Measurement Date	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability	Funded Percentage	Covered Payroll	Net OPEB Liability as a % of Covered Payroll
12/31/2015	$ 33,110,465	$ 4,101,366	$ 29,009,099	12%	$ 33,536,675	86%
12/31/2016	33,266,025	3,910,615	29,355,410	12%	NA	NA
12/31/2017	35,707,910	4,014,804	31,693,106	11%	NA	NA
12/31/2018	32,412,425	3,267,321	29,145,104	10%	31,589,049	92%
12/31/2019	20,464,769	3,391,008	17,073,761	17%	34,333,776	50%
12/31/2020	21,489,738	3,239,566	18,250,172	15%	40,206,869	45%
12/31/2021	26,460,949	2,508,074	23,952,875	9%	39,986,095	60%
12/31/2022	18,184,871	1,248,181	16,936,690	7%	44,439,081	38%
12/31/2023	19,493,282	690,563	18,802,719	4%	45,356,859	41%
12/31/2024	17,776,261	180,376	17,595,885	1%	44,608,622	39%

NA - Not available
Note: 2018 was the first year that data was measured in accordance with GASB 75.

Notes to Required Supplementary Information for OPEB:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Employers' reporting date:	December 31, 2024
Measurement date:	December 31, 2024
Actuarial valuation date:	January 1, 2024
Discount rate:	4.28% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
Expected long-term return on assets:	7.21% per annum
Inflation:	2.50% per annum
Salary increases:	3.25% per annum
Healthcare cost trend rates:	Increases in healthcare costs are assumed to be 7.50% for the 2024 fiscal year graded down by 0.50% per year to 5.00% for the 2029 and later fiscal years.
COLA increases:	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates; life insurance premiums are not assumed to increase.
Changes in assumptions:	Since the prior measurement date, the discount rate was increased from 4.00% per annum to 4.28% per annum.

COMBINING FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond, lease, and note payable principal and interest from governmental resources.

Capital Projects Funds

The Capital Projects Funds are used to account for the resources that are restricted, committed, or assigned for certain capital outlays. Ongoing capital outlays that are accounted for in these funds include SPLOST and LOST projects as well as general capital acquisition.

City of Dalton, Georgia
Combining Balance Sheet - By Fund Type
Nonmajor Governmental Funds
December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	$ 7,114,133	$ 5,394	$ 22,161,257	$ 29,280,784
Restricted cash	-	-	3,754,621	3,754,621
Receivables:				
Accounts	891,578	-	9,301,199	10,192,777
Taxes	12,331	-	-	12,331
Intergovernmental - federal	5,636,276	-	-	5,636,276
Intergovernmental - state	903,330	-	-	903,330
Intergovernmental - local	91,349	-	1,219,503	1,310,852
Interfund	269	-	-	269
Total Assets	$ 14,649,266	$ 5,394	$ 36,436,580	$ 51,091,240
Liabilities				
Accounts payable	$ 1,522,084	$ -	$ 2,254,498	$ 3,776,582
Interfund payable	6,187,856	-	3,535	6,191,391
Unearned revenue	739,160	-	-	739,160
Total Liabilities	8,449,100	-	2,258,033	10,707,133
Deferred Inflows of Resources				
Unavailable revenue - grant funding	854	-	-	854
Fund Balances				
Restricted for:				
General government	328,861	-	-	328,861
Economic development	186,407	-	-	186,407
Public safety	286,231	-	-	286,231
Public works	5,205,313	-	-	5,205,313
Health and welfare	192,499	-	-	192,499
Housing and development	1	-	-	1
Debt service	-	5,394	-	5,394
Capital projects	-	-	34,178,547	34,178,547
Total Fund Balances	6,199,312	5,394	34,178,547	40,383,253
Total Liabilities and Fund Balances	$ 14,649,266	$ 5,394	$ 36,436,580	$ 51,091,240

City of Dalton, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Real and personal property taxes	$ 11,746	$ -	$ -	$ 11,746
Hotel/motel taxes	2,103,611	-	-	2,103,611
Intergovernmental - federal	7,236,946	-	-	7,236,946
Intergovernmental - state	926,694	-	-	926,694
Intergovernmental - local	91,349	-	5,441,476	5,532,825
Fines and forfeitures	181,289	-	-	181,289
Investment earnings	7,232	1,580	939,323	948,135
Miscellaneous	-	-	109,009	109,009
Total Revenues	10,558,867	1,580	6,489,808	17,050,255
Expenditures				
Current:				
General government	79,527	-	17,836	97,363
Public safety	47,628	-	-	47,628
Health and welfare	242,842	-	-	242,842
Culture and recreation	698,603	-	-	698,603
Housing and development	153,276	-	-	153,276
Capital Outlay				
General government	4,310,670	-	417,912	4,728,582
Public safety	-	-	2,548,375	2,548,375
Public works	4,081,083	-	11,280,733	15,361,816
Culture and recreation	2,404,558	-	3,104,584	5,509,142
Health and welfare	29,950	-	196,838	226,788
Debt Service:				
Principal retirement	-	660,000	-	660,000
Interest and fiscal charges	-	526,550	-	526,550
Total Expenditures	12,048,137	1,186,550	17,566,278	30,800,965
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,489,270)	(1,184,970)	(11,076,470)	(13,750,710)
Other Financing Sources (Uses)				
Proceeds from sale of assets	33,165	-	110,147	143,312
Transfers in	8,585,611	1,186,550	7,765,351	17,537,512
Transfers out	(3,405,008)	-	(3,666,787)	(7,071,795)
Total Other Financing Sources (Uses)	5,213,768	1,186,550	4,208,711	10,609,029
Net Change in Fund Balances	3,724,498	1,580	(6,867,759)	(3,141,681)
Fund Balances Beginning of Year	2,474,814	3,814	41,046,306	43,524,934
Fund Balances End of Year	$ 6,199,312	$ 5,394	$ 34,178,547	$ 40,383,253

GENERAL FUND

The General Fund accounts for all sources of financial resources applicable to the general operations of the City which are not accounted for in another fund.

City of Dalton, Georgia
Comparative Balance Sheet
General Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 11,446,908	$ 13,023,187
Investments	3,027,836	17,725,451
Receivables:		
Accounts	2,018,617	1,779,649
Taxes	6,924,417	1,018,363
Intergovernmental - state	-	1,617
Intergovernmental - local	96,810	111,259
Interfund	6,191,391	144,858
Inventory	172,293	223,936
Prepaid items	3,473	457,638
Total Assets	$ 29,881,745	$ 34,485,958
Liabilities		
Accounts payable	$ 786,757	$ 459,493
Accrued expenditures	616,113	452,484
Unearned revenue	99,250	219,000
Interfund payable	269	337
Total Liabilities	1,502,389	1,131,314
Deferred Inflows of Resources		
Unavailable revenue - property taxes	598,489	568,815
Fund Balances		
Nonspendable:		
Inventory	172,293	223,936
Prepaid items	3,473	457,638
Restricted:		
Public works (cemetery)	88,675	88,675
Public works (streetscape)	15,000	15,000
Culture and recreation (greenway project)	27,575	25,000
Culture and recreation (Heritage Point Park disc golf)	8,342	8,342
Culture and recreation (Haig Mill Lake project)	173,400	199,400
Culture and recreation (Burr Park)	25,000	-
Unrestricted:		
Committed:		
General government (airport projects)	641,000	960,977
Culture and recreation (garden project)	20,000	-
Housing and development (Improving Neighborhood Outcomes project)	-	1,704,000
Economic development (902 S Hamilton project)	622,300	
Unassigned	25,983,809	29,102,861
Total Fund Balances	27,780,867	32,785,829
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 29,881,745	$ 34,485,958

City of Dalton, Georgia
Schedule of Revenues - Budget and Actual - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Taxes:					
Real and personal property taxes	$ 8,580,000	$ 8,587,500	$ 8,176,486	$ (411,014)	$ 8,645,274
Alcohol tax	905,000	905,000	883,305	(21,695)	896,577
Business and occupation tax	750,000	744,000	721,833	(22,167)	561,176
Franchise tax	546,000	546,000	504,960	(41,040)	517,969
Financial institution tax	105,000	133,500	133,225	(275)	109,585
Insurance premium tax	3,055,000	3,287,000	3,287,467	467	3,055,164
Intangible tax	36,000	36,000	42,514	6,514	39,949
Real estate transfer tax	24,000	24,000	22,147	(1,853)	15,607
Sales tax	8,650,000	8,993,700	9,130,208	136,508	9,102,752
Title ad valorem tax	1,215,000	1,405,000	1,403,506	(1,494)	1,299,471
Vehicle tax	49,000	49,000	39,889	(9,111)	51,861
Penalties, fines, and interest	100,000	101,000	85,606	(15,394)	93,205
Total taxes	24,015,000	24,811,700	24,431,146	(380,554)	24,388,590
Licenses and permits:					
Alcohol beverage licenses	358,000	358,375	369,854	11,479	359,104
Business licenses	53,000	51,925	57,790	5,865	52,670
Other permits	3,000	2,900	2,230	(670)	5,875
Penalties, fines, and interest	6,000	6,800	3,388	(3,412)	10,761
Total licenses and permits	420,000	420,000	433,262	13,262	428,410
Intergovernmental:					
Payments in lieu of taxes	120,000	120,000	117,293	(2,707)	281,522
Federal grants and contracts	13,000	13,000	5,984	(7,016)	5,172
State grants and contracts	441,000	982,000	979,637	(2,363)	409,789
Total intergovernmental	574,000	1,115,000	1,102,914	(12,086)	696,483
Charges for services:					
Cemetery fees	75,000	75,000	90,565	15,565	86,650
Concession revenue	43,000	46,400	49,656	3,256	61,300
Election and advertising fees	5,000	3,000	2,050	(950)	8,403
Garbage and recycling revenue	1,000	3,500	3,354	(146)	10,607
Indirect cost allocation	106,000	106,000	105,822	(178)	103,166
Municipal court fees	700,000	700,000	733,047	33,047	770,786
Program fees and admissions	207,000	201,900	253,691	51,791	237,075
Public works fees	4,000	4,000	7,614	3,614	3,364
Public safety fees	53,000	53,000	53,144	144	67,133
School resource officer	471,000	471,000	527,903	56,903	494,472
Special events revenue	-	1,200	334	(866)	491
Total charges for services	1,665,000	1,665,000	1,827,180	162,180	1,843,447

(Continued)

City of Dalton, Georgia
Schedule of Revenues - Budget and Actual - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Fines and forfeitures	476,000	476,000	655,471	179,471	498,105
Investment earnings	850,000	1,300,000	1,416,704	116,704	1,180,880
Miscellaneous:					
Donations	13,000	72,500	77,739	5,239	68,029
Reimbursements	19,800	94,600	140,776	46,176	207,895
Rental income	463,200	440,200	329,591	(110,609)	335,712
Miscellaneous	372,000	214,000	214,674	674	188,263
Total miscellaneous	868,000	821,300	762,780	(58,520)	799,899
Total revenues	$ 28,868,000	$ 30,609,000	$ 30,629,457	$ 20,457	$ 29,835,814

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
General Government:					
Legislative					
Personal services and benefits	$ 92,800	$ 97,600	$ 97,414	$ 186	$ 78,405
Purchased and contracted services	41,900	79,100	75,816	3,284	35,910
Supplies	18,300	11,800	10,185	1,615	11,365
Other costs	2,000	-	-	-	-
Total	155,000	188,500	183,415	5,085	125,680
Administrative					
Personal services and benefits	683,000	709,950	709,410	540	463,309
Purchased and contracted services	167,000	143,750	136,475	7,275	104,106
Supplies	66,000	17,900	16,676	1,224	31,188
Other costs	-	28,400	16,451	11,949	-
Total	916,000	900,000	879,012	20,988	598,603
City Clerk					
Personal services and benefits	398,000	408,000	408,334	(334)	352,603
Purchased and contracted services	40,000	40,350	39,931	419	32,613
Supplies	6,000	3,650	3,547	103	3,904
Total	444,000	452,000	451,812	188	389,120
Elections					
Purchased and contracted services	-	-	-	-	8,456
Total	-	-	-	-	8,456
Finance					
Personal services and benefits	621,000	637,750	637,183	567	578,571
Purchased and contracted services	308,000	287,980	282,181	5,799	288,431
Supplies	14,000	16,170	15,931	239	14,143
Other costs	-	100	74	26	-
Total	943,000	942,000	935,369	6,631	881,145
Human Resources					
Personal services and benefits	496,000	450,300	436,195	14,105	394,836
Purchased and contracted services	67,000	113,600	80,756	32,844	43,774
Supplies	6,000	5,100	2,594	2,506	2,028
Total	569,000	569,000	519,545	49,455	440,638
Technology					
Personal services and benefits	403,000	429,350	428,807	543	344,103
Purchased and contracted services	332,000	308,950	297,195	11,755	257,780
Supplies	10,000	6,700	5,461	1,239	5,413
Total	745,000	745,000	731,463	13,537	607,296

(Continued)

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Buildings and Grounds					
Personal services and benefits	71,000	71,000	63,668	7,332	45,845
Purchased and contracted services	218,000	227,700	215,367	12,333	219,999
Supplies	135,000	124,300	123,686	614	119,423
Total	424,000	423,000	402,721	20,279	385,267
Nondepartmental					
Defined benefit plan contribution	-	1,887,000	1,886,838	162	-
Professional fees	125,000	173,000	172,933	67	160,314
Total	125,000	2,060,000	2,059,771	229	160,314
Total General Government	4,321,000	6,279,500	6,163,108	116,392	3,596,519
Judicial:					
Municipal Court					
Personal services and benefits	403,000	394,000	393,685	315	331,862
Purchased and contracted services	226,300	249,170	248,843	327	244,127
Supplies	15,700	10,830	10,508	322	12,708
Total Judicial	645,000	654,000	653,036	964	588,697
Public Safety:					
Fire Department					
Personal services and benefits	10,535,000	10,339,500	10,222,502	116,998	9,162,518
Purchased and contracted services	373,000	540,330	522,653	17,677	390,864
Supplies	477,000	472,170	452,150	20,020	436,766
Capital outlay	4,000	40,000	12,588	27,412	7,087
Total	11,389,000	11,392,000	11,209,893	182,107	9,997,235
Police Department					
Personal services and benefits	9,137,000	9,139,950	9,119,957	19,993	8,121,868
Purchased and contracted services	1,061,000	1,059,050	992,498	66,552	904,888
Supplies	473,000	465,000	409,134	55,866	455,178
Capital outlay	-	-	-	-	5,000
Total	10,671,000	10,664,000	10,521,589	142,411	9,486,934
Total Public Safety	22,060,000	22,056,000	21,731,482	324,518	19,484,169

(Continued)

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Public Works:					
Public Works					
Personal services and benefits	5,861,000	5,805,150	5,400,205	404,945	4,916,093
Purchased and contracted services	1,020,000	1,186,150	1,129,990	56,160	888,449
Supplies	2,072,000	2,053,200	1,811,918	241,282	1,946,301
Capital outlay	17,000	303,000	281,814	21,186	132,167
Other costs	-	-	-	-	836
Total Public Works	8,970,000	9,347,500	8,623,927	723,573	7,883,846
Health and Welfare:					
Special Projects					
Other costs	26,000	26,000	25,984	16	13,534
Total	26,000	26,000	25,984	16	13,534
Total Health and Welfare	26,000	26,000	25,984	16	13,534
Culture and Recreation:					
Recreation Department					
Personal services and benefits	2,605,000	2,775,119	2,766,549	8,570	2,373,611
Purchased and contracted services	655,000	620,582	615,521	5,061	557,521
Supplies	928,000	824,699	801,966	22,733	782,797
Capital outlay	15,000	21,100	28,695	(7,595)	37,734
Other costs	-	-	(140)	140	469
Total	4,203,000	4,241,500	4,212,591	28,909	3,752,132
Special Projects					
Other costs	362,500	368,000	367,280	720	358,640
Total	362,500	368,000	367,280	720	358,640
Total Culture and Recreation	4,565,500	4,609,500	4,579,871	29,629	4,110,772

(Continued)

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Housing and Development:					
Code Compliance					
Personal services and benefits	248,000	238,300	212,265	26,035	141,164
Purchased and contracted services	40,000	63,700	39,452	24,248	19,305
Supplies	27,000	27,000	18,069	8,931	12,981
Total	315,000	329,000	269,786	59,214	173,450
Special Projects					
Other	427,500	427,500	427,500	-	407,500
Total	427,500	427,500	427,500	-	407,500
Total Housing and Development	742,500	756,500	697,286	59,214	580,950
Total expenditures	$ 41,330,000	$ 43,729,000	$ 42,474,694	$ 1,254,306	$ 36,258,487

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - Sub-Budgets - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Police Department:					
Administration					
Personal services and benefits	$ 756,000	$ 847,440	$ 842,340	5,100	$ 619,847
Purchased and contracted services	481,000	480,550	462,794	17,756	413,991
Supplies	17,000	17,000	9,707	7,293	17,161
Total	1,254,000	1,344,990	1,314,841	30,149	1,050,999
Patrol					
Personal services and benefits	5,401,000	5,393,400	5,389,359	4,041	5,070,254
Purchased and contracted services	291,000	277,600	265,265	12,335	270,959
Supplies	284,000	273,900	257,207	16,693	311,242
Total	5,976,000	5,944,900	5,911,831	33,069	5,652,455
Criminal Investigation Division					
Personal services and benefits	1,825,000	1,867,460	1,862,566	4,894	1,493,614
Purchased and contracted services	66,000	66,900	56,420	10,480	45,380
Supplies	43,000	45,100	36,121	8,979	38,960
Capital outlay	-	-	-	-	5,000
Total	1,934,000	1,979,460	1,955,107	24,353	1,582,954
Support Services					
Personal services and benefits	1,155,000	1,031,650	1,025,692	5,958	938,153
Purchased and contracted services	128,000	124,000	99,768	24,232	77,480
Supplies	129,000	129,000	106,099	22,901	87,815
Total	1,412,000	1,284,650	1,231,559	53,091	1,103,448
Custody of Prisoners					
Purchased and contracted services	95,000	110,000	108,251	1,749	97,078
Total	95,000	110,000	108,251	1,749	97,078
Total Police Department	$ 10,671,000	$ 10,664,000	$ 10,521,589	$ 142,411	$ 9,486,934

(Continued)

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - Sub-Budgets - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Public Works Department:					
Administration					
Personal services and benefits	$ 557,000	$ 576,000	$ 574,396	$ 1,604	$ 631,998
Purchased and contracted services	195,000	271,900	248,012	23,888	153,725
Supplies	132,000	106,400	99,398	7,002	101,110
Other costs	-	-	-	-	836
Total	884,000	954,300	921,806	32,494	887,669
Roads and Walkways					
Personal services and benefits	813,000	732,450	618,047	114,403	588,544
Purchased and contracted services	10,000	10,000	9,278	722	4,028
Supplies	282,000	282,000	275,197	6,803	280,272
Total	1,105,000	1,024,450	902,522	121,928	872,844
Solid Waste Collections					
Personal services and benefits	1,963,000	1,962,000	1,887,784	74,216	1,793,447
Purchased and contracted services	326,000	342,050	340,265	1,785	318,184
Supplies	76,000	66,300	55,689	10,611	66,787
Capital outlay	-	-	-	-	10,339
Total	2,365,000	2,370,350	2,283,738	86,612	2,188,757
Shop and Maintenance					
Personal services and benefits	679,000	679,000	632,489	46,511	469,337
Purchased and contracted services	176,000	196,000	190,786	5,214	153,506
Supplies	790,500	806,800	805,234	1,566	925,481
Capital outlay	-	-	-	-	5,954
Total	1,645,500	1,681,800	1,628,509	53,291	1,554,278
Traffic engineer					
Personal services and benefits	659,000	654,700	592,133	62,567	451,005
Purchased and contracted services	11,000	9,200	7,635	1,565	5,017
Supplies	110,000	121,800	119,812	1,988	95,193
Capital outlay	-	-	-	-	58,475
Total	780,000	785,700	719,580	66,120	609,690
Right of Way Maintenance					
Personal services and benefits	804,000	823,000	747,258	75,742	675,259
Purchased and contracted services	190,000	191,000	172,024	18,976	143,779
Supplies	99,500	102,900	73,173	29,727	55,567
Capital outlay	17,000	17,000	13,900	3,100	23,859
Total	1,110,500	1,133,900	1,006,355	127,545	898,464

(Continued)

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - Sub-Budgets - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Street Lighting					
Supplies	485,000	485,000	307,393	177,607	314,970
Total	485,000	485,000	307,393	177,607	314,970
Storm Drainage					
Personal services and benefits	386,000	378,000	348,098	29,902	306,503
Purchased and contracted services	97,000	96,000	92,663	3,337	93,498
Supplies	97,000	82,000	76,022	5,978	106,921
Total	580,000	556,000	516,783	39,217	506,922
Other					
Purchased and contracted services	15,000	70,000	69,327	673	16,712
Capital outlay	-	286,000	267,914	18,086	33,540
Total	15,000	356,000	337,241	18,759	50,252
Total Public Works Department	$ 8,970,000	$ 9,347,500	$ 8,623,927	$ 723,573	$ 7,883,846

(Continued)

City of Dalton, Georgia
Schedule of Expenditures - Budget and Actual - Sub-Budgets - General Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Recreation Department:					
Administration					
Personal services and benefits	$ 1,084,000	$ 1,011,350	$ 1,010,874	$ 476	$ 852,656
Purchased and contracted services	174,000	154,861	152,934	1,927	169,184
Supplies	18,000	41,600	38,453	3,147	18,687
Other costs	-	-	(140)	140	469
Total	1,276,000	1,207,811	1,202,121	5,690	1,040,996
Programs					
Personal services and benefits	170,000	164,239	163,307	932	122,093
Purchased and contracted services	105,000	132,721	132,722	(1)	102,436
Supplies	182,500	186,866	186,720	146	191,926
Total	457,500	483,826	482,749	1,077	416,455
Parks					
Personal services and benefits	1,072,000	1,334,200	1,330,901	3,299	1,197,821
Purchased and contracted services	329,000	298,500	295,607	2,893	255,581
Supplies	535,500	497,100	478,812	18,288	496,213
Capital outlay	15,000	21,100	28,695	(7,595)	37,734
Total	1,951,500	2,150,900	2,134,015	16,885	1,987,349
Concessions					
Personal services and benefits	64,000	11,980	11,831	149	9,246
Purchased and contracted services	5,000	3,500	3,457	43	3,428
Supplies	77,000	16,624	16,122	502	19,031
Total	146,000	32,104	31,410	694	31,705
Facilities					
Personal services and benefits	168,000	180,200	177,949	2,251	147,826
Supplies	70,000	43,100	42,798	302	25,405
Total	238,000	223,300	220,747	2,553	173,231
Special Activities					
Personal services and benefits	47,000	73,150	71,687	1,463	43,969
Purchased and contracted services	42,000	31,000	30,801	199	26,892
Supplies	45,000	39,409	39,061	348	31,535
Total	134,000	143,559	141,549	2,010	102,396
Total Recreation Department	$ 4,203,000	$ 4,241,500	$ 4,212,591	$ 28,909	$ 3,752,132

NONMAJOR SPECIAL REVENUE FUNDS

Hotel/Motel Tax Fund – Established to account for the collection of excise tax on charges for hotel/motel accommodations in the City. The rate imposed is 7%. The levy is used to promote tourism, events, and other related purposes.

Confiscated Assets Fund – Established to account for the City's share of forfeited revenues that are restricted for law enforcement purposes.

Community Development Block Grant Fund – Established to account for grant proceeds from the Department of Housing and Urban Development for the operations of the City's community development program. The program is used to develop viable urban communities by providing a suitable living environment and expanding economic opportunities, principally for low to moderate income areas.

Airport Improvement Grant Fund – Established to account for grant proceeds from the Georgia Department of Transportation for improvements at the Dalton Municipal Airport.

ARPA Grant Fund – Established to account for grant proceeds from the Department of the Treasury for the American Rescue Plan Act.

Other Grants Fund – Established to account for miscellaneous grant proceeds.

Tax Allocation District #1, #3, and #4 Funds – Established to account for property tax collections derived from the City tax allocation districts for the purpose of stimulating private redevelopment within specified areas in downtown Dalton, on West Walnut Avenue, and on the North Bypass.

Economic Development Fund – Established to account for payments in lieu of taxes derived from agreements between businesses and the Dalton-Whitfield Joint Development Authority, with the proceeds restricted for economic development.

Opioid Settlement Fund – Established to account for proceeds from settlements from various companies for their roles in the opioid epidemic. Proceeds are restricted for opioid remediation efforts.

City of Dalton, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Hotel/ Motel Tax	Confiscated Assets	Community Development Block Grant	Airport Improvement Grant	ARPA Grant	Other Grants	Tax Allocation Districts #1, #3, and #4	Economic Development	Opioid Settlement	Total Nonmajor Special Revenue Funds
Assets										
Cash and cash equivalents	$ -	$ 287,888	$ 1	$ 328,861	$ 6,221,572	$ -	$ 6,380	$ 76,932	$ 192,499	$ 7,114,133
Receivables:										
Accounts	152,413	5	-	-	-	-	-	-	739,160	891,578
Taxes	-	-	-	-	-	-	12,331	-	-	12,331
Intergovernmental - federal	-	-	48,505	2,364,301	3,222,070	1,400	-	-	-	5,636,276
Intergovernmental - state	-	-	-	903,330	-	-	-	-	-	903,330
Intergovernmental - local	-	-	-	-	-	-	-	91,349	-	91,349
Interfund	-	-	-	-	-	-	269	-	-	269
Total Assets	$ 152,413	$ 287,893	$ 48,506	$ 3,596,492	$ 9,443,642	$ 1,400	$ 18,980	$ 168,281	$ 931,659	$ 14,649,266
Liabilities										
Accounts payable	$ 50,508	$ 1,662	$ 36,795	$ 416,860	$ 1,016,259	$ -	$ -	$ -	$ -	1,522,084
Interfund payable	101,905	-	11,710	2,850,771	3,222,070	1,400	-	-	-	6,187,856
Unearned revenue	-	-	-	-	-	-	-	-	739,160	739,160
Total Liabilities	152,413	1,662	48,505	3,267,631	4,238,329	1,400	-	-	739,160	8,449,100
Deferred Inflows of Resources										
Unavailable revenue - property taxes	-	-	-	-	-	-	854	-	-	854
Fund Balances										
Restricted for:										
General government	-	-	-	328,861	-	-	-	-	-	328,861
Economic development	-	-	-	-	-	-	18,126	168,281	-	186,407
Public safety	-	286,231	-	-	-	-	-	-	-	286,231
Public works	-	-	-	-	5,205,313	-	-	-	-	5,205,313
Health and welfare	-	-	-	-	-	-	-	-	192,499	192,499
Housing and development	-	-	1	-	-	-	-	-	-	1
Total Fund Balances	-	286,231	1	328,861	5,205,313	-	18,126	168,281	192,499	6,199,312
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 152,413	$ 287,893	$ 48,506	$ 3,596,492	$ 9,443,642	$ 1,400	$ 18,980	$ 168,281	$ 931,659	$ 14,649,266

City of Dalton, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Hotel/ Motel Tax	Confiscated Assets	Community Development Block Grant	Airport Improvement Grant	ARPA Grant	Other Grants	Tax Allocation Districts #1, #3, and #4	Economic Development	Opioid Settlement	Total Nonmajor Special Revenue Funds
Revenues										
Real and personal property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,746	$ -	$ -	$ 11,746
Hotel/motel taxes	2,103,611	-	-	-	-	-	-	-	-	2,103,611
Payments in lieu of taxes	-	-	-	-	-	-	-	91,349	-	91,349
Intergovernmental - federal	-	8,263	410,503	2,522,866	4,293,914	1,400	-	-	-	7,236,946
Intergovernmental - state	-	-	-	926,694	-	-	-	-	-	926,694
Fines and forfeitures	-	22,901	-	-	-	-	-	-	158,388	181,289
Investment earnings	-	7,232	-	-	-	-	-	-	-	7,232
Total Revenues	2,103,611	38,396	410,503	3,449,560	4,293,914	1,400	11,746	91,349	158,388	10,558,867
Expenditures										
Current:										
General government	-	-	79,527	-	-	-	-	-	-	79,527
Public safety	-	47,628	-	-	-	-	-	-	-	47,628
Health and welfare	-	-	180,976	-	-	-	-	-	61,866	242,842
Culture and recreation	698,603	-	-	-	-	-	-	-	-	698,603
Housing and development	-	-	150,000	-	-	-	-	3,276	-	153,276
Total Current	698,603	47,628	410,503	-	-	-	-	3,276	61,866	1,221,876
Capital Outlay:										
General government	-	-	-	4,310,670	-	-	-	-	-	4,310,670
Public works	-	-	-	-	4,081,083	-	-	-	-	4,081,083
Health and welfare	-	-	-	-	-	-	-	-	29,950	29,950
Culture and recreation	-	-	-	-	2,403,018	1,540	-	-	-	2,404,558
Total Capital Outlay	-	-	-	4,310,670	6,484,101	1,540	-	-	29,950	10,826,261
Total Expenditures	698,603	47,628	410,503	4,310,670	6,484,101	1,540	-	3,276	91,816	12,048,137
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,405,008	(9,232)	-	(861,110)	(2,190,187)	(140)	11,746	88,073	66,572	(1,489,270)

(continued)

City of Dalton, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Hotel/ Motel Tax	Confiscated Assets	Community Development Block Grant	Airport Improvement Grant	ARPA Grant	Other Grants	Tax Allocation Districts #1, #3, and #4	Economic Development	Opioid Settlement	Total Nonmajor Special Revenue Funds
Other Financing Sources (Uses)										
Proceeds from sale of assets	$ -	$ 33,165	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 33,165
Transfers in	-	-	-	1,189,971	7,395,500	140	-	-	-	8,585,611
Transfers out	(1,405,008)	-	-	-	-	-	-	(2,000,000)	-	(3,405,008)
Total Other Financing Sources (Uses)	(1,405,008)	33,165	-	1,189,971	7,395,500	140	-	(2,000,000)	-	5,213,768
Net Change in Fund Balances	-	23,933	-	328,861	5,205,313	-	11,746	(1,911,927)	66,572	3,724,498
Fund Balances Beginning of Year	-	262,298	1	-	-	-	6,380	2,080,208	125,927	2,474,814
Fund Balances End of Year	$ -	$ 286,231	$ 1	$ 328,861	$ 5,205,313	$ -	$ 18,126	$ 168,281	$ 192,499	$ 6,199,312

City of Dalton, Georgia
Comparative Balance Sheet
Hotel/Motel Tax Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Receivables:		
Accounts	$ 152,413	$ 140,996
Total Assets	$ 152,413	$ 140,996
Liabilities		
Accounts payable	$ 50,508	$ 42,934
Interfund payable	101,905	98,062
Total Liabilities	$ 152,413	$ 140,996

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Hotel/Motel Tax Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Hotel/motel taxes	$ 1,770,000	$ 2,102,400	$ 2,102,098	$ (302)	$ 2,016,701
Penalties, fines, and interest	4,000	1,600	1,513	(87)	5,871
Total Revenues	1,774,000	2,104,000	2,103,611	(389)	2,022,572
Expenditures					
Current:					
Culture and recreation:					
Purchased and contracted services	28,550	24,000	24,000	-	17,730
Supplies	-	-	-	-	28,630
Other costs	473,000	674,550	674,603	(53)	510,533
Total Expenditures	501,550	698,550	698,603	(53)	556,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,272,450	1,405,450	1,405,008	(442)	1,465,679
Other Financing Sources (Uses)					
Transfers out	(1,272,450)	(1,405,450)	(1,405,008)	442	(1,465,679)
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Dalton, Georgia
Comparative Balance Sheet
Confiscated Assets Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 287,888	$ 265,545
Receivables:		
Accounts	5	-
Interfund	-	337
Total Assets	$ 287,893	$ 265,882
Liabilities		
Accounts payable	$ 1,662	$ 3,584
Total Liabilities	1,662	3,584
Fund Balances		
Restricted - public safety	286,231	262,298
Total Fund Balances	286,231	262,298
Total Liabilities and Fund Balances	$ 287,893	$ 265,882

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Confiscated Assets Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental - federal	$ -	$ 8,500	$ 8,263	$ (237)	$ -
Fines and forfeitures	50,000	23,000	22,901	(99)	80,385
Investment earnings	3,000	7,500	7,232	(268)	4,896
Total Revenues	53,000	39,000	38,396	(604)	85,281
Expenditures					
Current:					
Public Safety:					
Purchased and contracted services	44,600	59,600	47,536	12,064	32,008
Supplies	40,400	25,400	92	25,308	24,857
Total Expenditures	85,000	85,000	47,628	37,372	56,865
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,000)	(46,000)	(9,232)	36,768	28,416
Other Financing Sources (Uses)					
Proceeds from sale of assets	8,000	22,000	33,165	11,165	26,800
Net Change in Fund Balances	$ (24,000)	$ (24,000)	23,933	$ 47,933	55,216
Fund Balances Beginning of Year			262,298		207,082
Fund Balances End of Year			$ 286,231		$ 262,298

City of Dalton, Georgia
Comparative Balance Sheet
Community Development Block Grant Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 1	$ 1
Receivables:		
Intergovernmental - federal	48,505	17,415
Total Assets	$ 48,506	$ 17,416
Liabilities		
Accounts payable	$ 36,795	$ 8,655
Interfund payable	11,710	8,760
Total Liabilities	48,505	17,415
Fund Balances		
Restricted - housing and development	1	1
Total Fund Balances	1	1
Total Liabilities and Fund Balances	$ 48,506	$ 17,416

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - CDBG Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental - federal	$ 368,000	$ 816,906	$ 410,503	$ (406,403)	$ 259,047
Total Revenues	368,000	816,906	410,503	(406,403)	259,047
Expenditures					
Current:					
General Government:					
Purchased and contracted services	73,500	225,227	79,527	145,700	79,562
Health and Welfare:					
Other costs	161,200	186,407	180,976	5,431	25,070
Culture and Recreation:					
Other costs	-	-	-	-	50,500
Housing and Development:					
Other costs	133,300	405,272	150,000	255,272	103,915
Total Expenditures	368,000	816,906	410,503	406,403	259,047
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			1		1
Fund Balances End of Year			$ 1		$ 1

City of Dalton, Georgia
Comparative Balance Sheet
Airport Improvement Grant Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash	$ 328,861	$ -
Receivables:		
Intergovernmental - federal	2,364,301	1,947,792
Intergovernmental - state	903,330	3,655
Total Assets	$ 3,596,492	$ 1,951,447
Liabilities		
Accounts payable	$ 416,860	$ 1,913,411
Interfund payable	2,850,771	38,036
Total Liabilities	3,267,631	1,951,447
Fund Balances		
Restricted - general government	328,861	-
Total Liabilities and Fund Balances	$ 3,596,492	$ 1,951,447

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Airport Improvement Grant Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental - federal	$ 3,900,000	$ 2,738,069	$ 2,522,866	$ (215,203)	$ 2,267,771
Intergovernmental - state	202,000	3,929,696	926,694	(3,003,002)	60,921
Total Revenues	4,102,000	6,667,765	3,449,560	(3,218,205)	2,328,692
Expenditures					
Current:					
General government:					
Other costs	-	-	-	-	11,513
Capital Outlay:					
General government:					
Capital outlay	4,679,000	8,489,356	4,310,670	4,178,686	2,341,308
Total Expenditures	4,679,000	8,489,356	4,310,670	4,178,686	2,352,821
Excess (Deficiency) of Revenues Over (Under) Expenditures	(577,000)	(1,821,591)	(861,110)	960,481	(24,129)
Other Financing Sources (Uses)					
Transfers in	577,000	2,150,452	1,189,971	(960,481)	24,129
Total Other Financing Sources (Uses)	577,000	2,150,452	1,189,971	(960,481)	24,129
Net Change in Fund Balances	$ -	$ 328,861	328,861	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ 328,861		$ -

City of Dalton, Georgia
Comparative Balance Sheet
ARPA Grant Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 6,221,572	$ -
Receivables:		
Intergovernmental - federal	3,222,070	-
Total Assets	$ 9,443,642	$ -
Liabilities		
Accounts payable	$ 1,016,259	$ -
Interfund payable	3,222,070	-
Total Liabilities	4,238,329	-
Fund Balances		
Restricted - public works	5,205,313	-
Total Liabilities and Fund Balances	$ 9,443,642	$ -

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - ARPA Grant Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental - federal	$ -	$ 4,399,500	$ 4,293,914	$ (105,586)	$ -
Total Revenues	-	4,399,500	4,293,914	(105,586)	-
Expenditures					
Capital Outlay:					
Public works:					
Capital outlay	-	8,540,000	4,081,083	4,458,917	-
Culture and recreation:					
Capital outlay	-	3,255,000	2,403,018	851,982	-
Total Expenditures	-	11,795,000	6,484,101	5,310,899	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(7,395,500)	(2,190,187)	5,205,313	-
Other Financing Sources (Uses)					
Transfers in	-	7,395,500	7,395,500	-	-
Total Other Financing Sources (Uses)	-	7,395,500	7,395,500	-	-
Net Change in Fund Balances	$ -	$ -	5,205,313	$ 5,205,313	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ 5,205,313		$ -

City of Dalton, Georgia
Comparative Balance Sheet
Other Grants Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Receivables:		
Intergovernmental - federal	$ 1,400	$ -
Total Assets	$ 1,400	$ -
Liabilities		
Interfund payable	$ 1,400	$ -
Total Liabilities	$ 1,400	$ -

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Other Grants Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental - federal	$ -	$ 1,400	$ 1,400	$ -	$ -
Total Revenues	-	1,400	1,400	-	-
Expenditures					
Capital Outlay:					
Culture and recreation:					
Capital outlay	-	1,540	1,540	-	-
Total Expenditures	-	1,540	1,540	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(140)	(140)	-	-
Other Financing Sources (Uses)					
Transfers in	-	140	140	-	-
Total Other Financing Sources (Uses)	-	140	140	-	-
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

City of Dalton, Georgia
Comparative Balance Sheet
Tax Allocation Districts #1, #3, and #4
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 6,380	$ 1,021
Receivables:		
Taxes	12,331	5,375
Interfund	269	-
Total Assets	$ 18,980	$ 6,396
Deferred Inflows of Resources		
Unavailable revenue - property taxes	$ 854	$ 16
Total Deferred Inflows of Resources	854	16
Fund Balances		
Restricted - economic development	18,126	6,380
Total Fund Balances	18,126	6,380
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 18,980	$ 6,396

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Tax Allocation Districts #1, #3, and #4
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Real and personal property taxes	$ -	$ -	$ 11,746	$ 11,746	$ 6,380
Total Revenues	-	-	11,746	11,746	6,380
Other Financing Sources (Uses)					
Transfers out	-	-	-	-	(26,279)
Total Other Financing Sources (Uses)	-	-	-	-	(26,279)
Net Change in Fund Balances	$ -	$ -	11,746	$ 11,746	(19,899)
Fund Balances Beginning of Year			6,380		26,279
Fund Balances End of Year			$ 18,126		$ 6,380

City of Dalton, Georgia
Comparative Balance Sheet
Economic Development Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 76,932	$ 2,037,880
Receivables:		
Intergovernmental - local	91,349	42,328
Total Assets	$ 168,281	$ 2,080,208
Fund Balances		
Restricted - economic development	$ 168,281	$ 2,080,208
Total Fund Balances	$ 168,281	$ 2,080,208

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Economic Development Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Payments in lieu of taxes	$ 36,000	$ 36,000	$ 91,349	$ 55,349	$ 42,328
Total Revenues	36,000	36,000	91,349	55,349	42,328
Expenditures					
Current:					
Economic Development:					
Other costs	1,850,000	49,000	3,276	45,724	95,602
Total Expenditures	1,850,000	49,000	3,276	45,724	95,602
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,814,000)	(13,000)	88,073	101,073	(53,274)
Other Financing Sources (Uses)					
Transfers out	-	(2,000,000)	(2,000,000)	-	-
Net Change in Fund Balances	$ (1,814,000)	$ (2,013,000)	(1,911,927)	$ 101,073	(53,274)
Fund Balances Beginning of Year			2,080,208		2,133,482
Fund Balances End of Year			$ 168,281		$ 2,080,208

City of Dalton, Georgia
Comparative Balance Sheet
Opioid Settlement
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 192,499	$ 125,927
Receivables:		
Accounts	739,160	453,226
Total Assets	$ 931,659	$ 579,153
Liabilities and Fund Balances		
Liabilities		
Unearned revenue	$ 739,160	$ 453,226
Total Liabilities	739,160	453,226
Fund Balances		
Restricted - health and welfare	192,499	125,927
Total Fund Balances	192,499	125,927
Total Liabilities and Fund Balances	$ 931,659	$ 579,153

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Opioid Settlement
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Fines and forfeitures	$ 20,000	$ 159,000	$ 158,388	$ (612)	$ 24,552
Total Revenues	20,000	159,000	158,388	(612)	24,552
Expenditures					
Current:					
Health and Welfare					
Purchased and contracted services	-	25,000	24,074	926	-
Supplies	20,000	44,000	37,792	6,208	2,280
Capital Outlay:					
Health and Welfare					
Capital outlay	-	30,000	29,950	50	-
Total Expenditures	20,000	99,000	91,816	7,184	2,280
Net Change in Fund Balances	$ -	$ 60,000	66,572	$ 6,572	22,272
Fund Balances Beginning of Year			125,927		103,655
Fund Balances End of Year			$ 192,499		$ 125,927

NONMAJOR DEBT SERVICE FUND

City of Dalton, Georgia
Comparative Balance Sheet
Debt Service Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 5,394	$ 3,814
Total Assets	$ 5,394	$ 3,814
Fund Balances		
Restricted - debt service	$ 5,394	$ 3,814
Total Fund Balances	$ 5,394	$ 3,814

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Investment earnings	$ 1,000	$ 1,000	$ 1,580	$ 580	$ 450
Total Revenues	1,000	1,000	1,580	580	450
Expenditures					
Debt Service:					
Principal retirement	660,000	660,000	660,000	-	630,000
Interest and fiscal charges	545,000	545,000	526,550	18,450	579,285
Total Expenditures	1,205,000	1,205,000	1,186,550	18,450	1,209,285
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,204,000)	(1,204,000)	(1,184,970)	19,030	(1,208,835)
Other Financing Sources (Uses)					
Transfers in	1,204,000	1,204,000	1,186,550	(17,450)	1,208,900
Total Other Financing Sources (Uses)	1,204,000	1,204,000	1,186,550	(17,450)	1,208,900
Net Change in Fund Balances	$ -	$ -	1,580	$ 1,580	65
Fund Balances Beginning of Year			3,814		3,749
Fund Balances End of Year			$ 5,394		$ 3,814

NONMAJOR CAPITAL PROJECTS FUNDS

Bonded Capital Projects Fund – Established to account for 2021 debt proceeds and related current and capital expenditure of those proceeds.

2024 SPLOST Capital Projects Fund – Established to account for all 2024 SPLOST proceeds and related current and capital expenditure of those proceeds.

2020 SPLOST Capital Projects Fund – Established to account for all 2020 SPLOST proceeds and related current and capital expenditure of those proceeds.

2015 SPLOST Capital Projects Fund – Established to account for a portion of 2015 SPLOST proceeds and related current and capital expenditure of those proceeds. The Building Authority issued debt during 2015 to prefund certain City and county-wide SPLOST projects, and the proceeds and related projects will be accounted for and reported in this fund.

Capital Acquisition Fund – Established to account for other capital asset activity. The activity in this fund is primarily related to the purchase of machinery, equipment, vehicles, and furniture and fixtures.

City of Dalton, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2024

	Bonded Capital Projects Fund	SPLOST 2024 Capital Projects Fund	SPLOST 2020 Capital Projects Fund	SPLOST 2015 Capital Projects Fund	Capital Acquisition Fund	Total Nonmajor Capital Projects Funds
Assets						
Cash and cash equivalents	$ -	$ 40	$ 17,157,678	$ 978,878	$ 4,024,661	$ 22,161,257
Restricted cash	-	-	3,754,621	-	-	3,754,621
Receivables:						
Accounts	8,038,374	-	19,858	1,242,967	-	9,301,199
Intergovernmental - local	-	1,219,503	-	-	-	1,219,503
Total Assets	$ 8,038,374	$ 1,219,543	$ 20,932,157	$ 2,221,845	$ 4,024,661	$ 36,436,580
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 666,559	$ -	$ 1,227,233	$ 10,400	$ 350,306	$ 2,254,498
Interfund payable	-	50	3,485	-	-	3,535
Total Liabilities	666,559	50	1,230,718	10,400	350,306	2,258,033
Fund Balances						
Restricted for:						
Capital projects	7,371,815	1,219,493	19,701,439	2,211,445	3,674,355	34,178,547
Total Fund Balances	7,371,815	1,219,493	19,701,439	2,211,445	3,674,355	34,178,547
Total Liabilities and Fund Balances	$ 8,038,374	$ 1,219,543	$ 20,932,157	$ 2,221,845	$ 4,024,661	$ 36,436,580

City of Dalton, Georgia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2024

	Bonded Capital Projects Fund	SPLOST 2024 Capital Projects Fund	SPLOST 2020 Capital Projects Fund	SPLOST 2015 Capital Projects Fund	Capital Acquisition Fund	Total Nonmajor Capital Projects Funds
Revenues						
Intergovernmental - local	$ -	$ 1,219,493	$ 4,221,983	$ -	$ -	$ 5,441,476
Investment earnings	324,468	-	440,371	32,373	142,111	939,323
Miscellaneous	-	-	-	-	109,009	109,009
Total Revenues	324,468	1,219,493	4,662,354	32,373	251,120	6,489,808
Expenditures						
Current:						
General government	-	-	-	-	17,836	17,836
Total Current	-	-	-	-	17,836	17,836
Capital Outlay:						
General government	-	-	-	-	417,912	417,912
Public safety	-	-	1,903,249	-	645,126	2,548,375
Public works	3,920,170	-	2,398,013	1,734,179	3,228,371	11,280,733
Culture and recreation	175,967	-	1,896,689	384,060	647,868	3,104,584
Health and welfare	-	-	196,838	-	-	196,838
Total Capital Outlay	4,096,137	-	6,394,789	2,118,239	4,939,277	17,548,442
Total Expenditures	4,096,137	-	6,394,789	2,118,239	4,957,113	17,566,278
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,771,669)	1,219,493	(1,732,435)	(2,085,866)	(4,705,993)	(11,076,470)
Other Financing Sources (Uses)						
Proceeds from sale of assets	-	-	-	-	110,147	110,147
Transfers in	-	-	6,155,063	385,788	1,224,500	7,765,351
Transfers out	(3,666,787)	-	-	-	-	(3,666,787)
Total Other Financing Sources (Uses)	(3,666,787)	-	6,155,063	385,788	1,334,647	4,208,711
Net Change in Fund Balances	(7,438,456)	1,219,493	4,422,628	(1,700,078)	(3,371,346)	(6,867,759)
Fund Balances Beginning of Year	14,810,271	-	15,278,811	3,911,523	7,045,701	41,046,306
Fund Balances End of Year	$ 7,371,815	$ 1,219,493	$ 19,701,439	$ 2,211,445	$ 3,674,355	$ 34,178,547

City of Dalton, Georgia
Comparative Balance Sheet
Bonded Capital Projects Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Restricted cash	$ -	$ 3,771,825
Receivables:		
Accounts	8,038,374	11,050,729
Total Assets	$ 8,038,374	$ 14,822,554
Liabilities		
Accounts payable	$ 666,559	$ 12,283
Total Liabilities	666,559	12,283
Fund Balances		
Restricted - capital projects	7,371,815	14,810,271
Total Fund Balances	7,371,815	14,810,271
Total Liabilities and Fund Balances	$ 8,038,374	$ 14,822,554

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
Bonded Capital Projects Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024	2023	Project to Date			
	Actual	Actual	Original Budget	Final Budget	Actual	Remaining Budget
Revenues						
Investment earnings	$ 324,468	$ 382,678	$ -	$ 825,113	$ 825,113	$ -
Total Revenues	324,468	382,678	-	825,113	825,113	-
Expenditures						
Current:						
General government:						
Administrative fees	-	-	-	211,520	10	211,510
Public Works:						
Stormwater projects	-	3,382	-	3,382	3,382	-
Culture and Recreation:						
Aquatic Center	-	399,820	-	399,820	399,820	-
Total Current	-	403,202	-	614,722	403,212	211,510
Capital Outlay:						
Public Works:						
Market Street Project	-	-	8,000,000	621,316	621,316	-
Stormwater projects	3,920,170	182,834	4,750,000	8,561,090	4,860,327	3,700,763
Culture and Recreation:						
Aquatic Center	-	-	4,020,305	83,395	83,395	-
Greenway connectivity	14,554	60,354	-	79,000	74,908	4,092
Park projects	161,413	-	-	3,616,863	161,413	3,455,450
Total Capital Outlay	4,096,137	243,188	16,770,305	12,961,664	5,801,359	7,160,305
Debt Service:						
Revenue bond issuance costs	-	-	270,107	270,107	270,107	-
Total Debt Service	-	-	270,107	270,107	270,107	-
Total Expenditures	4,096,137	646,390	17,040,412	13,846,493	6,474,678	7,371,815
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,771,669)	(263,712)	(17,040,412)	(13,021,380)	(5,649,565)	7,371,815
Other Financing Sources (Uses)						
Revenue bonds issued	-	-	15,635,000	15,635,000	15,635,000	-
Premium on revenue bonds	-	-	1,405,412	1,405,412	1,405,412	-
Transfers in	-	-	-	8,871,157	8,871,157	-
Transfers out	(3,666,787)	(9,223,402)	-	(12,890,189)	(12,890,189)	-
Total Other Financing Sources (Uses)	(3,666,787)	(9,223,402)	17,040,412	13,021,380	13,021,380	-
Net Change in Fund Balances	(7,438,456)	(9,487,114)	$ -	$ -	$ 7,371,815	$ 7,371,815
Fund Balances Beginning of Year	14,810,271	24,297,385				
Fund Balances End of Year	$ 7,371,815	$ 14,810,271				

Note: This capital projects fund is project based, and therefore the budget presented above represents anticipated expenditures over multiple years.

City of Dalton, Georgia
Comparative Balance Sheet
SPLOST 2024 Capital Projects Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 40	$ -
Receivables:		
Intergovernmental - local	1,219,503	-
Total Assets	$ 1,219,543	$ -
Liabilities		
Interfund payable	50	-
Total Liabilities	50	-
Fund Balances		
Restricted - capital projects	1,219,493	-
Total Fund Balances	1,219,493	-
Total Liabilities and Fund Balances	$ 1,219,543	$ -

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
Bonded Capital Projects Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024	2023	Project to Date			
	Actual	Actual	Original Budget	Final Budget	Actual	Remaining Budget
Revenues						
Investment earnings	$ 324,468	$ 382,678	$ -	$ 825,113	$ 825,113	$ -
Total Revenues	324,468	382,678	-	825,113	825,113	-
Expenditures						
Current:						
General government:						
Administrative fees	-	-	-	211,520	10	211,510
Public Works:						
Stormwater projects	-	3,382	-	3,382	3,382	-
Culture and Recreation:						
Aquatic Center	-	399,820	-	399,820	399,820	-
Total Current	-	403,202	-	614,722	403,212	211,510
Capital Outlay:						
Public Works:						
Market Street Project	-	-	8,000,000	621,316	621,316	-
Stormwater projects	3,920,170	182,834	4,750,000	8,561,090	4,860,327	3,700,763
Culture and Recreation:						
Aquatic Center	-	-	4,020,305	83,395	83,395	-
Greenway connectivity	14,554	60,354	-	79,000	74,908	4,092
Park projects	161,413	-	-	3,616,863	161,413	3,455,450
Total Capital Outlay	4,096,137	243,188	16,770,305	12,961,664	5,801,359	7,160,305
Debt Service:						
Revenue bond issuance costs	-	-	270,107	270,107	270,107	-
Total Debt Service	-	-	270,107	270,107	270,107	-
Total Expenditures	4,096,137	646,390	17,040,412	13,846,493	6,474,678	7,371,815
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,771,669)	(263,712)	(17,040,412)	(13,021,380)	(5,649,565)	(7,371,815)
Other Financing Sources (Uses)						
Revenue bonds issued	-	-	15,635,000	15,635,000	15,635,000	-
Premium on revenue bonds	-	-	1,405,412	1,405,412	1,405,412	-
Transfers in	-	-	-	8,871,157	8,871,157	-
Transfers out	(3,666,787)	(9,223,402)	-	(12,890,189)	(12,890,189)	-
Total Other Financing Sources (Uses)	(3,666,787)	(9,223,402)	17,040,412	13,021,380	13,021,380	-
Net Change in Fund Balances	(7,438,456)	(9,487,114)	$ -	$ -	$ 7,371,815	$ (7,371,815)
Fund Balances Beginning of Year	14,810,271	24,297,385				
Fund Balances End of Year	$ 7,371,815	$ 14,810,271				

Note: This capital projects fund is project based, and therefore the budget presented above represents anticipated expenditures over multiple years.

City of Dalton, Georgia
Comparative Balance Sheet
SPLOST 2020 Capital Projects Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 17,157,678	$ 12,871,925
Restricted cash	3,754,621	1,634,123
Receivables:		
Accounts	19,858	-
Intergovernmental - local	-	1,576,600
Total Assets	$ 20,932,157	$ 16,082,648
Liabilities		
Accounts payable	$ 1,227,233	$ 803,837
Interfund payable	3,485	-
Total Liabilities	1,230,718	803,837
Fund Balances		
Restricted - capital projects	19,701,439	15,278,811
Total Fund Balances	19,701,439	15,278,811
Total Liabilities and Fund Balances	$ 20,932,157	$ 16,082,648

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
SPLOST 2020 Capital Projects Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024	2023	Project to Date			
	Actual	Actual	Original Budget	Final Budget	Actual	Remaining Budget
Revenues						
Intergovernmental - local	$ 4,221,983	$ 9,157,012	$ 19,099,000	$ 30,178,930	$ 30,178,930	$ -
Investment earnings	440,371	225,851	-	712,474	712,474	-
Total Revenues	4,662,354	9,382,863	19,099,000	30,891,404	30,891,404	-
Expenditures						
Current:						
Public Safety:						
Fire Department equipment	-	53,689	-	73,944	73,944	-
Public Works:						
Heavy equipment	-	6,188	-	6,188	6,188	-
Culture and Recreation:						
John Davis Recreation Center	-	9,566	40	62,112	62,112	-
Heritage Point Park	-	21,557	-	21,557	21,557	-
Total Current	-	91,000	40	163,801	163,801	-
Capital Outlay:						
Public Safety:						
Fire Department vehicles	58,072	668,491	2,612,000	4,138,056	2,480,350	1,657,706
Police Department vehicles	103,213	559,414	735,000	735,000	727,823	7,177
Police Department building	1,741,964	-	1,621,000	4,200,000	1,741,964	2,458,036
Public Works:						
Heavy equipment	347,482	-	531,000	1,056,709	872,191	184,518
Roads, streets, & bridges	2,050,531	1,915,564	2,000,000	10,375,230	6,360,085	4,015,145
Culture and Recreation:						
John Davis Recreation Center	1,896,689	267,878	8,499,960	13,499,383	2,196,962	11,302,421
Heritage Point Park	-	185,386	2,675,000	6,458,574	6,458,574	-
Health and Welfare:						
Senior Center renovations	196,838	151,726	425,000	425,000	348,564	76,436
Total Capital Outlay	6,394,789	3,748,459	19,098,960	40,887,952	21,186,513	19,701,439
Total Expenditures	6,394,789	3,839,459	19,099,000	41,051,753	21,350,314	19,701,439
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,732,435)	5,543,404	-	(10,160,349)	9,541,090	(19,701,439)
Other Financing Sources (Uses)						
Transfers in	6,155,063	3,040,327	-	10,160,349	10,160,349	-
Net Change in Fund Balances	4,422,628	8,583,731	$ -	$ -	$ 19,701,439	$ (19,701,439)
Fund Balances Beginning of Year	15,278,811	6,695,080				
Fund Balances End of Year	$ 19,701,439	$ 15,278,811				

Note: This capital projects fund is project based, and therefore the budget presented above represents anticipated expenditures over multiple years.

City of Dalton, Georgia
Comparative Balance Sheet
SPLOST 2015 Capital Projects Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 978,878	$ 1,243,264
Receivables:		
Accounts	1,242,967	2,744,431
Total Assets	$ 2,221,845	$ 3,987,695
Liabilities		
Accounts payable	$ 10,400	$ 76,172
Total Liabilities	10,400	76,172
Fund Balances		
Restricted - capital projects	2,211,445	3,911,523
Total Fund Balances	2,211,445	3,911,523
Total Liabilities and Fund Balances	$ 2,221,845	$ 3,987,695

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - SPLOST 2015 Capital Projects Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024	2023	Project to Date			
	Actual	Actual	Original Budget	Final Budget	Actual	Remaining Budget
Revenues						
Intergovernmental - state	$ -	$ -	$ -	$ 1,977,041	$ 1,977,041	$ -
Intergovernmental - local	-	-	24,913,115	26,689,958	26,689,958	-
Investment earnings	32,373	48,513	-	527,295	527,295	-
Total Revenues	32,373	48,513	24,913,115	29,194,294	29,194,294	-
Expenditures						
Current:						
Public Safety:						
Other costs	-	-	-	447	447	-
Public Works:						
Bridge maintenance	-	-	-	142,052	142,052	-
Sidewalk construction	-	350	-	350	350	-
Drainage projects	-	49,025	-	978,972	978,972	-
Street resurfacing	-	-	5,000,000	6,925,875	6,925,875	-
Total Current	-	49,375	5,000,000	8,047,696	8,047,696	-
Capital Outlay:						
Public Safety:						
Police Department vehicles	-	-	1,123,957	1,123,509	1,123,509	-
Public Works:						
Bridge maintenance	166,625	65,840	1,000,000	1,962,221	1,573,608	388,613
Sidewalk construction	8,900	-	2,000,000	472,407	449,405	23,002
Guardrail project	-	-	-	28,360	28,360	-
Drainage projects	1,558,654	954,811	2,000,000	6,058,761	4,429,354	1,629,407
Culture and Recreation:						
Greenway project	384,060	2,519,624	-	3,074,107	2,903,684	170,423
Haig Mill recreation project	-	-	5,000,000	5,293,814	5,293,814	-
Total Capital Outlay	2,118,239	3,540,275	11,123,957	18,013,179	15,801,734	2,211,445
Debt Service:						
Principal retirement	-	-	8,505,956	8,504,958	8,504,958	-
Interest and fiscal charges	-	-	283,202	288,621	288,621	-
Total Debt Service	-	-	8,789,158	8,793,579	8,793,579	-
Total Expenditures	2,118,239	3,589,650	24,913,115	34,854,454	32,643,009	2,211,445
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,085,866)	(3,541,137)	-	(5,660,160)	(3,448,715)	(2,211,445)
Other Financing Sources (Uses)						
Transfers in	385,788	4,723,889	-	5,660,160	5,660,160	-
Total Other Financing Sources (Uses)	385,788	4,723,889	-	5,660,160	5,660,160	-
Net Change in Fund Balances	(1,700,078)	1,182,752	$ -	$ -	$ 2,211,445	$ (2,211,445)
Fund Balances Beginning of Year	3,911,523	2,728,771				
Fund Balances End of Year	$ 2,211,445	$ 3,911,523				

Note: This capital projects fund is project based, and therefore the budget presented above represents anticipated expenditures over multiple years.

City of Dalton, Georgia
Comparative Balance Sheet
Capital Acquisition Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 4,024,661	$ 7,874,790
Total Assets	$ 4,024,661	$ 7,874,790
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 350,306	$ 829,089
Total Liabilities	350,306	829,089
Fund Balances		
Restricted - capital projects	3,674,355	7,045,701
Total Fund Balances	3,674,355	7,045,701
Total Liabilities and Fund Balances	$ 4,024,661	$ 7,874,790

City of Dalton, Georgia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Acquisition Fund
For the Year Ended December 31, 2024
(With Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Investment earnings	$ -	$ 142,363	$ 142,111	$ (252)	$ 135,821
Miscellaneous	-	109,137	109,009	(128)	-
Total Revenues	-	251,500	251,120	(380)	135,821
Expenditures					
Current:					
General Government:					
Other costs	-	19,928	17,836	2,092	3,163
Public Safety:					
Other costs	-	-	-	-	233,993
Public Works:					
Other costs	-	-	-	-	6,070
Culture and Recreation:					
Other costs	-	-	-	-	34,623
Total Current	-	19,928	17,836	2,092	277,849
Capital Outlay:					
General Government:					
Facilities	-	1,914,000	292,558	1,621,442	-
Equipment and vehicles	-	189,115	125,354	63,761	218,345
Judicial:					
Equipment	-	-	-	-	12,845
Public Safety:					
Facility maintenance	-	19,060	19,060	-	-
Equipment and vehicles	-	661,658	626,066	35,592	345,668
Public Works:					
Facilities	-	-	-	-	273,745
Equipment and vehicles	-	839,778	839,778	-	1,180,641
Paving and infrastructure	-	2,388,593	2,388,593	-	-
Culture and Recreation:					
Facilities	-	601,348	601,348	-	1,521,297
Equipment and vehicles	-	46,520	46,520	-	572,779
Total Capital Outlay	-	6,660,072	4,939,277	1,720,795	4,125,320
Total Expenditures	-	6,680,000	4,957,113	1,722,887	4,403,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(6,428,500)	(4,705,993)	1,722,507	(4,267,348)
Other Financing Sources (Uses)					
Proceeds from sale of assets	-	111,000	110,147	(853)	28,466
Transfers in	-	1,224,500	1,224,500	-	7,379,390
Total Other Financing Sources (Uses)	-	1,335,500	1,334,647	(853)	7,407,856
Net Change in Fund Balances	$ -	$ (5,093,000)	(3,371,346)	$ 1,721,654	3,140,508
Fund Balances Beginning of Year			7,045,701		3,905,193
Fund Balances End of Year			$ 3,674,355		$ 7,045,701

NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

Municipal Golf Course Fund – This fund is used to account for the maintenance and operations of Nob North Golf Course.

Dalton Municipal Airport Fund – This fund is used to account for the maintenance and operations of the Dalton Municipal Airport.

Northwest Georgia Trade and Convention Center Authority – This fund is used to account for the maintenance and operations of the Northwest Georgia Trade and Convention Center Authority, which operates to promote tourism by hosting conventions, special events, and trade shows for the benefit of the City of Dalton and Whitfield County. The City operates this entity in conjunction with Whitfield County, and has a fifty percent equity interest.

Dalton-Whitfield Regional Solid Waste Management Authority – This fund is used to account for the Dalton-Whitfield Regional Solid Waste Management Authority, which operates and maintains solid waste disposal sites within Whitfield County. The City operates this entity in conjunction with Whitfield County, and has a fifty percent equity interest.

City of Dalton, Georgia
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2024

	Municipal Golf Course	Municipal Airport	Northwest Georgia Trade and Convention Center Authority	Dalton/Whitfield Regional Solid Waste Mgt Authority	Total Nonmajor Enterprise Funds
Assets					
Current Assets:					
Cash and cash equivalents	$ 684,321	$ 29,542	$ -	$ -	$ 713,863
Receivables:					
Accounts	-	153	-	-	153
Inventory	39,559	46,534	-	-	86,093
Prepaid items	6,546	9,418	-	-	15,964
Total Current Assets	730,426	85,647	-	-	816,073
Noncurrent Assets:					
Capital Assets:					
Construction in progress	185,874	6,591,639	-	-	6,777,513
Land	739,352	4,475,793	-	-	5,215,145
Depreciable capital assets, net	889,355	4,086,920	-	-	4,976,275
Other Assets:					
Investment in joint ventures	-	-	6,089,572	12,372,385	18,461,957
Total Noncurrent Assets	1,814,581	15,154,352	6,089,572	12,372,385	35,430,890
Total Assets	2,545,007	15,239,999	6,089,572	12,372,385	36,246,963
Deferred Outflows of Resources	242,719	-	-	-	242,719
Total Assets and Deferred Outflows	$ 2,787,726	$ 15,239,999	$ 6,089,572	$ 12,372,385	$ 36,489,682
Liabilities					
Current Liabilities:					
Accounts payable	196,633	3,143	-	-	199,776
Accrued expenses	14,660	6,769	-	-	21,429
Unearned revenue	25,283	-	-	-	25,283
Compensated absences payable	36,000	4,000	-	-	40,000
Total Current Liabilities	272,576	13,912	-	-	286,488
Long-Term Liabilities:					
Compensated absences payable (net of current portion)	57,338	28,961	-	-	86,299
Net pension liability	128,626	-	-	-	128,626
Net OPEB liability	244,583	-	-	-	244,583
Total Long-Term Liabilities	430,547	28,961	-	-	459,508
Total Liabilities	703,123	42,873	-	-	745,996
Deferred Inflows of Resources	352,861	-	-	-	352,861
Net Position					
Net investment in capital assets	1,814,581	15,154,352	-	-	16,968,933
Unrestricted	(82,839)	42,774	6,089,572	12,372,385	18,421,892
Total Net Position	1,731,742	15,197,126	6,089,572	12,372,385	35,390,825
Total Liabilities, Deferred Inflows, and Net Position	$ 2,787,726	$ 15,239,999	$ 6,089,572	$ 12,372,385	$ 36,489,682

City of Dalton, Georgia
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2024

	Municipal Golf Course	Municipal Airport	Northwest Georgia Trade and Convention Center	Dalton/Whitfield Regional Solid Waste Mgt Authority	Total Nonmajor Enterprise Funds
Operating Revenues					
Charges for services	$ 1,229,803	$ 716,458	$ -	$ -	$ 1,946,261
Merchandise sales	176,718	-	-	-	176,718
Tournaments	114,065	-	-	-	114,065
Concessions	116,640	-	-	-	116,640
Miscellaneous	-	11,159	-	-	11,159
Total Operating Revenues	1,637,226	727,617	-	-	2,364,843
Operating Expenses					
Personal services and benefits	665,809	247,520	-	-	913,329
Purchased and contracted services	148,333	152,741	-	-	301,074
Supplies	398,957	389,368			788,325
Depreciation	127,884	429,010	-	-	556,894
Total Operating Expenses	1,340,983	1,218,639	-	-	2,559,622
Operating Income (Loss)	296,243	(491,022)	-	-	(194,779)
Non-Operating Revenues (Expenses)					
Investment earnings	12,980	1,511	-	-	14,491
Income (loss) from joint ventures	-	-	(673,489)	1,491,466	817,977
Total Non-Operating Revenues (Expenses)	12,980	1,511	(673,489)	1,491,466	832,468
Income (Loss) Before Transfers In (Out)	309,223	(489,511)	(673,489)	1,491,466	637,689
Transfers in (out)	-	4,310,670	597,448	(2,500,000)	2,408,118
Change in Net Position	309,223	3,821,159	(76,041)	(1,008,534)	3,045,807
Net Position Beginning of Year	1,422,519	11,375,967	6,165,613	13,380,919	32,345,018
Net Position End of Year	$ 1,731,742	$ 15,197,126	$ 6,089,572	$ 12,372,385	$ 35,390,825

City of Dalton, Georgia
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2024

	Municipal Golf Course	Municipal Airport	Total
Cash Flows from Operating Activities			
Cash received from customers	$ 1,628,843	$ 727,464	$ 2,356,307
Cash payments for personnel services and benefits	(730,968)	(236,591)	(967,559)
Cash payments for goods, services, claims, and fees	(368,945)	(538,104)	(907,049)
Net Cash Provided by (Used in) Operating Activities	528,930	(47,231)	481,699
Cash Flows from Capital and Related Financing Activities			
Acquisition of capital assets	(257,214)	-	(257,214)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(257,214)	-	(257,214)
Cash Flows from Investing Activities			
Investment earnings	12,980	1,511	14,491
Net Cash Provided by (Used in) Investing Activities	12,980	1,511	14,491
Net Increase (Decrease) in Cash and Cash Equivalents	284,696	(45,720)	238,976
Cash and Cash Equivalents Beginning of Year	399,625	75,262	474,887
Cash and Cash Equivalents End of Year	$ 684,321	$ 29,542	$ 713,863
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ 296,243	$ (491,022)	$ (194,779)
Adjustments:			
Depreciation	127,884	429,010	556,894
Pension (benefit)/expense	(80,721)	-	(80,721)
OPEB (benefit)/expense	10,435	-	10,435
(Increase) Decrease in Assets:			
Accounts receivable	-	(153)	(153)
Inventory	(10,244)	18,492	8,248
Prepaid items	(636)	(1,798)	(2,434)
Increase (Decrease) in Liabilities:			
Accounts payable	189,225	(12,689)	176,536
Accrued expenses	1,300	2,212	3,512
Unearned revenue	(8,383)	-	(8,383)
Compensated absences payable	3,827	8,717	12,544
Net Cash Provided by (Used in) Operating Activities	$ 528,930	$ (47,231)	$ 481,699
Noncash Investing, Capital, and Financing Activities			
Acquisition of capital assets from interfund transfers	$ -	$ 4,310,670	$ 4,310,670

City of Dalton, Georgia
Combining Schedule of Net Position
Water, Light, and Sinking Commission Fund
December 31, 2024

	Electric System	Gas System	Water System	Sewer System	Information Technology System	Total
Assets						
Current Assets:						
Cash and cash equivalents	$ 13,212,000	$ 1,589,000	$ 2,109,000	$ 1,626,000	$ 1,448,000	$ 19,984,000
Short-term investments	14,632,000	811,000	8,421,000	9,487,000	2,058,000	35,409,000
Customer deposit fund	541,000	65,000	86,000	67,000	-	759,000
Custodial bond funds	3,622,000	92,000	2,850,000	123,000	-	6,687,000
Accounts receivable, net	16,995,000	1,742,000	2,311,000	1,782,000	864,000	23,694,000
Unbilled revenues	5,919,000	1,856,000	1,940,000	879,000	-	10,594,000
Leases receivable	191,000	-	3,000	-	92,000	286,000
Interest receivable	500,000	9,000	49,000	92,000	19,000	669,000
Fuel stocks	1,373,000	1,528,000	-	-	-	2,901,000
Materials and supplies inventory	19,362,000	634,000	1,311,000	65,000	1,813,000	23,185,000
Deposits and prepaid items	1,762,000	216,000	279,000	213,000	179,000	2,649,000
Total Current Assets	78,109,000	8,542,000	19,359,000	14,334,000	6,473,000	126,817,000
Noncurrent Assets:						
Construction in progress	2,122,000	306,000	7,382,000	1,758,000	164,000	11,732,000
Nuclear fuel, at amortized cost	22,555,000	-	-	-	-	22,555,000
Depreciable capital assets, net	654,762,000	27,605,000	232,610,000	140,238,000	38,569,000	1,093,784,000
Customer deposit fund	2,670,000	321,000	426,000	329,000	-	3,746,000
Combined utilities renewals/extensions fund	17,191,000	914,000	6,820,000	5,457,000	2,821,000	33,203,000
Restricted wastewater settlement liability fund	-	-	-	10,242,000	-	10,242,000
Restricted nuclear decommissioning fund	43,103,000	-	-	-	-	43,103,000
Regulatory asset, net	70,713,000	3,710,000	12,703,000	7,437,000	3,806,000	98,369,000
Lease and SBITA assets	64,000	25,000	88,000	51,000	38,000	266,000
Leases receivable	3,441,000	-	51,000	-	1,568,000	5,060,000
Total Noncurrent Assets	816,621,000	32,881,000	260,080,000	165,512,000	46,966,000	1,322,060,000
Total Assets	894,730,000	41,423,000	279,439,000	179,846,000	53,439,000	1,448,877,000
Deferred Outflows of Resources	1,400,000	907,000	3,108,000	1,819,000	931,000	8,165,000
Total Assets and Deferred Outflows	$ 896,130,000	$ 42,330,000	$ 282,547,000	$ 181,665,000	$ 54,370,000	$ 1,457,042,000

City of Dalton, Georgia
Combining Schedule of Net Position
Water, Light, and Sinking Commission Fund
December 31, 2024

	Electric System	Gas System	Water System	Sewer System	Information Technology System	Total
Liabilities						
Current Liabilities:						
Customer deposits	$ 4,950,000	$ 595,000	$ 790,000	$ 609,000	$ -	$ 6,944,000
Current maturities of long-term debt	3,139,000	85,000	2,629,000	113,000	-	5,966,000
Current portion wastewater settlement liability	-	-	-	5,000,000	-	5,000,000
Accounts payable and accrued expenses	16,418,000	3,155,000	2,730,000	1,929,000	1,797,000	26,029,000
Total Current Liabilities	24,507,000	3,835,000	6,149,000	7,651,000	1,797,000	43,939,000
Long-Term Liabilities:						
Long-term debt	87,698,000	1,697,000	52,626,000	2,264,000	-	144,285,000
Long-term wastewater settlement liability	-	-	-	10,000,000	-	10,000,000
Net pension liability	734,000	476,000	1,629,000	954,000	488,000	4,281,000
Net OPEB liability	1,470,000	953,000	3,263,000	1,910,000	978,000	8,574,000
Asset retirement obligations	66,595,000	-	-	-	-	66,595,000
Other	950,000	326,000.00	1,148,000.00	1,164,000.00	338,000.00	3,926,000
Total Long-Term Liabilities	157,447,000	3,452,000	58,666,000	16,292,000	1,804,000	237,661,000
Total Liabilities	181,954,000	7,287,000	64,815,000	23,943,000	3,601,000	281,600,000
Deferred Inflows of Resources	10,032,000	1,304,000	4,520,000	2,615,000	2,998,000	21,469,000
Net Position						
Net investment in capital assets	582,673,000	26,154,000	184,825,000	139,670,000	38,771,000	972,093,000
Restricted for:						
Debt service	3,622,000	92,000	2,850,000	123,000	-	6,687,000
Other purposes	-	-	3,624,000	-	-	3,624,000
Nuclear decommissioning	44,622,000	-	-	-	-	44,622,000
Wastewater settlement liability	-	-	-	15,898,000	-	15,898,000
Pension	2,478,000	1,606,000	5,501,000	3,220,000	1,648,000	14,453,000
OPEB	429,000	278,000	952,000	557,000	285,000	2,501,000
Unrestricted	70,320,000	5,609,000	15,460,000	(4,361,000)	7,067,000	94,095,000
Total Net Position	704,144,000	33,739,000	213,212,000	155,107,000	47,771,000	1,153,973,000
Total Liabilities, Deferred Inflows, and Net Position	$ 896,130,000	$ 42,330,000	$ 282,547,000	$ 181,665,000	$ 54,370,000	$ 1,457,042,000

City of Dalton, Georgia
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
Water, Light, and Sinking Commission Fund
For the Year Ended December 31, 2024

	Electric System	Gas System	Water System	Sewer System	Information Technology System	Total
Operating Revenues						
Electric	$ 198,964,000	$ -	$ -	$ -	$ -	$ 198,964,000
Parity income	3,951,000	-	-	-	-	3,951,000
Natural gas	-	24,403,000	-	-	-	24,403,000
Water	-	-	32,387,000	-	-	32,387,000
Wastewater	-	-	-	24,971,000	-	24,971,000
Information technology	-	-	-	-	22,235,000	22,235,000
Total Operating Revenues	202,915,000	24,403,000	32,387,000	24,971,000	22,235,000	306,911,000
Operating Expenses						
Production	29,314,000	-	7,508,000	12,336,000	-	49,158,000
Purchased electricity	78,514,000	-	-	-	-	78,514,000
Purchased natural gas	-	16,132,000	-	-	-	16,132,000
Distribution	10,701,000	2,852,000	5,686,000	2,611,000	11,779,000	33,629,000
Depreciation and amortization	17,722,000	890,000	8,076,000	6,020,000	3,842,000	36,550,000
General and administrative	3,168,000	2,632,000	8,646,000	5,531,000	2,587,000	22,564,000
Total Operating Expenses	139,419,000	22,506,000	29,916,000	26,498,000	18,208,000	236,547,000
Operating Income (Loss)	63,496,000	1,897,000	2,471,000	(1,527,000)	4,027,000	70,364,000
Non-Operating Revenues (Expenses)						
Interest income	4,383,000	274,000	810,000	921,000	208,000	6,596,000
Interest expense	(2,791,000)	(56,000)	(1,746,000)	(75,000)	-	(4,668,000)
Net increase (decrease) in fair value of investments	(1,010,000)	(49,000)	(65,000)	(50,000)	(38,000)	(1,212,000)
Miscellaneous income (expense)	299,000	35,000	49,000	36,000	34,000	453,000
Total Non-Operating Revenues (Expenses)	881,000	204,000	(952,000)	832,000	204,000	1,169,000
Income Before Reallocations and Transfers	64,377,000	2,101,000	1,519,000	(695,000)	4,231,000	71,533,000
Reallocations and Transfers						
Reallocations	(18,072,000)	1,342,000	15,824,000	3,557,000	(2,651,000)	-
Contributions in aid of construction	4,000,000	75,000	1,334,000	4,557,000	-	9,966,000
Transfers out	(10,157,000)	(1,221,000)	(1,621,000)	(1,250,000)	(1,113,000)	(15,362,000)
Total Reallocations and Transfers	(24,229,000)	196,000	15,537,000	6,864,000	(3,764,000)	(5,396,000)
Change in Net Position	40,148,000	2,297,000	17,056,000	6,169,000	467,000	66,137,000
Net Position Beginning of Year	663,996,000	31,442,000	196,156,000	148,938,000	47,304,000	1,087,836,000
Net Position End of Year	$ 704,144,000	$ 33,739,000	$ 213,212,000	$ 155,107,000	$ 47,771,000	$ 1,153,973,000

City of Dalton, Georgia
Comparative Statement of Net Position
Municipal Golf Course Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets:		
Cash and cash equivalents	$ 684,321	$ 399,625
Inventory	39,559	29,315
Prepaid items	6,546	5,910
Total Current Assets	730,426	434,850
Noncurrent Assets:		
Capital Assets:		
Construction in progress	185,874	-
Land	739,352	739,352
Depreciable capital assets, net	889,355	945,899
Total Capital Assets	1,814,581	1,685,251
Total Assets	2,545,007	2,120,101
Deferred Outflows of Resources	242,719	331,843
Total Assets and Deferred Outflows	$ 2,787,726	$ 2,451,944
Liabilities		
Current Liabilities:		
Accounts payable	$ 196,633	$ 7,408
Accrued expenses	14,660	13,360
Unearned revenue	25,283	33,666
Compensated absences payable	36,000	36,000
Total Current Liabilities	272,576	90,434
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	57,338	53,511
Net pension liability	128,626	329,755
Net OPEB liability	244,583	236,914
Total Long-Term Liabilities	430,547	620,180
Total Liabilities	703,123	710,614
Deferred Inflows of Resources	352,861	318,811
Net Position		
Investment in capital assets	1,814,581	1,685,251
Unrestricted	(82,839)	(262,732)
Total Net Position	1,731,742	1,422,519
Total Liabilities, Deferred Inflows, and Net Position	$ 2,787,726	$ 2,451,944

City of Dalton, Georgia
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Municipal Golf Course Fund
For the Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
Charges for services	$ 1,229,803	$ 1,175,280
Merchandise sales	176,718	201,107
Tournaments	114,065	107,613
Concessions	116,640	124,259
Total Operating Revenues	1,637,226	1,608,259
Operating Expenses		
Personal services and benefits	665,809	671,895
Purchased and contracted services	148,333	119,906
Supplies	398,957	415,108
Depreciation	127,884	124,159
Total Operating Expenses	1,340,983	1,331,068
Operating Income (Loss)	296,243	277,191
Non-Operating Revenues (Expenses)		
Investment earnings	12,980	1,254
Gain on sale of assets	-	14,931
Total Non-Operating Revenues (Expenses)	12,980	16,185
Change in Net Position	309,223	293,376
Net Position Beginning of Year	1,422,519	1,129,143
Net Position End of Year	$ 1,731,742	$ 1,422,519

City of Dalton, Georgia
Comparative Statement of Net Position
Dalton Municipal Airport Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets:		
Cash and cash equivalents	$ 29,542	$ 75,262
Receivables:		
Accounts	153	-
Inventory	46,534	65,026
Prepaid items	9,418	7,620
Total Current Assets	85,647	147,908
Noncurrent Assets:		
Capital Assets:		
Construction in progress	6,591,639	2,381,784
Land	4,475,793	4,475,793
Depreciable capital assets, net	4,086,920	4,415,115
Total Noncurrent Assets	15,154,352	11,272,692
Total Assets	$ 15,239,999	$ 11,420,600
Liabilities		
Current Liabilities:		
Accounts payable	$ 3,143	$ 15,832
Accrued expenses	6,769	4,557
Compensated absences payable	4,000	4,000
Total Current Liabilities	13,912	24,389
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	28,961	20,244
Total Liabilities	42,873	44,633
Net Position		
Investment in capital assets	15,154,352	11,272,692
Unrestricted	42,774	103,275
Total Net Position	15,197,126	11,375,967
Total Liabilities and Net Position	$ 15,239,999	$ 11,420,600

City of Dalton, Georgia
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Dalton Municipal Airport Fund
For the Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
Charges for services	$ 716,458	$ 781,463
Miscellaneous	11,159	743
Total Operating Revenues	727,617	782,206
Operating Expenses		
Personal services and benefits	247,520	219,376
Purchased and contracted services	152,741	166,536
Supplies	389,368	469,719
Depreciation	429,010	458,872
Total Operating Expenses	1,218,639	1,314,503
Operating (Loss)	(491,022)	(532,297)
Nonoperating Revenues (Expenses)		
Investment earnings	1,511	845
Total Nonoperating Revenues (Expenses)	1,511	845
Income (Loss) Before Transfers In	(489,511)	(531,452)
Transfers In (Out)		
Transfers in	4,310,670	2,413,728
Net Transfers	4,310,670	2,413,728
Change in Net Position	3,821,159	1,882,276
Net Position Beginning of Year	11,375,967	9,493,691
Net Position End of Year	$ 15,197,126	$ 11,375,967

INTERNAL SERVICE FUNDS

Risk Pool Fund – This fund is used to account for the final claims from the workers' compensation and health insurance internal service funds. The City transferred the risk of loss to a commercial insurer for workers' compensation insurance effective January 1, 2020 and for health insurance effective January 1, 2022, but pays any remaining claims prior to those dates out of this fund.

City of Dalton, Georgia
Comparative Statement of Net Position
Risk Pool Fund
December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets:		
Accounts receivable	$ 34,444	$ 48,441
Total Assets	$ 34,444	$ 48,441
Liabilities		
Current Liabilities:		
Accounts payable	$ 52,081	$ 48,441
Total Liabilities	52,081	48,441
Net Position		
Unrestricted	(17,637)	-
Total Net Position	(17,637)	-
Total Liabilities and Net Position	$ 34,444	$ 48,441

City of Dalton, Georgia
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Risk Pool Fund
For the Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
Charges for services	$ 129,632	$ 103,562
Operating Expenses		
Claims	147,269	103,562
Change in Net Position	(17,637)	-
Net Position Beginning of Year	-	-
Net Position End of Year	$ (17,637)	$ -

City of Dalton, Georgia
Statement of Cash Flows
Risk Pool Fund
For the Year Ended December 31, 2024

	Risk Pool Fund
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash received from interfund services provided	$ 143,629
Cash payments for claims and fees	(143,629)
Net Cash Provided by (Used in) Operating Activities	-
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents Beginning of Year	-
Cash and Cash Equivalents End of Year	$ -
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities	
Operating Income (Loss)	$ (17,637)
(Increase) Decrease in Assets:	
Accounts receivable	13,997
Increase (Decrease) in Liabilities:	
Accounts payable	3,640
Net Cash Provided by (Used in) Operating Activities	$ -

FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the City in a fiduciary capacity.

Pension Trust Fund – Established to account for the activities of the Mayor and Council of the City of Dalton Employees' Pension Plan.

OPEB Trust Fund – Established to account for the activities of the City of Dalton OPEB Plan.

Municipal Court Custodial Fund – Established to account for the fines, forfeitures, and surcharges held by the municipal court in a custodial function.

Police Custodial Fund – Established to account for the confiscated assets held by the police department in a custodial function.

City of Dalton, Georgia
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Trust Funds - Pension Trust Fund and OPEB Trust Fund
December 31, 2024

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Assets			
Cash and cash equivalents	$ 1,603,985	$ -	$ 1,603,985
Investments, at fair value:			
Georgia Municipal Employees Benefit System OPEB Trust Account	-	180,376	180,376
MetLife Large Cap Equity Index Fund	11,399,258	-	11,399,258
MetLife Small Cap Index Fund	28,133,742	-	28,133,742
MetLife Aggregate Bond Index Fund	9,744,247	-	9,744,247
Vanguard Institutional Index Fund	66,480,314	-	66,480,314
Vanguard Small Cap Index Fund	21,121,930	-	21,121,930
Vanguard Total Bond Market Index Fund	19,267,387	-	19,267,387
Total Assets	$ 157,750,863	$ 180,376	$ 157,931,239
Liabilities			
Current Liabilities:			
Accounts payable	$ 2,725	$ -	2,725
Total Liabilities	2,725	-	2,725
Net Position			
Restricted for pension	157,748,138	-	157,748,138
Restricted for OPEB	-	180,376	180,376
Total Net Position	157,748,138	180,376	157,928,514
Total Liabilities and Net Position	$ 157,750,863	$ 180,376	$ 157,931,239

City of Dalton, Georgia
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Trust Funds - Pension Trust Fund and OPEB Trust Fund
For the Year Ended December 31, 2024

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions			
Contributions:			
Employer	$ 8,218,086	$ -	$ 8,218,086
Plan members	593,940	-	593,940
Total contributions	8,812,026	-	8,812,026
Investment income:			
Interest and dividends	3,317,944	4,884	3,322,828
Net increase (decrease) in fair value of investments	16,064,253	56,357	16,120,610
Total investment income	19,382,197	61,241	19,443,438
Less: investment expense	151,233	998	152,231
Net investment earnings	19,230,964	60,243	19,291,207
Total Additions	28,042,990	60,243	28,103,233
Deductions			
Administrative expenses	48,236	14,458	62,694
Premium payments	-	555,972	555,972
Benefit payments	9,241,439	-	9,241,439
Total Deductions	9,289,675	570,430	9,860,105
Change in Net Position	18,753,315	(510,187)	18,243,128
Net Position Beginning of Year	138,994,823	690,563	139,685,386
Net Position End of Year	$ 157,748,138	$ 180,376	$ 157,928,514

City of Dalton, Georgia
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds - Municipal Court Custodial Fund and Police Custodial Fund
December 31, 2024

	Municipal Court Custodial Fund	Police Custodial Fund	Total Custodial Funds
Assets			
Cash and cash equivalents	$ 252,362	$ 315,775	$ 568,137
Total Assets	$ 252,362	$ 315,775	$ 568,137
Liabilities			
Current Liabilities:			
Accounts payable	$ 22,095	$ -	22,095
Total Liabilities	22,095	-	22,095
Net Position			
Restricted for others	230,267	315,775	546,042
Total Net Position	230,267	315,775	546,042
Total Liabilities and Net Position	$ 252,362	$ 315,775	$ 568,137

City of Dalton, Georgia
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds - Municipal Court Custodial Fund and Police Custodial Fund
For the Year Ended December 31, 2024

	Municipal Court Custodial Fund	Police Custodial Fund	Total Custodial Funds
Additions			
Fine/confiscation collections	$ 1,885,021	$ 144,671	$ 2,029,692
Total Additions	1,885,021	144,671	2,029,692
Deductions			
Fine/confiscation remittances	1,920,853	58,061	1,978,914
Total Deductions	1,920,853	58,061	1,978,914
Change in Net Position	(35,832)	86,610	50,778
Net Position Beginning of Year	266,099	229,165	495,264
Net Position End of Year	$ 230,267	$ 315,775	$ 546,042

DISCRETELY PRESENTED COMPONENT UNIT

The City of Dalton Building Authority is a component unit of the City of Dalton, Georgia. The City treats the Authority as a discretely presented component unit in the government-wide financial statements.

The Authority does not issue separate financial statements, so its activity is required to be disclosed in the financial section of the City's Annual Comprehensive Financial Report.

City of Dalton, Georgia
Comparative Statement of Net Position
Discretely Presented Component Unit - City of Dalton Building Authority
December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets:		
Cash and cash equivalents	$ 22,284,495	$ 28,695,556
Leases receivable	3,825,000	10,255,000
Accounts receivable	-	18,865
Interest receivable	442	-
Total Current Assets	26,109,937	38,969,421
Noncurrent Assets:		
Leases receivable (less current portion)	25,695,000	29,520,000
Total Assets	$ 51,804,937	$ 68,489,421
Liabilities		
Current Liabilities:		
Accounts payable	22,085,578	28,502,253
Revenue bonds payable	3,825,000	10,255,000
Total Current Liabilities	25,910,578	38,757,253
Long-Term Liabilities:		
Revenue bonds payable (less current portion)	25,695,000	29,520,000
Total Liabilities	51,605,578	68,277,253
Net Position		
Unrestricted	199,359	212,168
Total Net Position	199,359	212,168
Total Liabilities and Net Position	$ 51,804,937	$ 68,489,421

City of Dalton, Georgia
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Discretely Presented Component Unit - City of Dalton Building Authority
For the Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues (Expenses)		
Bond issuance fees	$ -	$ 52,719
Fiscal and administrative fees	(13,251)	(11,606)
Total Operating Revenues (Expenses)	(13,251)	41,113
Non-Operating Revenues (Expenses)		
Interest earnings	676,592	796,910
Interest and fiscal charges	(958,370)	(1,129,951)
Total Non-Operating Revenues (Expenses)	(281,778)	(333,041)
Income (Loss) Before Transfers In (Out)	(295,029)	(291,928)
Transfers In (Out)		
Transfers in (inflows of debt service principal and interest from the City of Dalton, City of Dalton Board of Education, and Whitfield County)	958,812	1,129,951
Transfer out (outflows of interest earnings and interest subsidy to the City of Dalton, City of Dalton Board of Education, and Whitfield County)	(676,592)	(796,910)
Total Transfers In (Out)	282,220	333,041
Change in Net Position	(12,809)	41,113
Net Position Beginning of Year	212,168	171,055
Net Position End of Year	$ 199,359	$ 212,168

City of Dalton, Georgia
Comparative Statement of Cash Flows
Discretely Presented Component Unit - City of Dalton Building Authority
For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Bond issuance fees	$ 18,865	$ 33,854
Fiscal and administrative fees	(10,307)	(8,457)
Net Cash Provided by (Used in) Operating Activities	8,558	25,397
Cash Flows from Capital and Related Financing Activities		
Payments to City of Dalton and City of Dalton Board of Education for capital use of debt proceeds	(7,096,414)	(3,508,984)
Receipts from City of Dalton, City of Dalton Board of Education, and Whitfield County for payment of debt and interest	11,214,015	11,349,108
Interest earnings, net of fees	676,592	796,910
Principal paid on capital debt	(10,255,000)	(10,219,000)
Interest paid on capital debt	(958,812)	(1,129,951)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(6,419,619)	(2,711,917)
Net Increase (Decrease) in Cash and Cash Equivalents	(6,411,061)	(2,686,520)
Cash and Cash Equivalents Beginning of Year	28,695,556	31,382,076
Cash and Cash Equivalents End of Year	$ 22,284,495	$ 28,695,556

STATISTICAL SECTION

This part of the City of Dalton, Georgia's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain trend information to help readers understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help readers assess the City's most significant local revenue source – its property tax.

Debt Capacity

These schedules present information to help readers assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

City of Dalton, Georgia
Net Position by Component
Ten Year Summary
Prepared using the accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	$ 67,728,129	$ 75,726,246	$ 81,410,981	$ 84,604,366	$ 85,392,649	$ 84,330,845	$ 66,137,063	$ 90,345,875	$ 93,964,626	$ 112,316,751
Restricted	8,151,582	8,541,404	7,061,016	8,342,082	10,018,388	10,520,530	31,432,478	23,620,864	28,034,917	26,349,375
Unrestricted	2,830,865	2,313,750	(7,663,963)	(5,239,030)	(3,698,707)	3,398,517	4,376,210	1,539,839	6,721,855	5,931,435
Total governmental activities	$ 78,710,576	$ 86,581,400	$ 80,808,034	$ 87,707,418	$ 91,712,330	$ 98,249,892	$ 101,945,751	$ 115,506,578	$ 128,721,398	$ 144,597,561
Business-type activities										
Net investment in capital assets	$ 725,497,305	$ 744,179,712	$ 658,650,654	$ 721,653,192	$ 814,056,708	$ 803,826,075	$ 886,567,371	$ 922,458,123	$ 962,184,943	$ 989,061,933
Restricted	97,394,000	96,509,000	214,165,000	190,433,000	143,023,000	185,424,000	132,666,000	99,708,000	105,925,000	87,785,000
Unrestricted	36,613,661	44,191,799	45,013,262	44,382,777	46,533,825	49,754,537	45,486,887	44,625,424	52,071,075	112,516,892
Total business-type activities	$ 859,504,966	$ 884,880,511	$ 917,828,916	$ 956,468,969	$ 1,003,613,533	$ 1,039,004,612	$ 1,064,720,258	$ 1,066,791,547	$ 1,120,181,018	$ 1,189,363,825
Primary government										
Net investment in capital assets	$ 793,225,434	$ 819,905,958	$ 740,061,635	$ 806,257,558	$ 899,449,357	$ 888,156,920	$ 952,704,434	$ 1,012,803,998	$ 1,056,149,569	$ 1,101,378,684
Restricted	105,545,582	105,050,404	221,226,016	198,775,082	153,041,388	195,944,530	164,098,478	123,328,864	133,959,917	114,134,375
Unrestricted	39,444,526	46,505,549	37,349,299	39,143,747	42,835,118	53,153,054	49,863,097	46,165,263	58,792,930	118,448,327
Total primary government	$ 938,215,542	$ 971,461,911	$ 998,636,950	$ 1,044,176,387	$ 1,095,325,863	$ 1,137,254,504	$ 1,166,666,009	$ 1,182,298,125	$ 1,248,902,416	$ 1,333,961,386

City of Dalton, Georgia
Changes in Net Position
Ten Year Summary
Prepared using the accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
General government	$ 2,971,036	$ 3,029,543	$ 2,574,600	$ 2,932,157	$ 3,793,196	$ 3,656,268	$ 4,510,143	$ 4,043,710	$ 5,912,115	$ 7,332,337
Judicial	437,044	433,156	424,203	409,440	392,841	416,055	287,867	500,868	586,612	578,045
Public safety	15,703,840	16,548,965	16,145,618	17,511,903	16,577,990	16,192,777	18,588,626	21,860,924	20,074,665	20,428,628
Public works	9,170,285	9,367,281	9,403,531	10,361,515	10,819,102	8,589,780	10,691,036	12,053,959	11,527,954	9,939,058
Health and welfare	522,072	468,925	419,892	474,442	440,499	508,059	663,315	616,355	410,293	487,836
Culture and recreation	5,390,895	5,833,592	5,627,651	5,872,966	5,879,397	5,630,740	5,260,407	5,740,343	6,650,859	6,604,152
Housing and development	454,327	260,840	121,645	296,359	332,616	910,073	1,526,828	697,488	1,312,247	690,851
Interest on long-term debt	270,543	372,838	324,325	282,702	244,914	200,751	482,128	828,202	992,720	(443,859)
Total governmental activities expenses	34,920,042	36,315,140	35,041,465	38,141,484	38,480,555	36,104,503	42,010,350	46,341,849	47,467,465	45,617,048
Business-type activities										
Electric system	90,044,256	94,539,437	95,303,240	84,556,426	84,920,632	80,473,178	114,921,651	225,711,307	139,630,692	142,210,000
Gas system	18,640,407	17,682,431	25,731,143	27,824,233	24,415,972	18,880,574	27,219,244	43,018,365	25,951,509	22,562,000
Water system	18,085,121	18,225,184	18,128,394	22,897,890	22,988,674	23,358,791	23,412,300	26,186,180	27,854,993	31,662,000
Wastewater system	20,152,765	20,743,975	19,269,419	20,089,467	19,393,848	19,903,976	21,418,300	50,054,180	25,870,993	26,573,000
Information technology system	19,738,019	19,376,077	16,522,358	16,239,082	15,878,431	15,731,432	15,052,514	17,481,704	17,485,371	18,208,000
Landfill	-	-	-	-	-	-	-	-	2,633,928	-
Convention Center	593,614	492,074	515,534	471,563	540,487	848,713	776,070	711,782	740,961	673,489
Municipal golf course	925,758	901,402	898,210	907,034	953,133	944,916	1,163,606	1,207,302	1,294,137	1,340,983
Municipal airport	813,242	846,647	853,995	873,083	993,797	942,208	1,057,142	1,357,577	1,309,887	1,218,639
Total business-type activities expenses	168,993,182	172,807,227	177,222,293	173,858,778	170,084,974	161,083,788	205,020,827	365,728,397	242,772,471	244,448,111
Total primary government expenses	$ 203,913,224	$ 209,122,367	$ 212,263,758	$ 212,000,262	$ 208,565,529	$ 197,188,291	$ 247,031,177	$ 412,070,246	$ 290,239,936	$ 290,065,159

(continued)

City of Dalton, Georgia
Changes in Net Position
Ten Year Summary
Prepared using the accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program revenues										
Governmental activities										
Charges for services										
General government	$ 957,103	$ 969,673	$ 988,534	$ 898,003	$ 344,986	$ 341,327	$ 467,925	$ 517,290	$ 540,470	$ 541,468
Judicial	689,686	803,218	743,691	715,497	592,789	507,195	629,098	570,533	770,786	733,047
Public safety	440,278	493,428	650,221	659,703	771,204	783,270	849,714	1,094,284	1,164,647	1,417,807
Public works	173,184	163,724	231,156	215,827	135,324	139,385	134,909	76,288	100,621	101,533
Health and welfare	47,783	50,800	51,076	49,575	53,300	22,335	205,654	217,034	-	-
Culture and recreation	374,869	400,749	405,590	378,835	335,074	287,737	398,253	396,260	298,375	303,347
Housing and development	-	-	-	-	-	-	-	10,000	-	-
Operating grants and contributions	2,681,730	1,699,959	2,092,951	1,965,144	3,278,259	4,258,266	2,088,783	12,514,808	4,931,528	1,813,029
Capital grants and contributions	1,895,627	10,147,970	10,100,807	8,335,199	2,434,707	1,001,027	7,159,521	7,575,851	8,026,398	13,659,094
Total governmental activities program revenues	7,260,260	14,729,521	15,264,026	13,217,783	7,945,643	7,340,542	11,933,857	22,972,348	15,832,825	18,569,325

(continued)

City of Dalton, Georgia
Changes in Net Position
Ten Year Summary
Prepared using the accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities										
Charges for services										
Electric system	$ 119,596,000	$ 121,900,000	$ 119,178,000	$ 118,828,000	$ 125,113,000	$ 118,143,000	$ 137,296,000	$ 263,451,000	$ 199,955,000	$ 202,915,000
Gas system	19,963,000	19,621,000	28,176,000	30,855,000	27,178,000	21,421,000	32,777,000	46,093,000	25,999,000	24,403,000
Water system	20,491,000	20,824,000	20,128,000	20,246,000	21,161,000	22,070,000	23,064,000	25,312,000	31,087,000	32,387,000
Wastewater system	21,863,000	21,878,000	22,306,000	21,720,000	21,616,000	20,099,000	21,189,000	21,304,000	24,712,000	24,971,000
Information technology system	20,148,000	20,995,000	21,401,000	22,341,000	22,548,000	22,078,000	22,158,000	22,316,000	21,850,000	22,235,000
Landfill	448,366	522,810	651,831	828,412	1,725,208	1,200,962	1,646,502	1,039,695	-	1,491,466
Municipal golf course	868,829	923,590	820,183	494,420	908,766	896,164	1,241,481	1,346,313	1,608,259	1,637,226
Municipal airport	455,791	494,593	468,152	462,829	522,761	430,201	560,043	948,272	782,206	727,617
Total business-type activities program revenues	203,833,986	207,158,993	213,129,166	215,775,661	220,772,735	206,338,327	239,932,026	381,810,280	305,993,465	310,767,309
Total primary government program revenues	$ 211,094,246	$ 221,888,514	$ 228,393,192	$ 228,993,444	$ 228,718,378	$ 213,678,869	$ 251,865,883	$ 404,782,628	$ 321,826,290	$ 329,336,634
Net revenues (expenses)										
Governmental activities	$ (27,659,782)	$ (21,585,619)	$ (19,777,439)	$ (24,923,701)	$ (30,534,912)	$ (28,763,961)	$ (30,076,493)	$ (23,369,501)	$ (31,634,640)	$ (27,047,723)
Business-type activities	34,840,804	34,351,766	35,906,873	41,916,883	50,687,761	45,254,539	34,911,199	16,081,883	63,220,994	66,319,198
Total primary government net revenue (expense)	$ 7,181,022	$ 12,766,147	$ 16,129,434	$ 16,993,182	$ 20,152,849	$ 16,490,578	$ 4,834,706	$ (7,287,618)	$ 31,586,354	$ 39,271,475

(continued)

City of Dalton, Georgia
Changes in Net Position
Ten Year Summary
Prepared using the accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General revenues and other changes in net position										
Governmental activities										
Property taxes levied for:										
General purposes	$ 9,143,523	$ 8,197,757	$ 8,552,650	$ 8,705,712	$ 8,879,845	$ 8,037,569	$ 7,903,363	$ 8,020,014	$ 8,680,029	$ 8,218,744
Selective taxes	9,932,992	9,378,765	10,149,190	10,916,682	12,002,362	12,607,683	13,963,328	15,160,489	15,743,316	16,254,660
Hotel/motel taxes	1,364,880	1,410,761	1,501,172	1,564,560	1,566,635	1,090,983	1,562,219	1,833,769	2,022,572	2,103,611
Investment earnings	224,686	227,495	299,310	502,978	684,787	444,764	96,332	418,365	1,704,725	1,892,095
Donations	20,891	50,252	261,115	714,102	451,396	23,078	37,915	524,901	145,256	904,444
Miscellaneous	559,299	633,166	497,349	729,120	736,893	353,352	659,535	444,532	572,009	596,450
Transfers	9,400,547	9,567,313	6,737,695	8,689,931	10,217,906	12,744,094	9,539,660	10,528,258	15,981,553	12,953,882
Total governmental activities general revenues and other changes in net position	30,646,818	29,465,509	27,998,481	31,823,085	34,539,824	35,301,523	33,762,352	36,930,328	44,849,460	42,923,886
Business-type activities										
Investment earnings	1,715,779	180,242	1,371,485	2,831,601	5,092,709	2,242,309	(220,893)	(4,181,768)	2,948,099	5,398,491
Contributions	-	-	-	2,000,000	1,000,000	-	-	4,350	2,629,000	9,966,000
Miscellaneous	150,000	410,850	591,000	581,500	582,000	638,325	565,000	694,050	572,931	453,000
Transfers	(9,400,547)	(9,567,313)	(6,737,695)	(8,689,931)	(10,217,906)	(12,744,094)	(9,539,660)	(10,528,258)	(15,981,553)	(12,953,882)
Total business-type activities general revenues and other changes in net position	(7,534,768)	(8,976,221)	(4,775,210)	(3,276,830)	(3,543,197)	(9,863,460)	(9,195,553)	(14,011,626)	(9,831,523)	2,863,609
Total primary government general revenues and other changes in net position	$ 23,112,050	$ 20,489,288	$ 23,223,271	$ 28,546,255	$ 30,996,627	$ 25,438,063	$ 24,566,799	$ 22,918,702	$ 35,017,937	$ 45,787,495
Change in net position										
Governmental activities	$ 2,987,036	$ 7,879,890	$ 8,221,042	$ 6,899,384	$ 4,004,912	$ 6,537,562	$ 3,685,859	$ 13,560,827	$ 13,214,820	$ 15,876,163
Business-type activities	27,306,036	25,375,545	31,131,663	38,640,053	47,144,564	35,391,079	25,715,646	2,070,257	53,389,471	69,182,807
Total primary government change in net position	$ 30,293,072	$ 33,255,435	$ 39,352,705	$ 45,539,437	$ 51,149,476	$ 41,928,641	$ 29,401,505	$ 15,631,084	$ 66,604,291	$ 85,058,970

City of Dalton, Georgia
Fund Balances of Governmental Funds
Ten Year Summary
Prepared using the modified accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Nonspendable	$ 155,856	$ 249,062	$ 171,680	$ 157,986	$ 185,196	$ 144,225	$ 128,121	$ 227,443	$ 681,574	$ 175,766
Restricted	96,029	99,974	114,974	293,499	323,075	321,417	321,417	321,417	336,417	337,992
Unrestricted	21,579,429	20,912,480	23,563,828	25,847,595	24,393,127	26,067,467	27,743,722	25,987,581	31,767,838	27,267,109
Total general fund	$ 21,831,314	$ 21,261,516	$ 23,850,482	$ 26,299,080	$ 24,901,398	$ 26,533,109	$ 28,193,260	$ 26,536,441	$ 32,785,829	$ 27,780,867
Nonmajor governmental funds										
Nonspendable	$ -	$ -	$ 40	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	7,974,454	8,204,724	6,470,325	7,514,261	8,672,492	8,970,831	30,183,499	40,100,677	43,524,934	40,383,253
Total nonmajor governmental funds	$ 7,974,454	$ 8,204,724	$ 6,470,365	$ 7,514,261	$ 8,672,492	$ 8,970,831	$ 30,183,499	$ 40,100,677	$ 43,524,934	$ 40,383,253

City of Dalton, Georgia
Changes in Fund Balances of Governmental Funds
Ten Year Summary
Prepared using the modified accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 19,727,131	$ 18,940,840	$ 20,473,181	$ 21,219,393	$ 22,483,049	$ 21,636,327	$ 23,541,568	$ 24,884,958	$ 26,417,542	$ 26,546,503
Licenses and permits	957,103	969,673	988,534	898,003	344,986	341,327	355,719	409,881	428,410	433,262
Intergovernmental revenues	4,577,357	11,847,929	12,193,758	10,300,343	5,712,966	5,240,793	8,893,304	19,826,717	12,483,562	14,799,379
Charges for services	1,277,199	1,409,091	1,413,867	1,501,341	1,349,088	1,295,386	1,840,049	1,792,067	1,843,447	1,827,180
Fines and forfeitures	405,566	456,663	454,847	448,006	460,003	444,536	499,785	679,741	603,042	836,760
Investment earnings	221,899	224,509	295,916	497,526	680,144	438,859	95,522	481,492	1,979,089	2,364,839
Miscellaneous	591,054	815,699	975,514	763,251	808,703	371,174	514,591	749,127	799,899	871,789
Total Revenues	27,757,309	34,664,404	36,795,617	35,627,863	31,838,939	29,768,402	35,740,538	48,823,983	44,554,991	47,679,712
Expenditures										
General government	2,399,552	2,596,194	2,222,011	2,495,241	3,683,839	3,440,615	3,190,338	3,526,952	3,665,558	6,260,471
Judicial	437,298	433,736	436,770	403,231	404,296	427,469	437,671	505,415	588,697	653,036
Public safety	15,391,367	15,814,820	16,356,131	16,740,427	17,423,011	18,871,214	17,241,892	19,446,561	19,827,769	21,766,522
Public works	7,636,525	7,857,512	8,226,802	8,512,089	9,468,123	7,644,743	8,987,152	10,039,222	9,737,868	8,342,113
Health and welfare	507,489	441,560	412,987	447,949	451,721	561,809	586,254	841,057	190,330	268,826
Culture and recreation	3,892,767	4,272,271	4,114,484	4,115,504	4,330,337	4,314,975	3,757,455	4,385,818	4,671,599	5,249,779
Housing and development	448,165	425,513	351,590	354,964	821,115	1,115,534	1,226,108	1,106,034	1,325,948	850,562
Capital outlay	6,647,103	9,752,687	10,579,620	6,649,492	3,317,667	3,769,477	3,760,888	10,970,508	12,052,894	28,697,800
Debt service:										
Principal retirement	513,798	2,604,114	2,650,290	2,450,074	2,481,859	270,000	3,175,000	600,000	630,000	660,000
Interest and fiscal charges	270,543	372,838	324,325	282,702	244,914	200,751	230,370	605,185	579,285	526,550
Debt issuance costs	165,356	-	-	-	-	-	321,136	-	-	-
Total Expenditures	38,309,963	44,571,245	45,675,010	42,451,673	42,626,882	40,616,587	42,914,264	52,026,752	53,269,948	73,275,659
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,552,654)	(9,906,841)	(8,879,393)	(6,823,810)	(10,787,943)	(10,848,185)	(7,173,726)	(3,202,769)	(8,714,957)	(25,595,947)

(continued)

City of Dalton, Georgia
Changes in Fund Balances of Governmental Funds
Ten Year Summary
Prepared using the modified accrual basis of accounting
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Financing Sources (Uses)										
Issuance of debt	$ 8,505,956	$ -	$ -	$ -	$ -	$ -	$ 18,360,000	$ -	$ -	$ -
Bond premium	-	-	-	-	-	-	1,964,026	-	-	-
Proceeds from sale of assets	-	-	-	282,864	330,586	34,141	182,859	135,832	65,741	184,752
Transfers in	13,817,596	13,068,767	11,842,350	13,005,179	14,979,992	19,592,913	13,321,517	35,513,822	36,263,874	36,307,071
Transfers out	(4,417,049)	(3,501,454)	(2,108,350)	(2,971,739)	(4,762,086)	(6,848,819)	(3,781,857)	(24,186,526)	(17,941,013)	(19,042,519)
Total Other Financing Sources (Uses)	17,906,503	9,567,313	9,734,000	10,316,304	10,548,492	12,778,235	30,046,545	11,463,128	18,388,602	17,449,304
Net Change in Fund Balance	$ 7,353,849	$ (339,528)	$ 854,607	$ 3,492,494	$ (239,451)	$ 1,930,050	$ 22,872,819	$ 8,260,359	$ 9,673,645	$ (8,146,643)
Debt service as a % of noncapital expenditures	2.5%	8.5%	8.5%	7.6%	6.9%	1.3%	8.7%	2.9%	2.9%	2.7%

City of Dalton, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Ten Year Summary
(Unaudited)

Fiscal Year	Real Property	Personal Property	Public Utilities	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2015	$ 2,082,112,700	$ 1,652,510,636	$ 26,322,153	$ 325,665,644	$ 3,435,279,845	2.511
2016	2,101,523,870	1,554,900,785	25,412,165	310,145,903	3,371,690,917	2.506
2017	2,198,330,501	1,588,229,275	23,732,060	316,394,309	3,493,897,527	2.506
2018	2,191,478,801	1,690,279,886	23,110,695	324,560,279	3,580,309,103	2.505
2019	2,276,262,177	1,666,670,790	21,956,165	329,697,205	3,635,191,927	2.482
2020	2,257,004,573	1,713,045,615	21,287,140	340,470,135	3,650,867,193	2.237
2021	2,302,008,095	1,556,143,374	21,011,288	324,352,155	3,554,810,602	2.208
2022	2,321,226,913	1,685,774,452	20,368,545	351,150,162	3,676,219,748	2.207
2023	2,885,385,550	1,969,376,625	18,080,870	399,227,265	4,473,615,780	1.936
2024 (1)	3,110,091,960	1,948,493,488	18,914,695	439,210,243	4,638,289,900	1.841

Source: Whitfield County Board of Tax Assessors

Note: Real property includes commercial and residential property. All property is assessed at 100% of estimated actual value. For this reason, assessed value is equal to estimated actual value. Tax rates are per $1,000 of assessed value.

(1) The 2024 assessed property values are based on a 2024 Temporary Tax Digest. The Whitfield County Tax Commissioner was ordered by the Superior Court of Whitfield County in October of 2024 to collect taxes based on the Temporary Tax Digest and Millage Rates established by the taxing entities. As of the publishing of this report, the City has not received a certified tax digest from the Whitfield County Tax Commissioner.

City of Dalton, Georgia
Direct and Overlapping Property Tax Rates
Ten Year Summary
(Unaudited)

Fiscal Year	City Millage	Dalton Public Schools Millage	Dalton Public Schools Debt Service Millage	Special Districts Millage	Whitfield County Millage	Total Direct and Overlapping Rates
2015	2.511	8.200	0.000	0.950	7.061	18.722
2016	2.506	8.200	0.000	0.950	9.561	21.217
2017	2.506	8.200	0.000	0.950	9.329	20.985
2018	2.505	8.200	0.570	2.500	9.312	23.087
2019	2.482	8.200	0.570	2.500	8.812	22.564
2020	2.237	8.200	0.570	2.500	8.312	21.819
2021	2.208	8.095	0.570	2.500	7.312	20.685
2022	2.207	8.090	0.560	1.500	7.300	19.657
2023	1.936	8.000	0.460	0.990	6.000	17.386
2024 (1)	1.841	9.000	0.420	0.990	5.556	17.807

Source: Whitfield County Board of Tax Assessors

Note: The City of Dalton taxes on 100% of assessed value; Whitfield County taxes on 40% of assessed value.

Note: Overlapping rates are those of local and county governments that apply to property owners within the City of Dalton. Not all overlapping rates apply to all City of Dalton property owners. For example, the rates for special districts apply only to those property owners located within the geographic boundaries of the special district.

(1) The 2024 assessed property values are based on a 2024 Temporary Tax Digest. The Whitfield County Tax Commissioner was ordered by the Superior Court of Whitfield County in October of 2024 to collect taxes based on the Temporary Tax Digest and Millage Rates established by the taxing entities. As of the publishing of this report, the City has not received a certified tax digest from the Whitfield County Tax Commissioner.

City of Dalton, Georgia
Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

	2024			2015		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Shaw Industries, Inc.	$ 526,473,775	1	11.4%	$ 643,943,072	1	18.7%
Mohawk Industries, Inc.	218,665,723	2	4.7%	112,638,141	2	3.3%
Tarkett USA (2)	100,622,922	3	2.2%	-	NA	0.0%
Engineered Floors, LLC (1)	72,228,628	4	1.6%	-	NA	0.0%
Synthetic Turf Resources	56,075,811	5	1.2%	-	NA	0.0%
The Peeples Group	39,538,459	6	0.9%	19,510,321	9	0.6%
QTS Procurement LLC	33,458,760	7	0.7%	-	NA	0.0%
Spectrum Southeast, LLC	31,215,126	8	0.7%	-	NA	0.0%
Mattex USA, LLC	30,164,385	9	0.7%	-	NA	0.0%
CORE Scientific Inc	29,404,293	10	0.6%	-	NA	0.0%
Beaulieu of America, LLC (1)	-	NA	0.0%	95,864,102	3	2.8%
J & J Industries (1)	-	NA	0.0%	76,692,074	4	2.2%
Tandus Centiva, Inc. (2)	-	NA	0.0%	66,990,042	5	2.0%
CBL & Associates Properties, Inc.	-	NA	0.0%	26,686,931	8	0.8%
Lexmark Carpet Mills, Inc. (2)	-	NA	0.0%	32,396,110	7	0.9%
Windstream	-	NA	0.0%	18,816,901	10	0.5%
Shiroki Georgia, LLC	-	NA	0.0%	35,984,653	6	1.0%

Source: Whitfield County Tax Commissioner
(1) J & J Industries and Beaulieu of America, LLC were purchased by Engineered Floors, LLC
(2) Tandus Centiva, Inc. and Lexmark Carpet Mills, Inc. were combined as Tarket USA

City of Dalton, Georgia
Property Tax Levies and Collections
Ten Year Summary
(Unaudited)

Fiscal Year	Taxes Levied	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2015	$ 8,366,569	$ (10,792)	$ 8,355,777	$ 7,466,921	89.4%	$ 888,856	$ 8,355,777	100.0%
2016	8,206,241	(17,806)	8,188,435	7,420,789	90.6%	767,620	8,188,409	100.0%
2017	8,603,323	(86,925)	8,516,398	7,625,345	89.5%	890,993	8,516,338	100.0%
2018	8,844,077	(189,333)	8,654,744	8,084,007	93.4%	569,261	8,653,268	100.0%
2019	8,918,132	(37,655)	8,880,477	8,286,628	93.3%	593,739	8,880,367	100.0%
2020	8,039,817	(25,498)	8,014,319	7,095,136	88.5%	918,337	8,013,473	100.0%
2021	7,788,703	36,744	7,825,447	7,116,547	90.9%	707,337	7,823,884	100.0%
2022	8,058,141	24,836	8,082,977	2,946,042	36.4%	5,116,020	8,062,062	99.7%
2023	8,448,473	72,639	8,521,112	7,694,553	90.3%	713,907	8,408,460	98.7%
2024	8,438,479	(97,929)	8,340,550	2,745,218	32.9%	-	2,745,218	32.9%

Source: Whitfield County Board of Tax Assessors
(1) 2022 tax notices were processed late and had a due date of February 20, 2023
(2) 2023 taxpayers received a Homeowners Tax Relief Grant from the State of Georgia in the amount of $163,220

City of Dalton, Georgia
Ratios of Outstanding Debt by Type
Ten Year Summary
(Unaudited)

Fiscal Year	Governmental Activities: General Obligation Bonds	Governmental Activities: Leases	Governmental Activities: Notes Payable	Business-Type Activities: Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2015	$ -	$ 13,419,337	$ 212,000	$ -	$ 13,631,337	1.3%	$ 403
2016	-	10,868,223	159,000	-	11,027,223	1.0%	324
2017	-	8,270,933	106,000	74,953,000	83,329,933	7.3%	2,469
2018	-	5,873,859	53,000	73,308,000	79,234,859	6.8%	2,362
2019	-	3,445,000	-	71,055,000	74,500,000	6.1%	2,213
2020	-	3,175,000	-	168,619,000	171,794,000	12.4%	4,992
2021	-	20,324,026	-	163,640,000	183,964,026	12.6%	5,366
2022	-	19,625,825	-	157,899,000	177,524,825	11.9%	5,166
2023	-	18,897,624	-	151,756,000	170,653,624	10.9%	4,945
2024	-	18,139,423	-	150,251,000	168,390,423	NA	NA

NA Not yet available

Note: Details regarding the City's outstanding debt are disclosed in Note 3-J of the Notes to the Basic Financial Statements.

City of Dalton, Georgia
Ratios of General Obligation Debt Outstanding
Ten Year Summary
(Unaudited)

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
2015	$ -	0.0%	$ -
2016	-	0.0%	-
2017	-	0.0%	-
2018	-	0.0%	-
2019	-	0.0%	-
2020	-	0.0%	-
2021	-	0.0%	-
2022	-	0.0%	-
2023	-	0.0%	-
2024	-	0.0%	-

Source: The actual taxable value of property is obtained from the Schedule of Assessed and Estimated Actual Value of Taxable Property. Population data can be found in the Schedule of Demographic and Economic Statistics.

Note: Details regarding the City's outstanding debt is disclosed in Note 3-J of the Notes to the Basic Financial Statements.

City of Dalton, Georgia
Direct and Overlapping Governmental Activities Debt
As of December 31, 2024
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Applicable Percentage	Estimated Share of Direct and Overlapping Debt
Dalton Public School System agreement with City - 2018 General Obligation Bonds	$ 39,525,000	100.0%	$ 39,525,000
Dalton Public School System agreement with Building Authority - Revenue Bonds, Series 2022	13,050,000	100.0%	13,050,000
Total overlapping debt			52,575,000
City direct debt			18,139,423
Total direct and overlapping debt			$ 70,714,423

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Dalton, Georgia. This process recognizes that when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

Note: Details regarding conduit debt obligations are disclosed in Note 4-D of the Notes to the Basic Financial Statements.

City of Dalton, Georgia
Legal Debt Margin Information
Ten Year Summary
(Unaudited)

	For the year ending December 31,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	$ 376,094,549	$ 368,183,682	$ 381,029,184	$ 390,486,938	$ 396,488,913	$ 399,133,733	$ 387,916,276	$ 402,736,991	$ 487,284,305	$ 507,750,014
Total net debt applicable to limit	-	-	-	40,380,000	40,380,000	40,380,000	40,380,000	40,380,000	40,380,000	39,525,000
Legal debt margin	$ 376,094,549	$ 368,183,682	$ 381,029,184	$ 350,106,938	$ 356,108,913	$ 358,753,733	$ 347,536,276	$ 362,356,991	$ 446,904,305	$ 468,225,014
Total net debt applicable to limit as a % of debt limit	0.0%	0.0%	0.0%	10.3%	10.2%	10.1%	10.4%	10.0%	8.3%	7.8%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value	$ 4,638,289,900
Add: exempt property	439,210,243
Total assessed value	5,077,500,143
	10.0%
Debt limit (10% of assessed value)	$ 507,750,014
Debt applicable to limit	
Total general obligation debt	$ 39,525,000
Legal debt margin	$ 468,225,014

Note: Details regarding conduit debt obligations are disclosed in Note 4-D of the Notes to the Basic Financial Statements.

City of Dalton, Georgia
Pledged-Revenue Coverage
Ten Year Summary
(Unaudited)

Fiscal Year	Utility Revenue Bonds					
				Debt Service		
	Utility Service Charges	Utility Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	$ 202,061,000	$ 137,377,000	$ 64,684,000	$ -	$ -	-
2016	205,218,000	141,634,000	63,584,000	-	-	-
2017	211,189,000	151,736,000	59,453,000	-	-	-
2018	213,990,000	143,950,000	70,040,000	-	2,414,000	29.0
2019	217,616,000	139,651,000	77,965,000	2,172,000	3,020,000	15.0
2020	203,811,000	129,595,000	74,216,000	2,202,000	2,915,000	14.5
2021	236,484,000	169,960,000	66,524,000	2,312,000	5,524,000	8.5
2022	378,476,000	329,093,000	49,383,000	5,133,000	6,333,000	4.3
2023	303,603,000	201,440,000	102,163,000	6,143,000	5,203,000	9.0
2024	306,911,000	199,997,000	106,914,000	5,673,000	5,807,000	9.3

Note: Details regarding the City's outstanding debt can be found in Note 3-J of the Notes to the Basic Financial Statements. Operating expenses do not include interest, depreciation, or amortization.

City of Dalton, Georgia
Demographic and Economic Statistics
Ten Year Summary
(Unaudited)

Fiscal Year	Estimated Population		Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate	School Enrollment
2015	33,853	*	$ 1,067,689	$ 31,539	5.9%	7,835
2016	34,077	*	1,153,063	33,837	6.0%	7,966
2017	33,748	*	1,146,858	33,983	5.6%	7,899
2018	33,540	*	1,173,363	34,984	5.0%	7,998
2019	33,665	*	1,222,578	36,316	4.9%	7,921
2020	34,417		1,384,664	40,232	4.0%	7,883
2021	34,285	*	1,465,169	42,735	3.0%	7,801
2022	34,366	*	1,486,915	43,267	4.1%	7,675
2023	34,508	*	1,565,731	45,373	3.6%	7,699
2024	34,970	*	NA	NA	6.1%	7,662

Source: Per Capita Personal Income and Unemployment Rate information was provided by the Georgia Department of Labor. School Enrollment information was provided by the Dalton Independent School System. Population information was provided by the US Census Bureau.

* Estimated

NA Not yet available

City of Dalton, Georgia
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

	2024			2015		
Taxpayer	Employees (1)	Rank	Percentage of Total City Employees	Employees (1)	Rank	Percentage of Total City Employees
Shaw Industries, Inc.	4,744	1	13.6%	4,660	1	13.8%
Hamilton Medical Center	1,763	2	5.0%	1,243	3	3.7%
Mohawk Industries, Inc.	1,716	3	4.9%	2,155	2	6.4%
Dalton Public School System	1,025	4	2.9%	971	5	2.9%
Engineered Floors, LLC (2)	1,003	5	2.9%	-	NA	0.0%
City of Dalton, Georgia	750	6	2.1%	687	8	2.0%
Tarket USA (3)	624	7	1.8%	-	NA	0.0%
Columbia Recycling Corp.	272	8	0.8%	472	9	1.4%
Wal-Mart Stores, LP	253	9	0.7%	-	NA	0.0%
Shiroki Georgia, LLC	233	10	0.7%	352	10	1.0%
Beaulieu of America, LLC (2)	-	NA	0.0%	1,151	4	3.4%
Tandus Centiva, Inc. (3)	-	NA	0.0%	839	6	2.5%
J & J Industries (2)	-	NA	0.0%	695	7	2.1%

NA	Information not available
(1)	Includes City of Dalton only
(2)	J & J Industries and Beaulieu of America, LLC were purchased by Engineered Floors, LLC
(3)	Tandus Centiva, Inc. and Lexmark Carpet Mills, Inc. were combined as Tarket USA
Source:	Dalton-Whitfield Chamber of Commerce and City occupation tax data
Note:	The above figures for the City of Dalton include WLSF Commission employees and employees leased to joint ventures

City of Dalton, Georgia
Full-Time Equivalent City Government Employees by Function/Program
Ten Year Summary
(Unaudited)

Function/Program	For the year ending December 31,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Administration	2	2	1	2	3	3	3	3	4	4
Human Resources	3	3	3	3	3	3	3	3	3	3
City Clerk	3	3	3	3	3	3	3	4	4	4
IT	2	2	2	2	2	3	3	3	4	4
Finance	5	5	5	5	5	5	5	5	6	6
Building Grounds/Maintenance	-	-	-	-	-	-	-	-	1	1
Municipal Court	5	5	5	5	5	5	5	6	6	6
Public Safety										
Police - Officers	83	81	85	85	88	84	80	77	80	78
Police - Civilians	15	15	13	13	13	12	12	12	12	12
Fire - Firefighters and officers	93	91	92	90	93	90	93	90	93	94
Fire - Civilians	3	3	3	3	3	3	1	1	1	1
Public Works										
Refuse collection	29	28	28	26	27	24	27	30	27	28
Streets	11	11	11	10	10	10	9	14	12	11
Other	28	28	30	34	34	34	36	42	35	35
DWRSWMA (Landfill)	41	41	41	42	43	43	42	47	47	48
WLSF (Dalton Utilities)	308	308	309	310	315	310	322	302	307	314
Culture and Recreation										
Recreation	52	55	52	53	62	63	58	53	48	54
Golf Course	11	11	11	11	12	12	12	14	14	14
Convention Center	26	25	24	24	22	15	15	16	16	16
Economic Development and Assistance										
Airport	3	3	3	3	3	3	3	4	3	4
Health and Welfare										
Compliance Enforcement	-	-	-	-	-	-	-	2	2	3

Source: City of Dalton and WLSF Commission payroll departments

Note: A full time employee is scheduled to work 1,560 hours per year (including vacation and sick leave).

Note: The City leases employees to the Dalton-Whitfield Solid Waste Management Authority, the Dalton Whitfield Community Development Corporation, the Dalton-Whitfield Convention and Visitors Bureau, the Downtown Dalton Development Authority, and the Northwest Georgia Trade and Convention Center Authority.

City of Dalton, Georgia
Operating Indicators by Function/Program
Ten Year Summary
(Unaudited)

Function/Program	For the year ending December 31,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police										
Physical arrests	4,014	3,668	4,424	4,897	4,712	3,801	4,105	4,015	4,894	3,298
Traffic citations and warnings	11,174	10,826	11,710	13,857	12,644	11,704	11,344	12,062	18,314	12,552
Fire										
Calls answered	2,896	3,590	3,719	3,867	3,906	3,358	3,997	3,954	3,824	4,058
Inspections conducted	259	717	1,080	1,536	3,090	1,545	1,314	1,769	2,815	3,313
Public Works										
Streets resurfaced (miles)	7	4	7	8	6	5	6	4	5	9
Refuse collected (tons	11,264	11,405	11,748	12,397	12,848	12,174	11,679	10,390	10,511	10,838
Culture and Recreation										
Youth athletic enrollment	4,500	4,535	4,580	4,862	4,869	3,487	2,452	3,151	5,190	6,110
Adult athletic enrollment	1,950	1,935	1,940	1,780	1,756	1,320	1,584	971	1,170	864
Special events	29,000	28,960	29,558	29,360	29,736	15,947	24,612	24,115	24,200	24,300
Tournaments	25,398	26,243	25,253	24,868	24,532	28,534	31,000	30,250	30,500	27,000
Round of golf	NA	NA	21,758	12,505	24,909	24,341	27,209	28,826	32,191	28,746
Tournament rounds of golf	NA	NA	1,877	1,454	2,493	774	2,286	3,045	3,120	2,835
Special needs participation	NA	NA	1,108	1,230	1,454	402	590	630	675	700

(continued)

(1) In millions of gallons
(2) Includes Whitfield County
Source: Various City departments
NA Not available

City of Dalton, Georgia
Operating Indicators by Function/Program
Ten Year Summary
(Unaudited)

Function/Program	For the year ending December 31,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
WLSF (Dalton Utilities) (1) (2)										
Electric System										
Number of service connections	16,882	16,907	16,802	16,874	16,815	15,414	15,856	17,155	17,421	18,022
Daily average consumption	4,762	4,931	5,073	5,233	5,663	5,408	5,788	9,365	8,599	8,962
Maximum daily peak (MW's)	267	275	271	283	301	299	414	483	446	476
Natural Gas System										
Number of service connections	7,554	7,534	7,445	7,426	7,456	7,357	7,324	7,273	7,301	7,289
Daily average consumption	7,295	8,622	13,716	14,492	13,515	12,285	13,931	12,771	12,103	12,158
Maximum daily peak (Dkthms)	24,166	25,681	27,824	37,489	32,948	32,662	30,785	29,571	26,561	34,710
Sewer system										
Number of service connections	12,884	12,916	12,847	13,006	13,090	13,334	13,279	13,743	13,975	14,322
Daily average treatment	21	19	23	24	20	25	24	24	22	22
Maximum daily capacity (Mil/gallons)	67	67	67	67	67	66	66	66	66	66
Water system										
Number of service connections	35,532	36,217	36,084	35,580	35,872	36,194	36,273	37,604	37,962	38,490
Daily average consumption (Mil/gallons)	27	27	27	28	27	27	25	22	24	24
Maximum daily capacity (Mil/gallons)	66	66	66	66	66	66	59	59	59	59
Optilink (Telecom) System										
Number of service connections	12,934	13,393	13,534	13,624	13,169	13,729	13,749	13,679	13,548	13,870

City of Dalton, Georgia
Capital Asset Statistics by Function/Program
Ten Year Summary
(Unaudited)

Function/Program	For the year ending December 31,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	63	65	65	65	65	65	65	65	65	65
Fire										
Number of stations	5	5	5	5	5	5	5	5	5	5
Streets and Sanitation										
Miles of streets	180	180	180	181	191	186	187	190	190	190
Streetlights	4,615	4,620	4,633	4,638	4,649	4,625	4,657	4,481	4,518	4,535
Culture and Recreation										
Community centers	3	3	3	3	3	3	3	3	2	2
Parks	13	13	13	14	14	14	14	14	21	21
Park acreage	719	734	734	1,260	1,260	1,260	1,260	1,260	1,260	1,260
Golf courses	1	1	1	1	1	1	1	1	1	1
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	22	28	28	28	28	28	28	28	28	28
WLSF (Dalton Utilities)										
Electric System										
Miles of distribution	334	339	356	356	390	390	390	364	364	361
Number of substations	11	11	11	11	12	12	12	13	13	13
Natural gas system										
Miles of distribution	292	296	298	341	363	350	353	340	345	349
Sewer system										
Miles of sewer	324	328	336	335	337	337	345	351	367	367
Number of treatment plants	5	5	5	5	5	4	4	4	4	2
Water system										
Miles of water mains	1,251	1,244	1,234	1,223	1,224	1,224	1,215	1,221	1,222	1,213
Number of fire hydrants	5,029	5,040	5,055	5,077	5,077	5,077	5,080	5,101	5,119	5,137
Optilink (Telecom) System										
Miles of fiber optics	1,096	1,317	1,367	1,422	1,479	1,682	1,779	1,921	1,974	1,992

Source: Various City departments
Note: Dalton Utilities figures include Whitfield County

City of Dalton, Georgia
Schedule of Projects Constructed with Special Purpose Local Option Sales Tax
For the Year Ended December 31, 2024

Project Name	Original Estimated Project Cost	Revised Estimated Project Cost	Funding Sources: Estimated SPLOST Collections	Funding Sources: Estimated Other Sources	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Total	Estimated Percentage Complete
SPLOST 2024 (2024 Referendum):								
Public safety buildings, vehicles, and equipment	$ 6,300,000	$ 6,300,000	$ 6,300,000	$ -	$ -	$ -	$ -	0%
Renovations to Heritage Point Park and other park capital improvements	3,000,000	3,000,000	3,000,000	-	-	-	-	0%
Mill Line Trail extension	3,000,000	3,000,000	3,000,000	-	-	-	-	0%
Roads, streets, bridges, stormwater projects, and equipment	14,515,050	14,515,050	14,515,050	-	-	-	-	0%
	$ 26,815,050	$ 26,815,050	$ 26,815,050	$ -	$ -	$ -	$ -	0%
SPLOST 2020 (2020 Referendum):								
Public safety building and vehicles	$ 4,968,000	$ 9,147,000	$ 7,904,105	$ 1,242,895	$ 3,120,832	$ 1,903,249	$ 5,024,081	55%
Renovations to John Davis and Heritage Park	11,175,000	20,041,626	14,375,910	5,665,716	6,842,516	1,896,689	8,739,205	44%
Renovations to Dalton-Whitfield Senior Center	425,000	425,000	425,000	-	151,726	196,838	348,564	82%
Roads, streets, bridges, stormwater projects, and equipment	2,531,000	11,438,127	7,473,915	3,964,212	4,840,451	2,398,013	7,238,464	63%
	$ 19,099,000	$ 41,051,753	$ 30,178,930	$ 10,872,823	$ 14,955,525	$ 6,394,789	$ 21,350,314	52%
SPLOST 2015 (2015 Referendum):								
County-wide communications project	$ 3,901,000	$ 3,901,222	$ 3,901,222	$ -	$ 3,901,222	$ -	$ 3,901,222	100%
County-wide library project	163,000	162,551	162,551	-	162,551	-	162,551	100%
Lakeshore/Brookwood Park recreation and Greenway projects	2,200,000	5,207,501	2,633,395	2,574,106	4,653,018	384,060	5,037,078	97%
Public safety vehicles	3,200,000	3,193,318	3,193,318	-	3,193,318	-	3,193,318	100%
Haig Mill reservoir recreation project	5,000,000	5,293,814	5,293,814	-	5,293,814	-	5,293,814	100%
Streets, bridges, and stormwater projects	10,000,000	16,568,998	11,505,658	5,063,340	12,793,797	1,734,179	14,527,976	88%
	$ 24,464,000	$ 34,327,404	$ 26,689,958	$ 7,637,446	$ 29,997,720	$ 2,118,239	$ 32,115,959	94%
Total	$ 70,378,050	$ 102,194,207	$ 83,683,938	$ 18,510,269	$ 44,953,245	$ 8,513,028	$ 53,466,273	

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, Members of the City Council,
City Administrator, and Chief Financial Officer
City of Dalton, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by Comptroller General of the United States ("*Government Auditing Standards"*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Dalton, Georgia as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Dalton, Georgia's basic financial statements, and have issued our report thereon dated June 20, 2025. Our report includes a reference to other auditors who audited the financial statements of the WLSF Commission, as described in our report on the City of Dalton, Georgia's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Estes & Walcott

Dalton, Georgia
June 20, 2025

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

Honorable Mayor, Members of the City Council,
City Administrator, and Chief Financial Officer
City of Dalton, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Dalton, Georgia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Dalton, Georgia's major federal programs for the year ended December 31, 2024. The City of Dalton, 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 Dalton, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards"*); 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 Dalton, 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 the City of Dalton, 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 the City of Dalton, 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 the City of Dalton, 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Dalton, Georgia's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Dalton, 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 the City of Dalton, 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 the City of Dalton, 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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.

Estes & Walcott

Dalton, Georgia
June 20, 2025

City of Dalton, Georgia
Schedule of Findings and Questioned Costs
December 31, 2024

Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the City of Dalton, Georgia.

2. No significant deficiencies were disclosed during the audit which are required to be reported in the 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*.

3. No instances of noncompliance material to the financial statements of the City of Dalton, Georgia were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit which are required to be reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs expresses an unmodified opinion.

6. No instances of findings were disclosed during the audit which are required to be reported in accordance with Section 200.516 of the Uniform Guidance.

7. The programs tested as a major program are:

   U.S. Department of the Treasury
   Pass-through Georgia Governor's Office of Planning and Budgeting
   Coronavirus State and Local Fiscal Recovery Funds
   CFDA # 21.027

8. The threshold for distinguishing Type A and B programs is $750,000.

9. The City of Dalton, Georgia was determined to be a low-risk auditee.

City of Dalton, Georgia
Schedule of Expenditures of Federal Awards
December 31, 2024

Federal Grantor / Pass-Through Grantor / Program Title / Contract Number	Pass-Through Grantor ID Number	Assistance Listing Number	Current Year Expenditures	Federal Awards Passed Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Direct funding:				
Soil and Water Conservation	N/A	10.902	$ 1,400	$ -
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct funding:				
CDBG Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants		14.218		
Grant/Contract # B20MW130011	N/A		4,946	
Grant/Contract # B22MC130011	N/A		33,766	
Grant/Contract # B23MC130011	N/A		327,222	
Grant/Contract # B24MC130011	N/A		44,569	
			410,503	330,976
U.S. DEPARTMENT OF JUSTICE				
Direct funding:				
Bulletproof Vest Partnership Program		16.607		
Grant/Contract # 2022BUBX2209	N/A		1,503	
Grant/Contract # 2021BUBX20019780	N/A		4,481	
Equitable Sharing Program		16.922		
Grant/Contract # NKZAZHFZFEN7	N/A		8,263	
			14,247	-
U.S. DEPARTMENT OF TRANSPORTATION				
Pass-through Georgia Department of Transportation:				
Airport Improvement Program		20.106		
	AP023-9067-44(313)		103,674	
	AP025-9093-47(313)		2,334,758	
	AP025-9074-47(313)		84,434	
			2,522,866	-
U.S. DEPARTMENT OF THE TREASURY				
Pass-through Georgia Governor's Office of Planning and Budgeting:				
Coronavirus State and Local Fiscal Recovery Funds		21.027		
	GA-0013756		2,094,436	
	GA-0013743		2,199,478	
			4,293,914	-
Total			$ 7,242,930	$ 330,976

See accompanying notes to the Schedule of Expenditures of Federal Awards
N/A - Pass-Through Grantor ID not applicable to direct funding

City of Dalton, Georgia
Notes to Schedule of Expenditures of Federal Awards
December 31, 2024

A. General

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards received by the City of Dalton, Georgia. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in this schedule.

B. Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented using the full accrual basis of accounting, as described in Note 1-D.

C. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

D. Indirect Costs

The City did not elect to use the 10% de minimis indirect cost rate.