CITY OF DULUTH, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

June 30, 2024

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CITY OF DULUTH, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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FINANCIAL SECTION

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BASIC FINANCIAL STATEMENTS

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City of Duluth, Georgia

Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 44,176,070	$ 12,880,774	$ 57,056,844
Investments	5,291,770	-	5,291,770
Accounts receivable	1,169,131	25,033	1,194,164
Taxes receivable	539,116	-	539,116
Intergovernmental	2,207,083	-	2,207,083
Internal balances	(678)	678	-
Prepaid items	463,465	-	463,465
Notes receivable, current	-	189,168	189,168
Notes receivable, long-term	-	5,047,598	5,047,598
Nondepreciable capital assets	23,852,349	7,942,826	31,795,175
Depreciable capital assets, net	48,077,516	9,272,475	57,349,991
TOTAL ASSETS	125,775,822	35,358,552	161,134,374
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	2,377,021	43,381	2,420,402
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,377,021	43,381	2,420,402
LIABILITIES			
Current liabilities:			
Accounts payable	2,549,556	472,401	3,021,957
Retainage payable	82,895	-	82,895
Accrued expenses	805,789	-	805,789
Accrued interest payable	-	174,234	174,234
Unearned revenue	3,255,350	-	3,255,350
Noncurrent liabilities:			
Financed purchases due within one year	25,225	-	25,225
Financed purchases due in more than one year	55,212	-	55,212
Bonds payable due within one year	-	1,009,931	1,009,931
Bonds payable due in more than one year	-	32,513,465	32,513,465
Compensated absences payable due within one year	760,985	-	760,985
Net pension liability	765,867	27,115	792,982
TOTAL LIABILITIES	8,300,879	34,197,146	42,498,025
DEFERRED INFLOWS OF RESOURCES			
Pension related items	193,826	13,556	207,382
TOTAL DEFERRED INFLOWS OF RESOURCES	193,826	13,556	207,382
NET POSITION			
Net investment in capital assets	70,383,895	53,386	70,437,281
Restricted for capital construction	12,262,939	-	12,262,939
Restricted for law enforcement	182,712	-	182,712
Restricted for recreation	366,938	-	366,938
Unrestricted	36,461,654	1,137,845	37,599,499
TOTAL NET POSITION	$ 119,658,138	$ 1,191,231	$ 120,849,369

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia

Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT:							
Governmental Activities:							
General government	$ 7,021,258	$ 1,653,625	$ -	$ 584,190	$ (4,783,443)	$ -	$ (4,783,443)
Public safety	11,246,849	2,479,695	3,941,903	1,102,509	(3,722,742)	-	(3,722,742)
Public works	9,610,093	6,613	-	9,269,076	(334,404)	-	(334,404)
Culture and recreation	6,285,952	255,055	-	1,500,750	(4,530,147)	-	(4,530,147)
Housing and development	544,055	-	-	-	(544,055)	-	(544,055)
Interest on long-term obligations	5,605	-	-	-	(5,605)	-	(5,605)
Total Governmental Activities	34,713,812	4,394,988	3,941,903	12,456,525	(13,920,396)	-	(13,920,396)
Business-Type Activities:							
Downtown Development Authority	931,007	99,408	-	-	-	(831,599)	(831,599)
Urban Redevelopment Authority	3,015,588	-	-	-	-	(3,015,588)	(3,015,588)
Stormwater	3,578,066	1,740,922	-	-	-	(1,837,144)	(1,837,144)
Total Business-Type Activities	7,524,661	1,840,330	-	-	-	(5,684,331)	(5,684,331)
Total - Primary Government	$ 42,238,473	$ 6,235,318	$ 3,941,903	$ 12,456,525	(13,920,396)	(5,684,331)	(19,604,727)
		GENERAL REVENUES:					
		Taxes:					
		Property			17,850,536	-	17,850,536
		Insurance premium			2,827,200	-	2,827,200
		Other			5,469,096	-	5,469,096
		Interest earned			1,233,196	384,846	1,618,042
		Miscellaneous			530,512	11,672	542,184
		Total General Revenues			27,910,540	396,518	28,307,058
		Transfers			(3,714,825)	3,714,825	-
		Total General Revenues and Transfers			24,195,715	4,111,343	28,307,058
		Change in Net Position			10,275,319	(1,572,988)	8,702,331
		NET POSITION BEGINNING OF YEAR			109,382,819	2,764,219	112,147,038
		NET POSITION END OF YEAR			$ 119,658,138	$ 1,191,231	$ 120,849,369

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia

Balance Sheet

Governmental Funds

June 30, 2024

	General Fund	American Rescue Plan Fund	SPLOST 2017 Fund	Other Capital Projects Fund	*(Previously Nonmajor)* SPLOST 2023 Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 27,948,750	$ 3,048,668	$ 2,771,010	$ 906,485	$ 6,985,141	$ 1,918,431	$ 43,578,485
Investments	5,291,770	-	-	-	-	-	5,291,770
Receivables:							
Taxes	511,356	-	-	-	-	27,760	539,116
Accounts	1,169,131	-	-	-	-	-	1,169,131
Intergovernmental	2,400	-	-	867,456	1,337,227	-	2,207,083
Due from other funds	618,856	-	-	-	-	35,716	654,572
Prepaid items	463,465	-	-	-	-	-	463,465
TOTAL ASSETS	$ 36,005,728	$ 3,048,668	$ 2,771,010	$ 1,773,941	$ 8,322,368	$ 1,981,907	$ 53,903,622
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 1,133,702	$ -	$ -	$ 990,022	$ -	$ 423,712	$ 2,547,436
Retainage payable	-	-	-	82,895	-	-	82,895
Accrued salaries payable	257,894	-	-	-	-	-	257,894
Accrued expenditures	454,671	-	-	-	-	-	454,671
Due to other funds	36,499	-	-	618,856	-	-	655,355
Unearned revenue	-	3,048,668	-	-	-	206,682	3,255,350
TOTAL LIABILITIES	1,882,766	3,048,668	-	1,691,773	-	630,394	7,253,601
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	1,261,382	-	-	-	-	-	1,261,382
TOTAL DEFERRED INFLOWS OF RESOURCES	1,261,382	-	-	-	-	-	1,261,382
FUND BALANCES							
Nonspendable:							
Prepaid items	463,465	-	-	-	-	-	463,465
Restricted:							
Capital construction	-	-	2,771,010	-	8,322,368	1,169,561	12,262,939
Law enforcement	-	-	-	-	-	182,712	182,712
Culture and recreation	-	-	-	-	-	366,938	366,938
Committed:							
Capital construction	2,721,739	-	-	-	-	-	2,721,739
Employee flexible spending	23,265	-	-	-	-	-	23,265
Equipment purchases	-	-	-	-	-	20,530	20,530
Assigned:							
SDS Settlement	1,316,472	-	-	-	-	-	1,316,472
Capital construction	-	-	-	28,652	-	-	28,652
Gateway construction	-	-	-	5,500	-	-	5,500
Train viewing platform	-	-	-	48,016	-	-	48,016
Unassigned (deficit)	28,336,639	-	-	-	-	(388,228)	27,948,411
TOTAL FUND BALANCES (DEFICIT)	32,861,580	-	2,771,010	82,168	8,322,368	1,351,513	45,388,639
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 36,005,728	$ 3,048,668	$ 2,771,010	$ 1,773,941	$ 8,322,368	$ 1,981,907	$ 53,903,622

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2024

TOTAL GOVERNMENTAL FUND BALANCES		$ 45,388,639
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost	$ 148,323,128	
Less accumulated depreciation	(78,388,633)	69,934,495
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes and franchise taxes		1,261,382
Internal service funds are used by management to charge the costs of financing and workers' compensation to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		2,497,716
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and therefore are not reported in the funds.		
Deferred outflows of resources-pension items	$ 2,377,021	
Deferred inflows of resources-pension items	(193,826)	
Net pension liability	(765,867)	1,417,328
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Financed purchase		(80,437)
Compensated absences		(760,985)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 119,658,138

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2024

	General Fund	American Rescue Plan Fund	SPLOST 2017 Fund	Other Capital Projects	*(Previously Nonmajor)* SPLOST 2023 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	$ 23,404,392	$ -	$ -	$ -	$ -	$ 2,520,106	$ 25,924,498
Licenses and permits	1,595,484	-	-	-	-	-	1,595,484
Intergovernmental	1,313,690	4,310,869	-	2,798,391	7,628,569	672	16,052,191
Charges for services	406,672	-	-	-	-	-	406,672
Interest income	1,232,733	-	184,563	-	119,147	7,501	1,543,944
Fines and forfeitures	2,281,723	-	-	-	-	65,198	2,346,921
Miscellaneous	362,969	-	-	-	-	69,054	432,023
TOTAL REVENUES	30,597,663	4,310,869	184,563	2,798,391	7,747,716	2,662,531	48,301,733
EXPENDITURES							
Current:							
General government	6,319,677	-	-	425,710	-	132,616	6,878,003
Public safety	10,302,940	-	-	1,450,706	-	7,630	11,761,276
Public works	6,305,622	1,717,682	-	5,313,972	-	1,038,145	14,375,421
Culture and recreation	2,178,232	-	-	680,621	-	2,899,075	5,757,928
Debt service:							
Principal retirement	-	-	-	23,759	-	-	23,759
Interest and fiscal charges	-	-	-	5,605	-	-	5,605
TOTAL EXPENDITURES	25,106,471	1,717,682	-	7,900,373	-	4,077,466	38,801,992
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,491,192	2,593,187	184,563	(5,101,982)	7,747,716	(1,414,935)	9,499,741
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	21,737	-	-	-	-	-	21,737
Transfers in	2,929,023	-	-	5,420,964	-	3,677,635	12,027,622
Transfers out	(3,007,733)	(2,593,187)	(7,175,343)	-	(1,265,902)	(2,216,584)	(16,258,749)
TOTAL OTHER FINANCING SOURCES (USES)	(56,973)	(2,593,187)	(7,175,343)	5,420,964	(1,265,902)	1,461,051	(4,209,390)
NET CHANGE IN FUND BALANCES	5,434,219	-	(6,990,780)	318,982	6,481,814	46,116	5,290,351
FUND BALANCES (DEFICIT) - JULY 1	27,427,361	-	9,761,790	(236,814)	-	3,145,951	40,098,288
Adjustment - change within reporting entity	-	-	-	-	1,840,554	(1,840,554)	-
FUND BALANCES (DEFICIT) - JULY 1, AS ADJUSTED	27,427,361	-	9,761,790	(236,814)	1,840,554	1,305,397	40,098,288
FUND BALANCES - END OF YEAR	$ 32,861,580	$ -	$ 2,771,010	$ 82,168	$ 8,322,368	$ 1,351,513	$ 45,388,639

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See accompanying notes to the basic financial statements.

City of Duluth, 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 June 30, 2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 5,290,351
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 outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (4,965,971)	
Capital outlay	9,856,195	4,890,224
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.		222,334
The effect of contributions of capital assets from business-type activities is to increase net position		316,302
The net effect of disposals of capital assets is to decrease net position		(152,097)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Repayment of financed purchase principal		23,759
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in compensated absences		(82,162)
Some expenses reported in the Statement of Activities, related to the change in the net pension liability and the related deferred inflows and outflows of resources, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in net pension liability and related deferred inflows and deferred outflows		(97,794)
The internal service funds used by management to charge the costs of certain financing and workers' compensation to individual funds are included in the government-wide Statement of Activities. Governmental fund expenditures and related internal service fund revenues are eliminated.		(135,598)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 10,275,319

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2024

	Downtown Development Authority	Urban Redevelopment Authority	Stormwater Fund	Total	Internal Service Funds
ASSETS					
Current Assets:					
Cash	$ 507,454	$ 11,181,382	$ 1,191,938	$ 12,880,774	$ 597,585
Accounts receivable	377	-	24,656	25,033	-
Notes receivable, current portion	189,168	-	-	189,168	-
Due from other funds	579	-	99	678	105
Total Current Assets	697,578	11,181,382	1,216,693	13,095,653	597,690
Noncurrent Assets:					
Notes receivable	5,047,598	-	-	5,047,598	-
Capital assets:					
Nondepreciable capital assets	128,795	7,814,031	-	7,942,826	1,654,853
Depreciable capital assets, net	5,768,786	2,879,297	624,392	9,272,475	340,517
Total Noncurrent Assets	10,945,179	10,693,328	624,392	22,262,899	1,995,370
TOTAL ASSETS	11,642,757	21,874,710	1,841,085	35,358,552	2,593,060
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	-	-	43,381	43,381	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	-	43,381	43,381	-
LIABILITIES					
Current Liabilities:					
Accounts payable	4,573	102,468	365,360	472,401	2,120
Claims payable	-	-	-	-	93,224
Accrued interest payable	-	174,234	-	174,234	-
Revenue bonds payable, current portion	4,931	1,005,000	-	1,009,931	-
Total Current Liabilities	9,504	1,281,702	365,360	1,656,566	95,344
Noncurrent Liabilities:					
Revenue bonds payable	8,610,465	23,903,000	-	32,513,465	-
Net pension liability	-	-	27,115	27,115	-
Total Noncurrent Liabilities	8,610,465	23,903,000	27,115	32,540,580	-
TOTAL LIABILITIES	8,619,969	25,184,702	392,475	34,197,146	95,344
DEFERRED INFLOWS OF RESOURCES					
Pension related items	-	-	13,556	13,556	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	13,556	13,556	-
NET POSITION					
Net investment in capital assets	2,518,951	(2,724,597)	259,032	53,386	1,995,370
Unrestricted	503,837	(585,395)	1,219,403	1,137,845	502,346
TOTAL NET POSITION	$ 3,022,788	$ (3,309,992)	$ 1,478,435	$ 1,191,231	$ 2,497,716

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Downtown Development Authority	Urban Redevelopment Authority	Stormwater Fund	Total	Internal Service Funds
OPERATING REVENUES					
Stormwater fees	$ -	$ -	$ 1,740,922	$ 1,740,922	$ -
Charges for services	-	-	-	-	11,883
Taxes	99,408	-	-	99,408	-
Other	-	-	-	-	167,543
TOTAL OPERATING REVENUES	99,408	-	1,740,922	1,840,330	179,426
OPERATING EXPENSES					
Administration	-	-	509,159	509,159	-
Costs of sales and services	-	-	2,983,291	2,983,291	-
Depreciation	579,893	322,492	85,616	988,001	97,250
Claims	-	-	-	-	418,237
Other	349,320	2,127,613	-	2,476,933	-
TOTAL OPERATING EXPENSES	929,213	2,450,105	3,578,066	6,957,384	515,487
OPERATING LOSS	(829,805)	(2,450,105)	(1,837,144)	(5,117,054)	(336,061)
NON-OPERATING REVENUE (EXPENSE)					
Interest and fiscal charges	(1,794)	(565,483)	-	(567,277)	-
Miscellaneous	11,672	-	-	11,672	-
Interest income	151,750	233,096	-	384,846	463
TOTAL NON-OPERATING INCOME (LOSS)	161,628	(332,387)	-	(170,759)	463
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(668,177)	(2,782,492)	(1,837,144)	(5,287,813)	(335,598)
Capital contribution to governmental activities	-	(316,302)	-	(316,302)	-
Transfers in	-	2,531,127	1,500,000	4,031,127	200,000
	-	2,214,825	1,500,000	3,714,825	200,000
CHANGE IN NET POSITION	(668,177)	(567,667)	(337,144)	(1,572,988)	(135,598)
NET POSITION:					
BEGINNING OF YEAR	3,690,965	(2,742,325)	1,815,579	2,764,219	2,633,314
END OF YEAR	$ 3,022,788	$ (3,309,992)	$ 1,478,435	$ 1,191,231	$ 2,497,716

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See accompanying notes to the basic financial statements.

City of Duluth, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Downtown Development Authority	Urban Redevelopment Authority	Stormwater Fund	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for operations	$ 99,408	$ -	$ 1,734,142	$ 1,833,550	$ -
Cash paid for goods and services	(460,273)	(2,403,513)	(3,157,414)	(6,021,200)	-
Receipts from interfund charges	-	-	-	-	11,883
Cash paid for claims	-	-	-	-	(149,732)
NET CASH USED BY OPERATING ACTIVITIES	(360,865)	(2,403,513)	(1,423,272)	(4,187,650)	(137,849)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	-	2,531,127	1,500,000	4,031,127	200,000
Issuance of notes receivable	(327,481)	-	-	(327,481)	-
Payments received on notes receivable	170,317	-	-	170,317	-
Miscellaneous receipts	11,672	-	-	11,672	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(145,492)	2,531,127	1,500,000	3,885,635	200,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on long-term debt	(4,652)	(1,961,000)	-	(1,965,652)	-
Acquisition of capital assets	-	(3,127,760)	-	(3,127,760)	-
Interest paid on long-term debt	(1,795)	(570,316)	-	(572,111)	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(6,447)	(5,659,076)	-	(5,665,523)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	151,750	233,096	-	384,846	463
NET CASH PROVIDED BY INVESTING ACTIVITIES	151,750	233,096	-	384,846	463
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(361,054)	(5,298,366)	76,728	(5,582,692)	62,614
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	868,508	16,479,748	1,115,210	18,463,466	534,971
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 507,454	$ 11,181,382	$ 1,191,938	$ 12,880,774	$ 597,585
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES					
Operating loss	$ (829,805)	$ (2,450,105)	$ (1,837,144)	$ (5,117,054)	$ (336,061)
Adjustments:					
Depreciation	579,893	322,492	85,616	988,001	97,250
Changes in assets and liabilities:					
Accounts receivable	(265)	-	(6,780)	(7,045)	54,151
Deferred outflows pension items	-	-	1,641	1,641	-
Due from other funds	(139)	-	(28)	(167)	4,347
Due to other funds	-	-	-	-	(72)
Accounts payable and claims payable	(110,549)	(196,321)	341,493	34,623	42,536
Retainage payable	-	(79,579)	-	(79,579)	-
Net pension liability	-	-	(2,899)	(2,899)	-
Deferred inflows pension items	-	-	(5,171)	(5,171)	-
NET CASH USED BY OPERATING ACTIVITIES	$ (360,865)	$ (2,403,513)	$ (1,423,272)	$ (4,187,650)	$ (137,849)
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions to governmental activities	$ -	$ (316,302)	$ -	$ (316,302)	$ -

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See accompanying notes to the basic financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Duluth, Georgia was incorporated in 1876. The City operates under the Mayor-Council form of government and provides the following services to its citizens as authorized by its charter: public safety, public works, culture and recreation, and general and administrative services. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Duluth, Georgia (the "primary government") and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. In conformity with generally accepted accounting principles, all of the component units are reported as blended component units.

Component units of the City do not issue separately audited financial statements.

Due to restrictions of the state constitution relating to the issuance of municipal debt, the City created separate organizations to finance City services with revenue bonds or other nongeneral obligation financing and provide for multiyear contracting. Financing services provided by these organizations are solely for the benefit of the City. Organizations are blended into the City's primary government as an integral part of City operations although retaining separate legal identity.

The Duluth Governmental Finance Corporation (DGFC) is a blended component unit. It oversees funding for a public works facility. The Board consists of the Mayor and Council who have the ability to make all decisions for the Corporation. The DGFC serves only as a financing vehicle for property used by the City. The Corporation is presented as an internal service fund.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The Downtown Development Authority (DDA) is a blended component unit. The City Council appoints all members of the Board of Directors of the DDA and the DDA's budget must be approved by the City Council. The DDA serves only as a financing vehicle for redevelopment property on behalf of the City. The DDA is presented as a proprietary fund.

The Urban Redevelopment Authority (URA) is a blended component unit. The City Council appoints all members of the Board of Directors of the URA and those board members may be removed by the City Council. The URA serves only as a financing vehicle for redevelopment property on behalf of the City. The URA is presented as a proprietary fund.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

Program revenues include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental activities and business-type activities in the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term financing, compensated absences, pension liabilities, and claims, are recorded only when payment is due. Property taxes, sales taxes, franchise taxes, intergovernmental revenue, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, "*Accounting and Financial Reporting for Nonexchange Transactions*", the corresponding assets (receivables) in nonexchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City reports the following major governmental funds:

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

The ***American Rescue Plan (ARP) Fund*** accounts for the revenue and expenditures related to the American Rescue Plan Act grant provided to the City from the United States Department of the Treasury.

The ***SPLOST 2017 Fund*** accounts for the financial resources provided from the 2017 voter approved one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parking facilities, parks and recreation facilities, public safety facilities, and road improvements.

The ***Other Capital Projects Fund*** accounts for the construction of various capital projects funded through transfers from the general fund and intergovernmental agreements.

The ***SPLOST 2023 Fund*** accounts for the financial resources provided from the 2023 voter approved one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parking facilities, parks and recreation facilities, public safety facilities, road improvements, and administrative facilities.

The City reports the following major enterprise funds:

The ***Downtown Development Authority*** (Blended Component Unit) provides financing for the City related to the development of downtown Duluth.

The ***Urban Redevelopment Authority*** (Blended Component Unit) provides financing for the City related to the redevelopment of certain areas within the City.

The ***Stormwater Fund*** accounts for the stormwater activities of the City, funded with a charge to citizens for this service.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City also reports the following fund types within the non-major governmental funds:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted or are committed by City Council to expenditures for specified purposes.

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

The City also reports the following:

Internal Service Funds are used to finance and account for services and commodities provided by designated departments or agencies to other departments and agencies of the City.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods or services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents and Investments

For purposes of the statement of cash flows, cash and cash equivalents include all short-term highly liquid investments with original maturities of three months or less. Instruments considered cash equivalents include: certificates of deposit, money market funds, and cash management pools.

The City's investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Interfund Receivables and Payables

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

F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and recorded as expense or expenditure in the benefiting period.

G. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements and the proprietary fund statements of net position. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets (Continued)

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following useful lives:

Asset	Years
Buildings and land improvements	10-40
Improvements other than buildings (infrastructure)	10-30
Furniture, machinery and equipment	3-7

I. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

In the governmental fund statements, proceeds from the issuance of long-term debt and the related bond premiums and discounts are reported as other financing sources and uses. Bond issuance costs are reported as debt services expenditures.

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when the employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Net Position and Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources 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. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment, also through adoption of a resolution.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City's finance committee to assign fund balances.

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Net Position and Fund Equity (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. The net investment in capital assets represents the book value of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

L. Deferred Outflows of Resource/Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City's only deferred outflows or resources are related to pension and described below.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Deferred Outflows of Resources/Deferred Inflows of Resources (Continued)

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of deferred inflows of resources, which arises only under the modified accrual basis of accounting and is found in the governmental funds. Under the modified accrual basis of accounting, the City reports unavailable revenues from property or other taxes as deferred inflows of resources as these amounts will not be recognized as an inflow of resources until the period that the amounts become available. The City has other deferred inflows of resources related to pensions as disclosed below.

The City also has deferred outflows and inflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources. See Note 9 for further detail.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Duluth Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Deficit Fund Equity

At June 30, 2024, the Rodgers Bridge Dog Park Fund had a deficit of $269,368 and the Hospital Connector Fund had a deficit of $118,860. The deficits in these funds will be funded with budgeted financing through other funding or with transfers from other funds, if necessary. The Urban Redevelopment Authority had a deficit net position of $3,309,992. The deficit will be funded with the sale or development of assets, transfers from other funds, or with budgeted financing through other funding.

NOTE 2. LEGAL COMPLIANCE - BUDGETS

The City adopted annual budgets for the General, Special Revenue Funds, and the Capital Projects Funds (on a project-length basis) on an accounting basis which approximates generally accepted accounting principles in the United States of America (GAAP).

Generally, in January of each year, departmental budget meetings are held. After discussions, a proposed budget is presented before the Mayor and City Council during March. Public hearings are then held during the last of May and the first of June to allow citizens to voice their concerns and opinions. After further revision if any, the budget is adopted by the Mayor and Council prior to the start of the new fiscal year (i.e., July 1).

The budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department/fund level by class. The legal level of control is at the fund/department level as specified by the Georgia State Code. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval subject to dollar amount limitations.

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NOTE 2. LEGAL COMPLIANCE – BUDGETS (Continued)

Excess Expenditures Over Appropriations

For the year ended June 30, 2024, expenditures exceeded the budget by department as follows:

Fund/Department	Excess
General Fund:	
City Clerk/Business Office	
Personal services	$ 56,518
Other	
Building custodial services	21,855
Police/Admin	
Personal services	91,386
Police/CID	
Other services and charges	334,046
Public works/Administration	
Personal services	50,617

These amounts were funded by greater than anticipated revenues and savings in other departments.

NOTE 3. DEPOSITS AND INVESTMENTS

Custodial Credit Risk – Deposits:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2024, the City had deposits with five (5) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. Additionally, the City had deposits with two (2) financial institutions that were collateralized by pledged securities, as defined above, such that all of the City's bank balances were insured and collateralized as defined by GASB and state statutes.

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NOTE 3. DEPOSITS (Continued)

Interest Rate Risk: The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At June 30, 2024, information on the credit risk and interest rate risk related to the City's investments is disclosed as follows:

Investment	Average Maturity	Credit Rating	Balance
US Treasury Notes	134 days	AAA	$ 5,291,770

The City has $6,925,832 of certificates of deposit. Those certificates of deposit are considered non-participating interest earning investment contracts, and are recorded at cost. The certificates of deposit are recorded as cash equivalents for financial reporting purposes. The City reports the U.S. Treasury notes as investments for financial reporting purposes.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on 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; and Level 3 inputs are significant unobservable inputs. All of the City's investments (U.S. Treasury Notes) are classified in Level 1 of the fair value hierarchy.

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NOTE 4. RECEIVABLES

Receivables at June 30, 2024, for the City's individual funds, including the applicable allowances for uncollectible accounts are as follows:

	General	Other Capital Projects	2023 SPLOST Funds
Receivables:			
Taxes	$ 511,356	$ -	$ -
Accounts	1,169,131	-	-
Intergovernmental	2,400	867,456	1,337,227
Less allowance for uncollectible	-	-	-
Net total receivable	$ 1,682,887	$ 867,456	$ 1,337,227

	Other Governmental Funds	Downtown Development Authority	Stormwater
Receivables:			
Taxes	$ 27,760	$ -	$ -
Accounts	-	377	24,656
Intergovernmental	-	-	-
Less allowance for uncollectible	-	-	-
Net total receivable	$ 27,760	$ 377	$ 24,656

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Property taxes attach as an enforceable lien on property as of January 1st. Taxes are levied on January 1st. Tax bills are mailed on September 2nd and are due by November 30th. All unpaid taxes levied become delinquent on December 1st. A tax lien is filed with the Gwinnett County Superior Court for all delinquent bills as of February 10th. The City bills and collects its own property taxes. Property taxes levied for the year ended June 30, 2024 and not collected are recorded as receivables, net of estimated uncollectibles.

NOTE 5. NOTES RECEIVABLE

The Downtown Development Authority issued four loans from 2015 bond proceeds to finance construction and development of three different properties within the redevelopment area known as The Block. The Downtown Development Authority has signed repayment schedules with two property owners at The Block (Dreamland Barbeque and Good Word) for repayment of the funds. The primary purpose of the notes is to promote development within the Block and the notes are not structured to be profit generating for the Authority. The Authority does not charge any interest during the draw phase of the loans. The Dreamland Barbeque note carries an interest rate of 3.0% and the Good Word notes carry interest rates of 5.5% and 3.0%, respectively.

In 2022, the Downtown Development Authority issued an additional loan to Jewel Box, LLC, for a maximum amount of $1.9 million. Disbursements made to date total $1,872,887. The Authority does not charge any interest during the draw phase of the loans. The Jewel Box note carries an interest rate of 3.5%.

Activity on the notes for the fiscal year ended June 30, 2024 is shown below.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes Receivable:					
Dreamland Barbeque	$ 1,202,268	$ -	$ 51,155	$ 1,151,113	$ 52,711
Good Word A	154,277	-	15,792	138,485	16,682
Good Word B	2,177,651	-	64,178	2,113,473	66,130
Jewel Box	1,545,406	327,481	39,192	1,833,695	53,645
Total	$ 5,079,602	$ 327,481	$ 170,317	$ 5,236,766	$ 189,168

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Future repayments to be received by the Downtown Development Authority are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 189,168	$ 159,290	$ 348,458
2026	195,356	153,103	348,459
2027	201,756	146,703	348,459
2028	208,376	140,082	348,458
2029	215,225	133,233	348,458
2030-2034	2,959,354	368,639	3,327,993
2035-2039	384,630	162,483	547,113
2040-2044	446,793	100,320	547,113
2045-2049	436,108	28,937	465,045
Total	$ 5,236,766	$ 1,392,790	$ 6,629,556

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balances
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 13,496,404	$ 920,000	$ -	$ -	$ 14,416,404
Land improvements	116,985	-	-	-	116,985
Construction in progress	5,024,727	6,803,345	(140,317)	(2,368,795)	9,318,960
Total	18,638,116	7,723,345	(140,317)	(2,368,795)	23,852,349
Capital assets, being depreciated:					
Buildings	35,778,740	43,665	-	2,145,150	37,967,555
Improvements other than buildings	67,953,481	-	-	(7,823,236)	60,130,245
Land improvements	8,190,676	-	-	8,309,855	16,500,531
Furniture, machinery and equipment	10,894,459	2,089,182	(229,262)	53,328	12,807,707
Total	122,817,356	2,132,847	(229,262)	2,685,097	127,406,038
Less accumulated depreciation for:					
Buildings	(17,425,103)	(1,036,594)	-	-	(18,461,697)
Improvements other than buildings	(40,310,896)	(878,557)	-	-	(41,189,453)
Land improvements	(6,910,120)	(2,061,959)	-	-	(8,972,079)
Furniture, machinery and equipment	(9,836,665)	(1,086,110)	217,482	-	(10,705,293)
Total	(74,482,784)	(5,063,220)	217,482	-	(79,328,522)
Total assets being depreciated, net	48,334,572	(2,930,373)	(11,780)	2,685,097	48,077,516
Governmental activities capital assets, net	$ 66,972,688	$ 4,792,972	$ (152,097)	$ 316,302	$ 71,929,865
Business-Type Activities:					
Capital assets not being depreciated:					
Land	$ 3,702,141	$ -	$ -	$ -	$ 3,702,141
Construction in progress	1,429,227	2,811,458	-	-	4,240,685
Total	5,131,368	2,811,458	-	-	7,942,826
Capital assets, being depreciated:					
Buildings	6,996,132	-	-	-	6,996,132
Land improvements	8,079,624	316,302	-	(316,302)	8,079,624
Infrastructure	1,820,742	-	-	-	1,820,742
Furniture, machinery and equipment	28,480	-	-	-	28,480
Total	16,924,978	316,302	-	(316,302)	16,924,978
Less accumulated depreciation for:					
Buildings	(5,299,943)	(411,537)	-	-	(5,711,480)
Land improvements	(212,714)	(490,848)	-	-	(703,562)
Infrastructure	(1,123,365)	(85,616)	-	-	(1,208,981)
Furniture, machinery and equipment	(28,480)	-	-	-	(28,480)
Total	(6,664,502)	(988,001)	-	-	(7,652,503)
Total assets being depreciated, net	10,260,476	(671,699)	-	(316,302)	9,272,475
Business-Type activities capital assets, net	$ 15,391,844	$ 2,139,759	$ -	$ (316,302)	$ 17,215,301

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NOTE 6. CAPITAL ASSETS (Continued)

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

Governmental activities:		
General government	$	1,938,716
Public safety		1,077,119
Public works		884,767
Culture and recreation		618,563
Housing and development		544,055
Total depreciation expense - governmental activities	$	5,063,220

Business-type activities:		
Stormwater	$	85,616
Downtown Development Authority		579,893
Urban Redevelopment Authority		322,492
Total depreciation expense - business-type activities	$	988,001

NOTE 7. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2024 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated absences	$ 678,823	$ 1,035,724	$ 953,562	$ 760,985	$ 760,985
Financed purchase	104,196	-	23,759	80,437	25,225
Net pension liability	1,304,712	2,175,758	2,714,603	765,867	-
Governmental activities long-term liabilities	$ 2,087,731	$ 3,211,482	$ 3,691,924	$ 1,607,289	$ 786,210
Business Activities:					
Bonds payable - direct placement	$ 35,489,048	$ -	$ 1,965,652	$ 33,523,396	$ 1,009,931
Premium on bonds	11	-	11	-	-
Net pension liability	30,014	52,501	55,400	27,115	-
Business-type activities long-term liabilities	$ 35,519,073	$ 52,501	$ 2,021,063	$ 33,550,511	$ 1,009,931

The compensated absences and net pension liability for the governmental activities are funded by the General Fund.

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NOTE 7. LONG-TERM DEBT (Continued)

Financed Purchases from Direct Borrowings. The City entered into a financed purchase agreement for the acquisition of equipment (tasers) in March 2023 for the price of $126,575 at an interest rate of 4.5%. As of June 30, 2024, the City had governmental activities equipment under financed purchase agreements with a net book value of $80,437.

Future debt service requirements on the City's financed purchases are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 25,225	$ 4,140	$ 29,365
2026	26,780	2,584	29,364
2027	28,432	932	29,364
Total	$ 80,437	$ 7,656	$ 88,093

Bonds Payable – Direct Placement. Revenue bonds outstanding consist of debt issued by the blended component units. In general, revenues derived from the component units are pledged for the payments of revenue bond debt service. The debt was issued for the purposes of development of downtown areas and to fund a new public safety facility.

During fiscal year 2007, the Urban Redevelopment Authority issued the Series 2006 Revenue Bonds in order to finance the construction of a new city hall and purchase of its related real property. Interest rates on the Series 2006 Bonds range from 4.10% - 4.25%. The bonds matured in fiscal year 2024.

During fiscal year 2009, the Downtown Development Authority issued the Series 2008 bonds in two series, 2008 Series A and 2008 Series B, in order to purchase a building still under construction in downtown Duluth for purposes of controlling the use of the building. At the same time, the Downtown Development Authority also entered into a bond agreement, the 2008 Series C bonds, with the seller of the building. The purpose of the 2008 Series C bonds is for the seller to pay the principal and interest on the 2008 Series B bonds until maturity or the bonds are redeemed. Each time the seller makes a payment on the 2008 Series B bonds (principal or interest), the payment is a reduction in the 2008 Series B bonds or related interest expense, and is treated as increase in the 2008 Series C Bonds. The 2008 Series C bonds will be fully retired from the selling price of the building no matter when, or for what price, the building is sold. The seller paid the 2008 Series B bonds in full during the fiscal year ended June 30, 2020, and the balance of the Series 2008 C bonds did not change during fiscal year 2023. The outstanding balance on the Series 2008 A bonds and the Series 2008 C bonds are $25,113 and $8,590,283, respectively.

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NOTE 7. LONG-TERM DEBT (Continued)

Bonds Payable- Direct Placement (Continued)

During fiscal year 2013, the Urban Redevelopment Authority refunded most of its outstanding Series 2003 bonds with Series 2012 Refunding bonds issued in the amount of $7,095,000. Interest rates on the Series 2012 bonds are 1.63% with annual maturities through fiscal year 2024. The net proceeds from the Series 2012 bonds were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of $725,942 and a present value savings, or economic gain, of $654,799. The bonds matured during fiscal year 2024 and were paid in full.

During fiscal year 2021, the Urban Redevelopment Authority issued the Series 2021 bonds for $27,250,000, in order to finance the construction and development of the City of Duluth 2021 Urban Redevelopment Plan and the Downtown Duluth/Buford Highway Corridor Redevelopment Plan projects. Interest rates on the Series 2021 bonds are initially 2.11%, but in March 2036 the rates will be reset to equal the current FHLB Des Moines advanced fixed rate plus one hundred-sixteen basis points. The bonds mature in fiscal year 2041. The outstanding balance of the Series 2021 bonds at year end is $24,908,000.

Future debt service requirements on the bonds payable of the blended component units is as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 1,009,931	$ 527,136	$ 1,537,067
2026	1,055,543	504,776	1,560,319
2027	1,181,681	482,483	1,664,164
2028	1,231,822	457,529	1,689,351
2029	9,869,977	431,534	10,301,511
2030-2034	7,190,000	1,731,065	8,921,065
2035-2039	8,179,000	1,334,857	9,513,857
2040-2041	3,805,442	230,320	4,035,762
Total	$ 33,523,396	$ 5,699,700	$ 39,223,096

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NOTE 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2024, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Other Capital Projects Fund	$ 618,856
Stormwater Fund	General Fund	99
Other Governmental Funds	General Fund	35,716
Downtown Development Authority	General Fund	579
Internal Service Funds	General Fund	105
	Total	$ 655,355

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) payments between funds are made.

Interfund transfers for the year ended June 30, 2024 were:

Transfers In	Transfers Out	Amount
General Fund	American Rescue Plan Fund	$ 2,593,187
General Fund	Nonmajor Governmental Funds	335,836
Other Capital Projects Fund	General Fund	66,091
Other Capital Projects Fund	2017 SPLOST Fund	4,566,096
Other Capital Projects Fund	2023 SPLOST Fund	414,865
Other Capital Projects Fund	Nonmajor Governmental Funds	373,912
Internal Service Funds	General Fund	200,000
Urban Redevelopment Authority	General Fund	1,024,291
Urban Redevelopment Authority	Nonmajor Governmental Funds	1,506,836
Stormwater	General Fund	1,500,000
Nonmajor Governmental Funds	General Fund	217,351
Nonmajor Governmental Funds	2017 SPLOST Fund	2,609,247
Nonmajor Governmental Funds	2023 SPLOST Fund	851,037
	Total	$ 16,258,749

These transfers were used to assist other funds in meeting operating requirements for the year ended June 30, 2024 or for moving revenue to the fund in which expenditures were funded. Transfers from the 2009, 2014, 2017, and 2023 SPLOST Funds were to refund other capital project funds for allowable costs incurred in prior years on referendum approved projects. Transfer from the Tax Allocation District Fund to the Urban Redevelopment Fund was to transfer funds for the TAD Financed Series 2021 semiannual bond payment.

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NOTE 9. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a noncontributory defined benefit pension plan (the "City of Duluth Retirement Plan"), covering substantially all of the City's employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive 1.5% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Council has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the employer and its plan members. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Plan Membership As of January 1, 2024, the date of the most recent actuarial valuation, there were 278 participants consisting of the following:

Inactive plan members or beneficiaries currently receiving benefits	35
Inactive plan members entitled to but not receiving benefits	90
Active plan members	153
	278

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. For the fiscal year ended June 30, 2024, the City's contribution rate was 6.00% of annual payroll. City contributions to the Plan were $900,568 for the fiscal year ended June 30, 2024. Employees of the City of Duluth do not contribute to the Plan.

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NOTE 9. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City

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

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

Inflation	2.25%
Salary increases	3.00% - 8.50%, including inflation
Investment rate of return	7.375%, net of investment expense, including inflation

Mortality rates were based on the sex-distinct Pri-2012 head-count weighted Health Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2019. Cost of living adjustments were assumed to be -%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized in the table on the following page.

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NOTE 9. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.91%
International equity	20%	7.21
Domestic fixed income	20%	1.61
Real estate	10%	3.61
Global fixed income	5%	1.67
Total	100%	

* Rates shown are net of the 2.25% assumed rate of inflation

Discount rate. The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, which is zero, and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 was applied to all of the projected benefit payments to determine the total pension liability.

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NOTE 9. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/23	$ 15,695,851	$ 14,361,125	$ 1,334,726
Chanages for the year:			-
Service cost	375,061	-	375,061
Interest	1,169,091	-	1,169,091
Differences between expected and actual experience	655,652	-	655,652
Contributions - employer	-	831,531	(831,531)
Net investment income	-	1,938,472	(1,938,472)
Benefit payments, including refunds of employee contributions	(437,660)	(437,660)	-
Administrative expense	-	(28,455)	28,455
Net changes	1,762,144	2,303,888	(541,744)
Balances at 6/30/24	$ 17,457,995	$ 16,665,013	$ 792,982

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

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

	1% Decrease (6.375%)	Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability (asset)	$ 3,302,237	$ 792,982	$ (1,287,934)

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NOTE 9. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability of the City (Continued)

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the fiscal year ended June 30, 2024, the City recognized pension expense of $991,361. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 779,954	$ (207,382)
Changes in assumptions	81,999	-
Net difference between projected and actual earnings on pension plan investments	791,032	-
City contributions subsequent to the measurement date	767,417	-
Total	$ 2,420,402	$ (207,382)

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NOTE 9. DEFINED BENEFIT PENSION PLAN (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

City contributions subsequent to the measurement date of $767,417 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2025	$	398,514
2026		387,142
2027		701,990
2028		(42,043)
Total	$	1,445,603

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NOTE 10. DEFINED CONTRIBUTION PLAN

The City also has established under authority of the City Council, the City of Duluth Deferred Contribution and Deferred Compensation Program (a defined contribution plan) (the "Program"). This Program is administered through Georgia Wealth Partners by OneAmerica. This Program covers substantially all employees and the City makes contribution after an employee's first year of service. Employees may contribute a maximum of $18,000 for calendar year 2023 and 2024. Individuals who are 50 or older can defer an additional $6,000. The City's contribution is limited to a maximum of 2% of gross wages or 50% of employee's contributions, whichever is less.

This Program may be amended by vote of the City Council. Contributions by the City for the current year were $202,248 with employee contributions amounting to $672,983.

NOTE 11. JOINT VENTURE

Under Georgia law, the City in conjunction with other cities and counties in the metro-Atlanta area is a member of the Atlanta Regional Commission (ARC). Membership in an ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC. The ARC 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 an ARC. Dues are paid on behalf of the City by Gwinnett County, Georgia. Separate financial statements may be obtained from the Atlanta Regional Commission, 229 Peachtree Street, NE, STE 100, Atlanta, Georgia 30303.

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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

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

The City carries commercial insurance for other risks of losses, such as general property and liability insurance, and self insurance for workers' compensation. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

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NOTE 12. RISK MANAGEMENT (Continued)

Effective April 1, 1994, the City established a self-insurance program for workers' compensation. The City's third-party administrator processes claims and assists the City in determining its premium on an annual basis. Instead of paying the premium to an insurance company, the City deposits the premium into its own workers' compensation loss account. At June 30, 2023, the City had accumulated $471,512 in the account after the payment of claims and administrative fees.

Claim payable liability and related activity for the last two years was as follows:

	Beginning Balance	Additions	Payments	Ending Balance
2024	$ 50,605	$ 72,279	$ (29,660)	$ 93,224
2023	$ 32,062	$ 96,155	$ (77,612)	$ 50,605

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation:

The City is involved in various claims and matters of litigation which, in the opinion of the City Attorneys, the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

Grant Contingencies:

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies.

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NOTE 14. RENTAL MOTOR VEHICLE EXCISE TAX

The City has levied an excise tax on the rental of motor vehicles. The Official Code of Georgia Annotated 48-13-93 requires that all motor vehicle excise taxes be expended or obligated contractually, in accordance with state law, for the promotion of tourism or the acquisition, construction, renovating, improving, maintenance and equipping of pedestrian walkways, installation of traffic lights, and streetlights associated with public safety facilities or public improvements for sports and recreational facilities. During the fiscal year ended June 30, 2024, the City collected $114,545 in motor vehicle excise taxes and $97,820 was expended in accordance with provisions of 48-13-93. The remaining fund balance of the Rental Motor Vehicle Excise Tax Fund has been restricted to pay for the management contract of the Red Clay Music Foundry.

NOTE 15. TAX ABATEMENTS

For the year ended June 30, 2024, City property tax revenues were reduced by $105,916 under agreements entered into by the City's Tax Allocation District. Under the agreements, taxes on both real and personal property are reduced based on jobs created and investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTE 16. HOTEL/MOTEL LODGING TAX

The City has levied a 5% lodging tax. The Official Code of Georgia Annotated (O.C.G.A) 48-13-51 requires that all lodging taxes levied of 3% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the fiscal year ended June 30, 2024, the City collected $221,104 in hotel/motel taxes. Of this amount, $88,440 or 40% was used for the promotion of tourism, conventions, or trade shows and/or remitted to Explore Gwinnett in accordance with O.C.G.A 48-13-51 as of June 30, 2024 and $135,836 was transferred to the General Fund.

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NOTE 17. ACCOUNTING CHANGES

Change within the Financial Reporting Entity

Change in Major Funds

In the current year, the City's SPLOST 2023 fund now meets the definition of a major fund. The effect of this change within the financial reporting entity is shown in the table below.

	Reporting Units Affected by Adjustments to Beginning Fund Balances	
	SPLOST 2023 Fund	Nonmajor Governmental Funds
June 30, 2023, as previously reported	$ -	$ 3,145,951
Change from nonmajor fund to major fund	1,840,554	(1,840,554)
June 30, 2023, as adjusted	$ 1,840,554	$ 1,305,397

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Duluth, Georgia

Schedule of Changes in the City's Net Pension Liability (Asset)

And Related Ratios

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	$ 375,061	$ 373,921	$ 365,326	$ 335,441	$ 311,115
Interest on total pension liability	1,169,091	1,110,357	1,001,794	899,497	811,621
Differences between expected and actual experience	655,652	(320,703)	361,157	332,914	(89,753)
Changes of assumptions	-	-	-	-	491,994
Benefit payments, including refunds of employee contributions	(437,660)	(298,969)	(230,698)	(190,639)	(158,056)
Net change in total pension liability	1,762,144	864,606	1,497,579	1,377,213	1,366,921
Total pension liability - beginning	15,695,851	14,831,245	13,333,666	11,956,453	10,589,532
Total pension liability - ending (a)	$ 17,457,995	$ 15,695,851	$ 14,831,245	$ 13,333,666	$ 11,956,453
Plan fiduciary net position					
Contributions - employer	$ 831,531	$ 802,903	$ 753,583	$ 741,088	$ 671,082
Net investment income	1,938,472	(2,793,295)	3,189,353	1,133,632	341,864
Benefit payments, including refunds of employee contributions	(437,660)	(298,969)	(230,698)	(190,639)	(158,056)
Administrative expenses	(28,455)	(27,571)	(27,623)	(25,158)	(23,454)
Net change in plan fiduciary net position	2,303,888	(2,316,932)	3,684,615	1,658,923	831,436
Plan fiduciary net position - beginning	14,361,125	16,678,057	12,993,442	11,334,519	10,503,083
Plan fiduciary net position - ending (b)	$ 16,665,013	$ 14,361,125	$ 16,678,057	$ 12,993,442	$ 11,334,519
City's net pension liability (asset) - ending (a) - (b)	$ 792,982	$ 1,334,726	$ (1,846,812)	$ 340,224	$ 621,934
Plan fiduciary net position as a percentage of the total pension liability	95.5%	91.5%	112.5%	97.4%	94.8%
Covered payroll	$ 10,226,116	$ 9,356,088	$ 9,288,849	$ 8,886,537	$ 8,280,620
City's net pension liability (asset) as a percentage of covered payroll	7.8%	14.3%	-19.9%	3.8%	7.5%

	2019	2018	2017	2016	2015
Total pension liability					
Service cost	$ 297,966	$ 312,812	$ 318,689	$ 291,136	$ 281,147
Interest on total pension liability	733,465	658,743	591,901	517,807	498,803
Differences between expected and actual experience	140,004	(23,903)	72,404	250,924	(66,033)
Changes of assumptions	-	161,311	-	-	(390,741)
Benefit payments, including refunds of employee contributions	(126,948)	(127,649)	(113,395)	(94,236)	(61,694)
Net change in total pension liability	1,044,487	981,314	869,599	965,631	261,482
Total pension liability - beginning	9,545,045	8,563,731	7,694,132	6,728,501	6,467,019
Total pension liability - ending (a)	$ 10,589,532	$ 9,545,045	$ 8,563,731	$ 7,694,132	$ 6,728,501
Plan fiduciary net position					
Contributions - employer	$ 690,786	$ 719,424	$ 651,649	$ 591,584	$ 414,749
Net investment income	920,333	1,150,219	704,845	43,008	545,407
Benefit payments, including refunds of employee contributions	(126,948)	(127,649)	(113,395)	(94,236)	(61,694)
Administrative expenses	(24,355)	(25,288)	(14,635)	(16,133)	(12,633)
Net change in plan fiduciary net position	1,459,816	1,716,706	1,228,464	524,223	885,829
Plan fiduciary net position - beginning	9,043,267	7,326,561	6,098,097	5,573,874	4,688,045
Plan fiduciary net position - ending (b)	$ 10,503,083	$ 9,043,267	$ 7,326,561	$ 6,098,097	$ 5,573,874
City's net pension liability - ending (a) - (b)	$ 86,449	$ 501,778	$ 1,237,170	$ 1,596,035	$ 1,154,627
Plan fiduciary net position as a percentage of the total pension liability	99.2%	94.7%	85.6%	79.3%	82.8%
Covered payroll	$ 8,478,757	$ 7,840,209	$ 7,729,957	$ 7,630,679	6,915,892
City's net pension liability as a percentage of covered payroll	1.0%	6.4%	16.0%	20.9%	16.7%

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City of Duluth, Georgia

Schedule of City Contributions – Retirement Plan

	2024	2023	2022	2021	2020
Actuarially determined contribution	$ 584,536	$ 557,127	$ 566,911	$ 544,217	$ 510,845
Contributions in relation to the actuarially determined contribution	900,568	859,787	792,647	743,339	741,050
Contribution excess	$ (316,032)	$ (302,660)	$ (225,736)	$ (199,122)	$ (230,205)
Covered payroll	$ 9,458,862	$ 9,385,944	$ 8,980,479	$ 8,374,508	$ 7,668,902
Contributions as a percentage of Covered payroll	9.5%	9.2%	8.8%	8.9%	9.7%

	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 467,803	$ 445,635	$ 424,502	$ 445,633	$ 450,318
Contributions in relation to the actuarially determined contribution	647,223	691,765	707,459	618,973	583,486
Contribution excess	$ (179,420)	$ (246,130)	$ (282,957)	$ (173,340)	$ (133,168)
Covered payroll	$ 8,196,636	$ 7,566,881	$ 7,861,148	$ 7,828,117	$ 6,681,276
Contributions as a percentage of Covered payroll	7.9%	9.1%	9.0%	7.9%	8.7%

Notes to the Schedule

Valuation Date	January 1, 2024
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% - plus service based merit increases
Cost-of-Living Adjustment	0.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

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City of Duluth, Georgia

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis)

For the Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Taxes	$ 22,871,504	$ 22,871,504	$ 23,404,392	$ 532,888
Licenses and permits	1,248,345	1,248,345	1,595,484	347,139
Charges for services	344,395	344,395	406,672	62,277
Fines and forfeitures	2,720,600	2,720,600	2,281,723	(438,877)
Intergovernmental	612,059	612,059	1,313,690	701,631
Interest income	488,000	488,000	1,232,733	744,733
Miscellaneous	210,340	210,340	362,969	152,629
TOTAL REVENUES	28,495,243	28,495,243	30,597,663	2,102,420
EXPENDITURES				
Current:				
General government:				
Mayor and Council:				
Personal services	85,275	81,275	68,218	13,057
Other services and charges	284,326	299,712	291,807	7,905
City Administrator:				
Personal services	925,897	912,318	902,079	10,239
Other services and charges	1,130,101	1,187,836	273,751	914,085
City Clerk/Business Office:				
Personal services	1,253,242	1,278,058	1,334,576	(56,518)
Other services and charges	1,641,569	1,658,947	1,553,339	105,608
City Clerk/Human Resources	273,203	275,975	226,050	49,925
Other:				
Public information and marketing	1,304,438	1,411,231	1,294,922	116,309
Building custodial services	73,589	73,589	95,444	(21,855)
Landscape maintenance	300,237	297,317	279,491	17,826
Contingency	50,000	50,000	-	50,000
Total general government	7,321,877	7,526,258	6,319,677	1,206,581

(continued)

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City of Duluth, Georgia

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis)

For the Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Public safety:				
Municipal Court				
Personal services	$ 691,975	$ 683,225	$ 649,313	$ 33,912
Other services and charges	44,836	44,996	37,432	7,564
Police/Admin:				
Personal services	810,934	809,560	900,946	(91,386)
Other services and charges	329,699	341,339	321,210	20,129
Police/CID:				
Personal services	1,150,695	1,050,026	932,692	117,334
Other services and charges	88,875	91,335	425,381	(334,046)
Police/Uniform Division:				
Personal services	4,876,515	4,789,020	4,182,714	606,306
Other services and charges	250,493	248,293	159,283	89,010
Police/Other:				
Police vehicles	497,506	521,031	454,838	66,193
Police support services	3,370,639	3,377,782	2,239,131	1,138,651
Total public safety	12,112,167	11,956,607	10,302,940	1,653,667
Public works:				
Planning and Development				
Personal services	1,419,598	1,373,555	1,366,531	7,024
Other services and charges	782,839	857,810	804,710	53,100
Administration				
Personal services	1,828,446	1,759,957	1,810,574	(50,617)
Other services and charges	2,234,546	2,355,478	2,180,026	175,452
Supplies	63,800	50,036	32,446	17,590
Streets				
Building/grounds maintenance	120,596	120,596	111,335	9,261
Total public works	6,449,825	6,517,432	6,305,622	211,810

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City of Duluth, Georgia

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis)

For the Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Culture and recreation:				
Parks/recreation admin				
Personal services	$ 1,676,427	$ 1,655,406	$ 1,537,819	$ 117,587
Other services and charges	447,106	484,209	458,174	26,035
Recreation operations	213,522	197,430	182,239	15,191
Total culture and recreation	2,337,055	2,337,045	2,178,232	158,813
TOTAL EXPENDITURES	28,220,924	28,337,342	25,106,471	3,230,871
EXCESS OF REVENUES OVER EXPENDITURES	274,319	157,901	5,491,192	5,333,291
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	20,100	20,100	21,737	1,637
Transfers in	155,000	3,115,000	2,929,023	(185,977)
Transfers out	(1,259,291)	(3,781,277)	(3,007,733)	773,544
TOTAL OTHER FINANCING SOURCES (USES)	(1,084,191)	(646,177)	(56,973)	589,204
NET CHANGE IN FUND BALANCES	(809,872)	(488,276)	5,434,219	5,922,495
FUND BALANCES - BEGINNING OF YEAR	27,427,361	27,427,361	27,427,361	-
FUND BALANCES - END OF YEAR	$ 26,617,489	$ 26,939,085	$ 32,861,580	$ 5,922,495

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City of Duluth, Georgia

American Rescue Plan Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (GAAP Basis)
For the Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	$ 5,528,538	$ 5,528,538	$ 4,310,869	$ (1,217,669)
TOTAL REVENUES	5,528,538	5,528,538	4,310,869	(1,217,669)
EXPENDITURES				
Current:				
Public works	5,528,538	3,497,414	1,717,682	1,779,732
TOTAL EXPENDITURES	5,528,538	3,497,414	1,717,682	1,779,732
EXCESS OF REVENUES OVER EXPENDITURES	-	2,031,124	2,593,187	562,063
OTHER FINANCING USES				
Transfers out	-	(2,031,124)	(2,593,187)	(562,063)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF YEAR	-	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -	$ -

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COMBINING FUND STATEMENTS AND SCHEDULES

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NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Police Federal Drug Fund – This fund is established to receive the proceeds of forfeitures under state, local and federal law, and the investment of those funds. The monies deposited into the fund are restricted to cover expenditures in support of the asset forfeiture program that are allowable under state statute.

Police State Drug and Escrow Fund – This fund is established to receive the proceeds of the state share of drug related forfeitures under state, local and federal law, and the investment of those funds. The monies deposited into the fund are restricted to cover expenditures in support of the drug related forfeiture program that are allowable under state statute.

Operation Drive Smart Fund – This fund accounts for the financial resources related to the Operation Drive Smart Grant, the Special Operations Unit Mounted Patrol, and fundraisers and donations restricted for various community policing programs.

Public Art Fund – This fund accounts for financial resources of both grants and donated funds that will be used for the acquisition, commissioning, performance, exhibition and conservation of public art in the City and is restricted by the revenue source.

Rental Motor Vehicle Tax Fund – This fund accounts for the financial resources from excise tax on motor vehicle rentals, restricted for use under state law.

Hotel/Motel Tax Fund – This fund accounts for the collection of hotel/motel taxes within the City, which are restricted for the promotion of tourism and culture and recreation.

Police Technology Fund – This fund accounts for the financial resources committed for use for police technology.

Opioid Settlement Fund – This fund accounts for the restricted resources from the national opioid settlement.

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Capital Projects Funds

TAD Fund – This fund is used to account for the capital investment using tax increment funding to revitalize the City's commercial/downtown organized as a Tax Allocation District.

The Block Fund – This fund accounts for capital improvements to City owned properties that occupy a significant block area of downtown Duluth.

SPLOST 2009 Fund – This fund accounts for the financial resources provided from the 2009 voter approved one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parks and recreation facilities, public safety building, road improvements, library facilities, and water improvements.

SPLOST 2014 Fund – This fund accounts for the financial resources provided from the 2014 voter approved one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parking facilities, parks and recreation facilities, public safety building, road improvements, and administrative facilities.

Rodgers Bridge Dog Park Fund – This fund accounts for the construction of the Rodgers Bridge Dog Park recreational area.

Hospital Connector Fund – This fund accounts for the construction of a ½ mile roadway that connects the roundabout and connecting roundabout.

City of Duluth, Georgia
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2024

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Total Non-major Governmental Funds
ASSETS			
Cash	$ 568,342	$ 1,350,089	$ 1,918,431
Taxes receivable	27,760	-	27,760
Due from other funds	5,174	30,542	35,716
TOTAL ASSETS	$ 601,276	$ 1,380,631	$ 1,981,907
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 31,096	$ 392,616	$ 423,712
Unearned revenue	-	206,682	206,682
TOTAL LIABILITIES	31,096	599,298	630,394
FUND BALANCES (DEFICIT)			
Restricted:			
Capital construction	-	1,169,561	1,169,561
Law enforcement	182,712	-	182,712
Culture and recreation	366,938	-	366,938
Committed:			
Equipment purchases	20,530	-	20,530
Unassigned (deficit)	-	(388,228)	(388,228)
TOTAL FUND BALANCES	570,180	781,333	1,351,513
TOTAL LIABILITIES, AND FUND BALANCES	$ 601,276	$ 1,380,631	$ 1,981,907

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City of Duluth, Georgia

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended June 30, 2024

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Total Non-major Governmental Funds
REVENUES			
Taxes	$ 335,649	$ 2,184,457	$ 2,520,106
Intergovernmental	-	672	672
Fines and forfeitures	65,198	-	65,198
Interest income	-	7,501	7,501
Miscellaneous	69,054	-	69,054
TOTAL REVENUES	469,901	2,192,630	2,662,531
EXPENDITURES			
Current:			
General government	-	132,616	132,616
Public safety	7,630	-	7,630
Public works	-	1,038,145	1,038,145
Culture and recreation	186,260	2,712,815	2,899,075
TOTAL EXPENDITURES	193,890	3,883,576	4,077,466
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	276,011	(1,690,946)	(1,414,935)
OTHER FINANCING SOURCES (USES)			
Transfers in	35,000	3,642,635	3,677,635
Transfers out	(335,836)	(1,880,748)	(2,216,584)
TOTAL OTHER FINANCING SOURCES (USES)	(300,836)	1,761,887	1,461,051
NET CHANGE IN FUND BALANCES	(24,825)	70,941	46,116
FUND BALANCES - JULY 1	595,005	2,550,946	3,145,951
Adjustment - change within reporting entity	-	(1,840,554)	(1,840,554)
FUND BALANCES - JULY 1, AS ADJUSTED	595,005	710,392	1,305,397
FUND BALANCES - END OF YEAR	$ 570,180	$ 781,333	$ 1,351,513

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City of Duluth, Georgia
Combining Balance Sheet
Non-major Special Revenue Funds
June 30, 2024

	Police Federal Drug Fund	Police State Drug and Escrow Fund	Operation Drive Smart Fund	Public Art Fund	Rental Motor Vehicle Tax Fund	Hotel/Motel Tax Fund	Police Technology Fund	Opioid Settlement Fund	Total Non-major Special Revenue Funds
ASSETS									
Cash	$ 10,311	$ 84,594	$ 59,046	$ 93,771	$ 228,837	$ 39,019	$ 16,066	$ 36,698	$ 568,342
Taxes receivable	-	-	-	-	10,655	17,105	-	-	27,760
Due from other funds	710	-	-	-	-	-	4,464	-	5,174
TOTAL ASSETS	$ 11,021	$ 84,594	$ 59,046	$ 93,771	$ 239,492	$ 56,124	$ 20,530	$ 36,698	$ 601,276
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	$ -	$ 7,063	$ -	$ -	$ -	$ 22,449	$ -	$ 1,584	$ 31,096
TOTAL LIABILITIES	-	7,063	-	-	-	22,449	-	1,584	31,096
FUND BALANCES									
Restricted:									
Law enforcement	11,021	77,531	59,046	-	-	-	-	35,114	182,712
Culture and recreation	-	-	-	93,771	239,492	33,675	-	-	366,938
Committed:									
Equipment purchases	-	-	-	-	-	-	20,530	-	20,530
TOTAL FUND BALANCES	11,021	77,531	59,046	93,771	239,492	33,675	20,530	35,114	570,180
TOTAL LIABILITIES AND FUND BALANCES	$ 11,021	$ 84,594	$ 59,046	$ 93,771	$ 239,492	$ 56,124	$ 20,530	$ 36,698	$ 601,276

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City of Duluth, Georgia

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-major Special Revenue Funds

For the Year Ended June 30, 2024

	Police Federal Drug Fund	Police State Drug and Escrow Fund	Operation Drive Smart Fund	Public Art Fund	Rental Motor Vehicle Tax Fund	Hotel/Motel Tax Fund	Police Technology Fund	Opioid Settlement Fund	Total Non-major Special Revenue Funds
REVENUES									
Taxes	$ -	$ -	$ -	$ -	$ 114,545	$ 221,104	$ -	$ -	$ 335,649
Fines and forfeitures	1,368	-	-	-	-	-	63,830	-	65,198
Other	-	33,278	750	-	-	-	-	35,026	69,054
TOTAL REVENUES	1,368	33,278	750	-	114,545	221,104	63,830	35,026	469,901
EXPENDITURES									
Current:									
Public safety	-	107	2,438	-	-	-	3,500	1,585	7,630
Culture and recreation	-	-	-	-	97,820	88,440	-	-	186,260
TOTAL EXPENDITURES	-	107	2,438	-	97,820	88,440	3,500	1,585	193,890
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,368	33,171	(1,688)	-	16,725	132,664	60,330	33,441	276,011
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	35,000	-	-	-	-	35,000
Transfers out	-	-	-	-	-	(135,836)	(200,000)	-	(335,836)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	35,000	-	(135,836)	(200,000)	-	(300,836)
NET CHANGE IN FUND BALANCES	1,368	33,171	(1,688)	35,000	16,725	(3,172)	(139,670)	33,441	(24,825)
FUND BALANCES - BEGINNING OF YEAR	9,653	44,360	60,734	58,771	222,767	36,847	160,200	1,673	595,005
FUND BALANCES - END OF YEAR	$ 11,021	$ 77,531	$ 59,046	$ 93,771	$ 239,492	$ 33,675	$ 20,530	$ 35,114	$ 570,180

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City of Duluth, Georgia
Combining Balance Sheet
Non-major Capital Projects Funds
June 30, 2024

	TAD	The Block	SPLOST 2009	SPLOST 2014	Rodgers Bridge Dog Park Fund	Hospital Connector	Total Non-major Capital Projects Funds
ASSETS							
Cash	$ 1,064,505	$ 40,238	$ 38,052	$ 462	$ 206,832	$ -	$ 1,350,089
Due from other funds	26,304	-	-	-	-	4,238	30,542
TOTAL ASSETS	$ 1,090,809	$ 40,238	$ 38,052	$ 462	$ 206,832	$ 4,238	$ 1,380,631
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ -	$ -	$ -	$ 269,518	$ 123,098	$ 392,616
Unearned revenue	-	-	-	-	206,682	-	206,682
TOTAL LIABILITIES	-	-	-	-	476,200	123,098	599,298
FUND BALANCES (DEFICIT)							
Restricted:							
Capital construction	1,090,809	40,238	38,052	462	-	-	1,169,561
Unassigned (deficit)	-	-	-	-	(269,368)	(118,860)	(388,228)
TOTAL FUND BALANCES (DEFICIT)	1,090,809	40,238	38,052	462	(269,368)	(118,860)	781,333
TOTAL LIABILITIES, AND FUND BALANCES	$ 1,090,809	$ 40,238	$ 38,052	$ 462	$ 206,832	$ 4,238	$ 1,380,631

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City of Duluth, Georgia

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-major Capital Projects Funds
For the Year Ended June 30, 2024

	TAD	The Block	SPLOST 2009	SPLOST 2014	*(Previously Nonmajor)* SPLOST 2023	Rodgers Bridge Dog Park Fund	Hospital Connector	Total Non-major Capital Projects Funds
REVENUES								
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ 672	$ -	$ 672
Interest income	-	-	3,705	3,796	-	-	-	7,501
Property taxes	2,184,457	-	-	-	-	-	-	2,184,457
TOTAL REVENUES	2,184,457	-	3,705	3,796	-	672	-	2,192,630
EXPENDITURES								
Capital outlay:								
General government	132,616	-	-	-	-	-	-	132,616
Public works	-	-	-	-	-	-	1,038,145	1,038,145
Culture and recreation	-	-	-	-	-	2,712,815	-	2,712,815
TOTAL EXPENDITURES	132,616	-	-	-	-	2,712,815	1,038,145	3,883,576
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,051,841	-	3,705	3,796	-	(2,712,143)	(1,038,145)	(1,690,946)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	2,727,488	915,147	3,642,635
Transfers out	(1,506,835)	-	(59,451)	(314,462)	-	-	-	(1,880,748)
TOTAL OTHER FINANCING SOURCES (USES)	(1,506,835)	-	(59,451)	(314,462)	-	2,727,488	915,147	1,761,887
NET CHANGE IN FUND BALANCES	545,006	-	(55,746)	(310,666)	-	15,345	(122,998)	70,941
FUND BALANCES (DEFICIT) - JULY 1	545,803	40,238	93,798	311,128	1,840,554	(284,713)	4,138	2,550,946
Adjustment - change within reporting entity	-	-	-	-	(1,840,554)	-	-	(1,840,554)
FUND BALANCES (DEFICIT) - JULY 1, AS ADJUSTED	545,803	40,238	93,798	311,128	-	(284,713)	4,138	710,392
FUND BALANCES (DEFICIT) - END OF YEAR	$ 1,090,809	$ 40,238	$ 38,052	$ 462	$ -	$ (269,368)	$ (118,860)	$ 781,333

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SCHEDULES

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City of Duluth, Georgia

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
2009 Issue
For the Year Ended June 30, 2024

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Library	$ 1,340,000	$ 1,195,363	$ 1,193,284	$ -	$ 1,193,284
Public Safety Building	1,240,000	1,117,547	1,117,547	-	1,117,547
Recreational Facilities	7,800,000	7,057,079	7,057,079	-	7,057,079
Transportation	8,200,000	7,404,453	7,404,453	-	7,404,453
Sewer	1,340,000	1,005,415	914,004	59,451	973,455
	$ 19,920,000	$ 17,779,857	$ 17,686,367	$ 59,451 (1)	$ 17,745,818

(1) Reported as a transfer as amount was transferred to another fund to reimburse previous allowable expenditures.

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City of Duluth, Georgia

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
2014 Issue
For the Year Ended June 30, 2024

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Parking Facilities	$ 3,048,184	$ 2,805,616	$ 2,805,616	$ -	$ 2,805,616
Public Safety Facilities and Equipment	725,757	651,368	651,368	-	651,368
Recreational Facilities and Equipment	725,757	641,768	641,680	-	641,680
Transportation	9,870,305	8,750,217	8,448,474	311,655	8,760,129
Administration Facilities and Equipment	145,152	129,376	129,376	2,807	132,183
	$ 14,515,155	$ 12,978,345	$ 12,676,514	$ 314,462 (1)	$ 12,990,976

(1) Reported as a transfer as amount was transferred to another fund to reimburse previous allowable expenditures.

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City of Duluth, Georgia

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
2017 Issue
For the Year Ended June 30, 2024

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Parking Facilities	$ 4,397,227	$ 5,260,039	$ 4,987,551	$ 868,787	$ 5,856,338
Public Safety Facilities and Equipment	5,042,154	6,061,875	4,380,885	1,190,294	5,571,179
Recreational Facilities and Equipment	1,172,594	1,831,242	1,364,365	445,653	1,810,018
Transportation	16,132,218	19,340,266	11,996,889	4,670,609	16,667,498
	$ 26,744,193	$ 32,493,422	$ 22,729,690	$ 7,175,343 (1)	$ 29,905,033

(1) Reported as a transfer as amount was transferred to another fund to reimburse previous allowable expenditures.

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City of Duluth, Georgia

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
2023 Issue
For the Year Ended June 30, 2024

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Parking Facilities	$ 1,111,097	$ 1,000,000	$ -	$ -	$ -
Public Safety Facilities and Equipment	6,111,034	5,500,000	-	77,556	77,556
Recreational Facilities and Equipment	7,999,900	7,200,000	-	908,355	908,355
Transportation	20,195,302	18,176,000	-	13,726	13,726
Administrative Facilities & Equipment	3,343,291	3,009,000	-	132,327	132,327
Sewer	444,389	4,560,823	-	-	-
Cultural Facilities	533,327	480,000	-	133,938	133,938
	$ 39,738,340	$ 39,925,823	$ -	$ 1,265,902 (1)	$ 1,265,902

(1) Reported as a transfer as amount was transferred to another fund to reimburse previous allowable expenditures.

DRAFT