ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended
September 30, 2024

CITY OF South Fulton
A City on the RISE!

CITY OF SOUTH FULTON, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024



Prepared by:
City of South Fulton, Georgia's Department of Finance and Administrative Services

INTRODUCTORY SECTION
(Unaudited)

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- List of Principal Officials



CITY OF SOUTH FULTON, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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March 18, 2026

Honorable Mayor
Members of the City Council
Citizens of the City of South Fulton
City of South Fulton, Georgia 30336

Ladies and Gentlemen:

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of South Fulton, Georgia (the "City") for the fiscal year ended September 30, 2024, is hereby submitted. In doing so, the City complies with the Official Code of the State of Georgia O.C.G.A. § 36-81-7(a)(1), which requires the governing authority of each unit of local government having a population in excess of 1,500 persons according to the latest estimate of population by the United States Bureau of the Census or its successor agency or expenditures of $550,000 or more shall provide for and cause to be made an annual audit of the financial affairs and transactions of all funds and activities of the local government for each fiscal year of the local government.

Responsibility for the data's accuracy and the completeness and fairness of presentation, including disclosures, rests with the City. We believe the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activities of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the financial activities have been included. To provide a reasonable basis for making these representations, the City has established an internal control framework that is designed to both protect the government's assets from loss, theft or misuse, and to compile sufficient reliable information for the presentation of the City's financial statements that are in conformance with GAAP. The cost of internal controls should never outweigh their benefits. The City's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert, to the best of our knowledge and belief, that the ACFR is complete and reliable in all material respects. Mauldin & Jenkins, LLC, Certified Public Accounts, LLC, issued an unmodified ("clean") opinion on the City of South Fulton's financial statements for the fiscal year ended September 30, 2024.

The independent auditor's report is presented as the first component of the financial section of this report.

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

The City of South Fulton receives financial assistance through various grant programs. As required by the Single Audit Act Amendments of 1996 and the multiple provisions of Uniform Guidance, audits of programs receiving federal grants have been performed for the fiscal year ended September 30, 2024. The required reports on supplementary information, compliance, internal controls, and various supplementary schedules are included under the Compliance Section.

The City of South Fulton has prepared the financial statements to meet the current applicable requirements of the Governmental Accounting Standards Board (GASB) and in conformity with Generally Accepted Accounting Principles (GAAP).

Formal Transmittal

This report consists of management's representations concerning the finances and policies of the City of South Fulton. Consequently, management assumes full responsibility for the completeness and reliability of all the information contained in this report. To provide a reasonable basis for making these representations, the management of the City of South Fulton has established a comprehensive internal control framework designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of South Fulton's financial statements in conformity with GAAP.

History – City of South Fulton

The City of South Fulton is in southern Fulton County and is bordered by the City of Fairburn and the City of East Point, both to the south, Lithia Springs and the City of Douglasville to the west, and the City of Atlanta to the north and east. The City of South Fulton consisted of incorporated communities in Southern Fulton County. The City was chartered on May 1, 2017. It is comprised of 94.2 square miles that include 17 parks totaling 692 acres, 9 Fire Stations, and 4 Police Precincts. The City is 10 miles west of the world's busiest airport, Hartsfield Jackson Atlanta International Airport.

Profile of the Governments

- *Population* – The City of South Fulton in Fulton County, Georgia, is incorporated and is constituted and declared a body politic and corporate under the name of "City of South Fulton". Located 10 miles from downtown Atlanta and bordering the Fulton Industrial District, the City of South Fulton is positioned for significant economic growth. Two major interstate highways that border the City; Interstate 285 to the south and Interstate 20 to the north, provide easy roadway access to and from the City. For commuters, the roadway access is supplemented by the Metropolitan Atlanta Rapid Transit Authority (MARTA) rail stations and several MARTA bus stops throughout the City limits. The City is also conveniently located less than five (5) miles from Charlie Brown Airport in Fulton County.

  The City of South Fulton is one of nine cities with a Council-Mayor form of Government. The current population for 2024 was 112,003 (up 1,092 or 0.98 percent) from 110,911 in 2023. The 2024 population is up 4,567 (or 4.25 percent) from 107,436 in 2020. As a point of reference, at the time of incorporation, based on the 2017 census projections, the City of South Fulton ranked 8th in the state for consolidated governments and 4th for non-consolidated governments, with 97,668 citizens.

- *General structure* – The City of South Fulton is empowered to levy a property tax on real and personal property located within its boundaries. The State enables the City to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Governing Council.

  The City of South Fulton operates under a mayor-council and city manager form of government. The South Fulton City Council is comprised of a mayor and seven (7) council members. The City is divided into seven (7) council districts. The council members are elected for the seven (7) districts and must reside in the district they represent.

The Council enacts ordinances, establishes policy, adopts the annual budget, and establishes the ad valorem tax millage rate annually. The City Manager is responsible for implementing organizational policies as set forth by the Council, overseeing all City employees, and managing the day-to-day operations.

- *Services Provided* – The City of South Fulton provides services under general governmental functions, such as police protection, fire services, planning and development, road maintenance, sidewalk and curb maintenance, parks and recreation, and cultural affairs operation and maintenance. Property taxes, franchise fees, occupational taxes, local option sales taxes, and miscellaneous revenues primarily fund services.

  The City provides sanitation services through its solid waste enterprise fund under a contract with a third-party provider. User fees as charges for services provide the revenue to support sanitation services. As part of the City's portfolio for cultural affairs and recreation programs, the City owns and operates the Wolf Creek Amphitheatre for hosting concerts, and entertainment, and serves as a tourism venue. Activity is immaterial and is reported within the General Fund.

- *Component Unit(s)* – Component units are functions of the City that are legally separate entities. These entities are in substance part of the City's operations, and, therefore, financial data from these entities is present in the Annual Comprehensive Financial Report.

  - *South Fulton Development Authority* (SFDA) – The SFDA is responsible for the revitalization strategy for the City of South Fulton. The SFDA's mission is to encourage economic activity in the City. The SFDA works closely with the City's Economic Development Department and the City Council in concert to promote economic growth.

  - *Downtown Development Authority* (DDA) – The DDA is responsible for the revitalization strategy for the Downtown area of the City of South Fulton. The DDA's mission is to encourage economic activity in the City of South Fulton's central business district by attracting businesses, residents, and visitors. DDA works closely with the City's Economic Development Department and other city staff to attract new businesses and guide them through permitting. The DDA is not reported in this ACFR due to activity being immaterial. The DDA works closely with the City's Planning and Development Department and city staff in assisting new businesses through the permitting process.

- *Budget Process* – In accordance with O.C.G.A. § 36-81-3, the City's annual budget serves as the foundation for the City of South Fulton's financial planning, control, and professional management of city resources. The budget provides for setting priorities and an orderly means of controlling cash flows and disbursements. All city departments are required to submit requests for appropriations to the City Manager. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager presents the proposed budget to the Mayor and Council for review and input, followed by public hearings. The Council is required to hold public hearings on the proposed budget and to adopt the budget no later than September 30 (the close of the City's fiscal year). The City of South Fulton's city charter (local ordinance) Section 6.25(b) – Budget Adoption states that if the City council fails to adopt the budget by said date, the amounts appropriated for operation for the then current fiscal year shall be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items prorated accordingly until the City council adopts a budget for the ensuing fiscal year. Adoption of the budget shall take the form of an appropriations ordinance setting out the estimated revenues in detail by sources and making appropriations according to fund and by organizational unit, purpose, or activity as set out in the budget preparation ordinance adopted under Section 6.23 of the City's charter.

  The budget document includes the general fund, special revenue funds, enterprise funds, capital projects, Transportation Special Purpose Local Option Sales Tax (T-SPLOST) funds, and component units. The budget spans a fiscal year that begins on October 1 and ends on September 30.

  In addition to serving as a fiscal plan, the budget document also serves as an internal control document to measure fiscal spending. Periodic review of monthly financial statements provides transparency and insight into the City's operations.

Factors Affecting the FY2024 Budget

On April 28, 2019, Governor Brian Kemp signed House Bill 182 (HB 182) into law, effective January 1, 2020. HB 182 revised Georgia's economic nexus standards by lowering the threshold to more than $100,000 in gross revenue or 200 separate retail sales annually for out-of-state retailers delivering tangible personal property to purchasers within Georgia. The legislation was enacted in response to the United States Supreme Court's 2018 decision in *South Dakota v. Wayfair* (U.S., No. 17-494), which authorized states to require remote sellers to collect and remit sales and use taxes based on economic activity rather than physical presence.

Pursuant to HB 182, retailers exceeding the established threshold in either the current or preceding calendar year are required to collect and remit applicable sales and use taxes. As a result of expanded tax collection from remote sellers, the City experienced sustained growth in Local Option Sales Tax (LOST) and Special Purpose Local Option Sales Tax (SPLOST) revenues beginning in April 2020, with continued positive trends thereafter.

In developing and approving the fiscal year 2024 budget, the City of South Fulton Commission carefully evaluated prevailing economic conditions and their impact on residents and businesses. No rate increases were contemplated for business-type activities during the budget process. However, in May 2023, the City approved an adjustment to the Alcoholic Beverage License Tax, effective for renewal periods beginning in November 2023 (fiscal year 2024).

Each year, the City Manager submits a proposed operating budget to the Mayor and Council for the upcoming fiscal year. The budget must be formally adopted by September 30. Prior to adoption, the City conducts public hearings to ensure transparency and provide citizens with the opportunity to review and comment on the proposed financial plan.

Budgets are adopted for the General Fund, all special revenue funds, all capital project funds, and enterprise funds. Budgets for enterprise funds are prepared for planning and control purposes only. The legal level of budgetary control is at the department level, with the Mayor and the City Council as the governing body authorized to amend the budget. During the year, there were no significant increases in appropriations between the original budget and the final amended budget for the City's General Fund.

- *Governmental funds with an annual appropriated budget* – Annual budgets are prepared by fund, function, and department, for example, General Fund, Public Safety, Police, etc. A budget-to-actual comparison is provided in this report for each fund for which an appropriated budget has been adopted.

- *Legal level of budgetary control* – The legal level of budgetary control is at the fund and department level. Department directors are allowed to make transfers within appropriated categories or their operational divisions. The Mayor and Council approve appropriations and budget revisions between departments. Budgetary control is maintained through monthly reviews of actual results against the budget and with budget confirmation before the issuance of a purchase order.

- *Long-term Financial Planning* – The City's policy is to maintain a minimum unassigned fund balance, in its general fund, of 25 percent of the prior year's operating expenditures. As of September 30, 2024, the General Fund balance is $106,693,314 (94 percent) of annual operating expenditures. Excess fund balances over the reserve requirements (if any) will be used to fund non-recurring expenditures. The City will develop a five-year capital plan to strategize growth and investment in future capital needs.

City of South Fulton's Economic Outlook

- *Local Economy* – The fiscal year 2024 presented opportunities for continued economic and fiscal recovery. Economic resilience and recovery served the City well in its continued development. Property values are increasing, businesses are investing, and the local economy is growing.

  Diversified revenues come from governmental activities (program revenue), including revenues from Property Taxes, Sales Taxes, Charges for Services, Fines, and Forfeitures, and donations. Another source of revenue comes from business-type activities (enterprise funds). Business-type activities, such as the Solid Waste Fund, operate for profit, whereby proceeds are reinvested into infrastructure (new refuse hauling vehicles, trash receptacles, and other capital investments).

Currently Known Conditions Affecting Future Operations

Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program authorized by the American Rescue Plan Act (ARPA)

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF, or Fiscal Recovery Funds) program. The 2022 final rule took effect on April 1, 2022. On December 29, 2022, Congress amended the SLFRF program in the Consolidated Appropriations Act, 2023 (2023 CAA), to provide state, local, territorial, and Tribal governments with more flexibility to use SLFRF funds for emergency relief from natural disasters, building critical transportation infrastructure, and supporting community development. On August 10, 2023, the Treasury released an interim final rule implementing the new eligible uses. The interim final rule was published in the Federal Register on September 20, 2023.

The City received $11,352,517 in two allotments of $5,676,258 each. The City, in accordance with the latest updates to the Final Rule from 2022, has elected to allocate a fixed amount of $10 million in revenue loss to support government services. The Mayor and Council also set aside $1.4 million for Rent and Mortgage assistance.

Acknowledgments

I want to express my gratitude to the Mayor, Council, and staff for their support and guidance in the preparation of this report. I would also like to express my appreciation to the Chief Financial Officer and the team for their assistance and cooperation in preparing the content of the report. Special thanks and consideration to the members of the Finance and Administrative Services team for their efforts in developing an award-winning report that represents a commitment to the resilient City of South Fulton, Georgia.

Respectfully submitted,



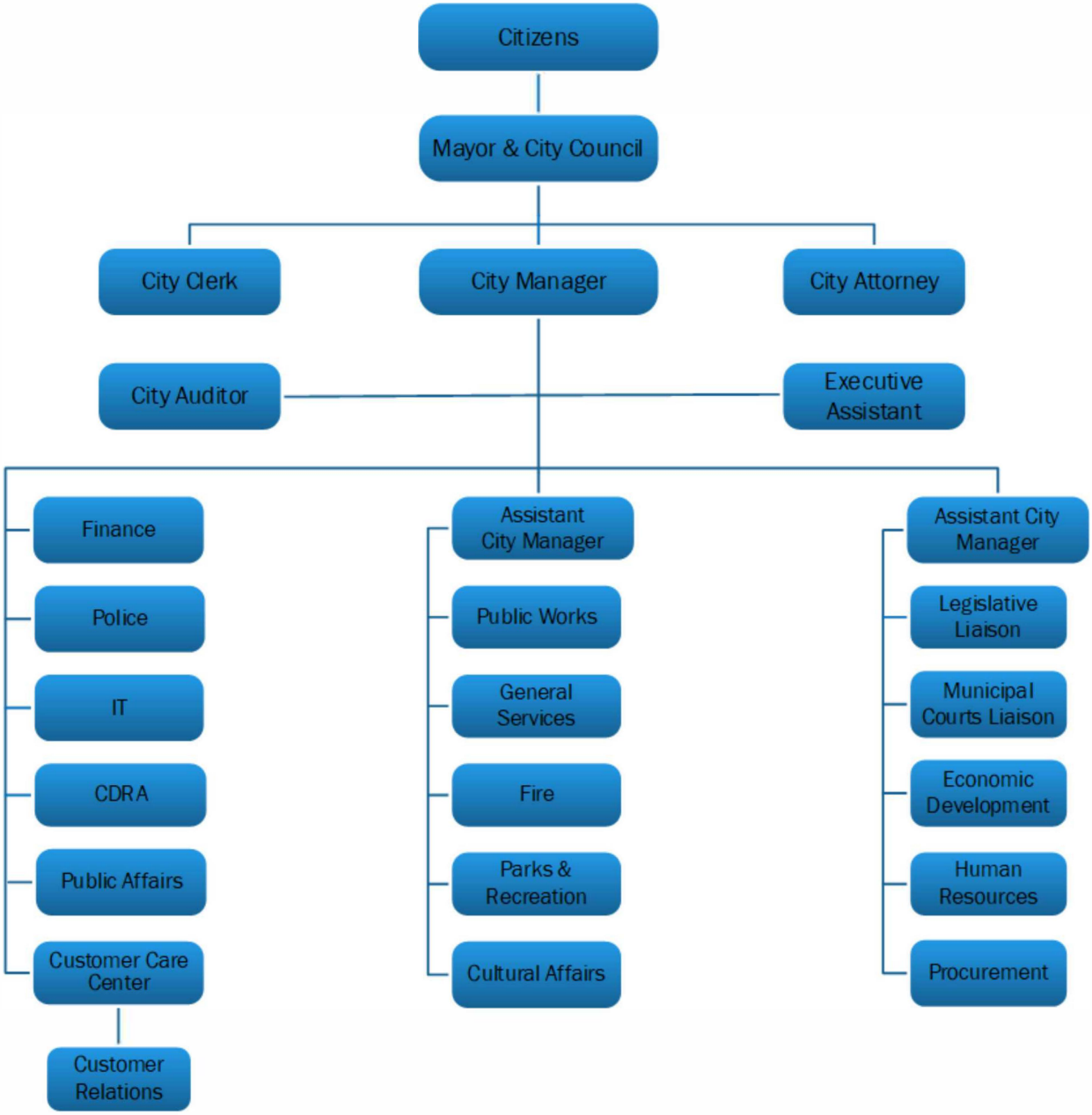
Sharon Subadan
City Manager



Althea Philord-Bradley
Chief Financial Officer

Organizational Chart

CITY OF SOUTH FULTON, GEORGIA
SEPTEMBER 30, 2024



CITY OF SOUTH FULTON, GEORGIA

LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2024

Mayor

khalid kamau

Council Members

District 1	Dr. Catherine Foster Roswell
District 2	Carmalitha Gumbs
District 3	Helen Zenobia Willis
District 4	Jaceey Sabastian
District 5	Keosha B. Bell
District 6	Natasha Williams-Brown
District 7	Linda Becquer-Pritchett

Appointed Officials

City Manager	Ms. Sharon Subadan
City Attorney	Vincent D. Hyman
City Clerk	Corey Adams

Directors

Assistant City Manager	Dr. Marc-Antonie Cooper
Assistant City Manager	Carmen Y. Davis
Chief Financial Officer	Althea Philord-Bradley
Director - Code Enforcement	Paul Muhammad
Director - Community Development and Regulatory Affairs (CDRA)	Reginald McClendon
Director - Cultural Affairs	John L. Geersten
Director - General Services	Gregory Dyson
Director - Economic Development	Artie Jones
Director - Human Resources	Patricia Redfren
Director - Information Technology	Namarr Strickland
Director - Parks & Recreation	Ternard Turner
Director - Procurement	Lindell Miller
Director - Public Affairs	Shaheen Solomon
Director - Public Works	Antonio Valenzuela
Chief - Police Department	Keith Meadows
Chief - Fire Department	Chad Jones

FINANCIAL SECTION

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- Combining, Individual Fund Statements and Schedules



MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the City Council of the
City of South Fulton, Georgia

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Fulton, Georgia, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of a Matter – Change in Accounting Principle

As discussed in Note 14 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, as of October 1, 2023. This standard significantly changed the reporting of the City's accounting changes and error corrections. Our opinions are not modified with respect to this matter.

MAULDIN & JENKINS, LLC • 200 GALLERIA PARKWAY S.E., SUITE 1700 • ATLANTA, GEORGIA 30339-5946
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MEMBERS OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the budgetary comparison for the General Fund and American Rescue Plan Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board ("GASB"), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds (as required by the Official Code of Georgia Annotated 48-8-249) (the "supplementary information"), as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of South Fulton, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance *with Government Auditing Standards* in considering the City of South Fulton, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 18, 2026

As management of the City of South Fulton, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

CITY ACTIVITY HIGHLIGHTS

South Fulton was incorporated in May of 2017 and celebrated its seventh anniversary on May 1, 2024. Positioned in a metro area, South Fulton is a demographically diverse community and covers an 85-square-mile area in southwest Fulton County, Georgia. City of South Fulton is the third largest City in Fulton County and the eighth largest City in the State of Georgia, serving a population of 107,436 (U.S. Census estimate for 2020). The City's daytime population remains consistent at more than 120,000 as a result of the concentration of major industries and business districts located within the City limits, including wholesale trade, educational services, retail trade, waste management and remediation, and food services. The City is home to the South Fulton Parkway Corridor, which connects Hartsfield-Jackson Atlanta International Airport to the City and the Old National Highway Corridor. The City is adjacent to the Fulton Industrial District, one of the largest industrial and business areas in the metro-Atlanta region. The City also houses the Wolf Creek Amphitheater, an outdoor recreation and concert venue.

The government's policy-making and legislative authority is vested in the mayor and the seven Council Members elected for four years. Council Members are elected by district, and the mayor is elected at large by popular vote. Terms of office begin after the election is certified and the swearing-in to office. The City operates under a council/manager form of government, in which the Council is the legislative authority, and the mayor possesses all the executive powers granted to the government under the Constitution and laws of the State of Georgia and the City of South Fulton charter. The City Manager maintains all the administrative powers granted to the government under the Constitution and laws of the State of Georgia and the City's charter. The City can levy a property tax on real and personal property within its boundaries. It is qualified to levy all other taxes granted to municipalities within the State of Georgia.

Financial Highlights

- The government-wide assets of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $482,518,138 (net position), which includes an unrestricted balance of $107,948,091.

- As of the close of the current fiscal year, the City's governmental funds reported a combined ending **fund balance** of $187,682,922, a decrease of $5,357,133 (2.8%) from the prior fiscal year.

- At the end of the current fiscal year, the unassigned fund balance for the General Fund was $92,811,736 (69.5%) of $133,635,590 total General Fund Operating expenditures. The unassigned General Fund balance decreased by $3,225,888 (3.36%) compared to the prior fiscal year, which may be used to meet the City's ongoing obligations to its citizens and creditors.

The Current Situation of South Fulton

On November 18, 2018, the City of South Fulton successfully transitioned all City services from Fulton County. The pace and breadth of policy development and organizational establishment since early 2017 have been significant. Rightly so, this has been the focus of the City since its inception in 2017. The City Council has worked tirelessly to make decisions and advance the burgeoning City so that it is functional and operational. While the process has been fraught with disagreement at times, the intent and heart behind the City's development debates have been positive.

Now, the City is turning its focus to more operational matters, as there is a significant amount of organizational, process, technology, relational, and policy matters yet to be firmly established. Being a new City, it brings with it the positives of a considerable amount of control and better services, but also brings a significant need for the development of new processes, systems, relationships, and direction.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish the City's functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from those intended to recover all or a significant portion of their costs through user charges (business-type activities). The City's governmental activities include general government, judicial, public safety, public works, culture and recreation, housing and development, and interest on long-term debt. The government-wide financial statements are on pages 17 and 18 of this report.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City of South Fulton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the City's funds are reported as governmental funds.

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

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

The City maintains eleven (11) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, American Rescue Plan Fund and TSPLOST Fund, all of which are considered as major funds. Data from the other eight (8) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 19 through 21 of this report.

The City adopts an annual appropriated budget for its major and non-major governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget.

Notes to the financial statements. The notes provide essential information for a full understanding of the data presented in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 through 52 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, including budgetary comparison schedules for the General Fund and the American Rescue Plan Fund, presented on a generally accepted accounting principles basis in this section. Required supplementary information can be found on pages 53-56 of this report.

Combining and individual fund statements and schedules. In addition to the basic financial statements and accompanying notes, this report also presents the combining and individual fund statements and schedules. This section can be found on pages 57 through 66 of this report.

Statistical section. In addition to the basic financial statements and accompanying notes, this report also has various supplementary and statistical information such as a 10-year presentation of revenues, expenditures, and tax rates. The statistical section is on pages 67-83 of this report.

Government-Wide Financial Analysis

Net position

As noted earlier, the net position may serve over time as a useful indicator of a government's financial position. The City's combined net position increased by $26,660,383 (5.85%) from $455,857,755 to $482,518,138 in 2024. Our analysis below focuses on the net position (**Table 1**) compared to the previous fiscal year.

City of South Fulton, Georgia's Statement of Net Position

Table 1	Governmental Activities		Business-Type Activities		Government-Wide Total	
	9/30/2024	9/30/2023 Restated	9/30/2024	9/30/2023	9/30/2024	9/30/2023 Restated
ASSETS						
Current assets	$ 282,707,019	$ 269,668,853	$ 9,305,659	$ 7,580,998	$ 292,012,678	$ 277,249,851
Current assets, net	314,832,894	281,864,490	463,244	534,289	315,296,138	282,398,779
Total assets	**597,539,913**	**551,533,343**	**9,768,903**	**8,115,287**	**607,308,816**	**559,648,630**
LIABILITIES						
Curent liabilities	38,699,613	26,744,584	7,173,511	6,556,294	45,873,124	33,300,878
Long-term liabilities	20,277,711	18,321,192	-	-	20,277,711	18,321,192
Total liabilities	**58,977,324**	**45,065,776**	**7,173,511**	**6,556,294**	**66,150,835**	**51,622,070**
DEFERRED INFLOWS OF RESOURCES						
Deferred revenues	58,639,843	52,168,805	-	-	58,639,843	52,168,805
Total deferred inflows of resources	**58,639,843**	**52,168,805**	**-**	**-**	**58,639,843**	**52,168,805**
NET POSITION						
Net investment in capital assets	287,540,576	263,479,743	463,244	534,289	288,003,820	264,014,032
Restricted	86,566,227	70,295,572	-	-	86,566,227	70,295,572
Unrestricted (deficit)	105,815,943	120,523,447	2,132,148	1,024,704	107,948,091	121,548,151
Total net position	**$ 479,922,746**	**$ 454,298,762**	**$ 2,595,392**	**$ 1,558,993**	**$ 482,518,138**	**$ 455,857,755**

A significant portion of the City's net position, $288,003,820, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding and less accumulated depreciation (net capital assets). The net investment in capital assets increased to 59.7% of the total net position, up from 57.9% in the prior fiscal year. The City used its capital assets to provide various services to its citizens; consequently, these assets are not available for future spending, including the payment of the related debt. The City of South Fulton's total net position includes $74,139,351 restricted for capital projects, $10,772,856 restricted for public safety, $197,161 restricted for hospitality and tourism, and $1,456,859 restricted for development. The City reported an unrestricted net position of $107,948,091, which may be used to meet its ongoing obligations to its citizens and creditors.

Current assets increased by $14,762,827 (5.32%) from $277,249,851 to $292,012,678. Total liabilities increased by $14,528,765 or 28%. The increase in accrued accounts payable of $14,023,664 for purchases acquired late in the fiscal year, the increase in lease liabilities of $2,722,087 for leases of vehicles and equipment, and the decrease in unearned revenue ($3,860,909) contributed to the increase in total liabilities.

Table 2 summarizes these changes in net position as described above.

Table 2 — **City of South Fulton, Georgia Statement of Activities**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	9/30/2024	9/30/2023*	9/30/2024	9/30/2023	9/30/2024	9/30/2023
REVENUES						
Program Revenues						
Charges for services	$ 10,891,613	$ 8,979,791	$ 9,189,009	$ 2,911,391	$ 20,080,622	$ 11,891,182
Operating grants and contributions	7,216,480	5,390,897	-	-	7,216,480	5,390,897
Capital grants and contributions	22,793,835	21,881,875	-	-	22,793,835	21,881,875
General revenues					-	-
Property taxes	56,929,274	49,681,348	-	-	56,929,274	49,681,348
Title ad valorem taxes	3,391,979	2,380,970	-	-	3,391,979	2,380,970
Sales taxes	36,228,961	34,694,331	-	-	36,228,961	34,694,331
Franchise taxes	6,982,851	6,643,310	-	-	6,982,851	6,643,310
Business taxes	6,588,479	4,751,491	-	-	6,588,479	4,751,491
Alcoholic beverage taxes	925,512	737,336	-	-	925,512	737,336
Hotel/motel taxes	624,706	630,638	-	-	624,706	630,638
Transfer taxes	1,134,972	1,439,300	-	-	1,134,972	1,439,300
Insurance premium taxes	9,615,423	8,925,282	-	-	9,615,423	8,925,282
Other taxes	99,340	372,145	-	-	99,340	372,145
Interest income	10,075,291	-	-	-	10,075,291	-
Miscellaneous revenues	42,632	195,493	-	-	42,632	195,493
Transfers	(1,871,080)	(1,679,286)	1,871,080	1,679,286	-	-
Total revenues	171,670,268	145,024,921	11,060,089	4,590,677	182,730,357	149,615,598
EXPENSES						
General government	41,001,063	18,634,398	-	-	41,001,063	18,634,398
Judicial	1,033,476	845,303	-	-	1,033,476	845,303
Public safety	54,714,792	43,070,676	-	-	54,714,792	43,070,676
Public works	27,582,415	13,965,442	-	-	27,582,415	13,965,442
Parks, culture and recreation	11,302,291	5,334,104	-	-	11,302,291	5,334,104
Housing and development	9,679,432	7,439,886	-	-	9,679,432	7,439,886
Interest on long-term debt	732,815	657,149	-	-	732,815	657,149
Stormwater	-	-	89,295	576,953	89,295	576,953
Sanitation	-	-	9,934,395	2,832,305	9,934,395	2,832,305
Total Expenses	146,046,284	89,946,958	10,023,690	3,409,258	156,069,974	93,356,216
Change in net position	25,623,984	55,077,963	1,036,399	1,181,419	26,660,383	56,259,382
Beginning net position, beginning of fiscal year, as previously reported	448,995,149	393,917,186	1,558,993	377,574	450,554,142	394,294,760
Restatement - error correction*	5,303,613	-	-	-	5,303,613	-
Beginning net position, beginning of fiscal year, as restated	454,298,762	393,917,186	1,558,993	377,574	455,857,755	394,294,760
Ending net position	**$ 479,922,746**	**$ 448,995,149**	**$ 2,595,392**	**$ 1,558,993**	**$ 477,214,525**	**$ 450,554,142**

* 2023 fund balance for the General Fund and TSPLOST Fund were restated to correct errors in the prior years related to expenditures.

Governmental activities. The net position for governmental activities increased by $25,623,984 in fiscal year 2024, $55,077,963 in fiscal year 2023, by $31,601,972 in fiscal year 2022, by $42,829,836 in fiscal year 2021, and by $17,610,795 in fiscal year 2020. The City's government relies heavily on taxes to support operations. A variety of taxes totaling $122,521,497 accounted for 71% of governmental revenues for general operations in fiscal year 2024.

Interest income increased by $10,075,291 from changes in investment management, policy, and strategy. Property taxes were up by $7 million (15%), charges for services, operating grants, and contributions collectively were up by $4.6 million, and local option sales taxes were up $1.5 million compared to the prior fiscal year.

Governmental expenses increased by $56 million, or 62%, in fiscal year 2024. The increase was primarily driven by expanded operations and strategic capital investment. Personnel costs rose by approximately $25 million due to the hiring of additional staff and the filling of previously vacant positions, strengthening the City's service delivery capacity.

Business-type activities. Net position for business-type activities increased by $1,036,399 in fiscal year 2024, primarily due to the continued implementation and full-year operation of the City's Solid Waste Fund (Sanitation Program). The program was established on June 1, 2023 to separate sanitation operations from the General Fund and improve cost transparency and financial accountability. During the initial four-month start-up period in fiscal year 2023, the Solid Waste Fund generated $2,911,391 in operating revenues and incurred $2,832,305 in operating expenses.

Fiscal year 2024 represents the first full year of operations for the Solid Waste Fund. Charges for services totaled $9,189,009, supplemented by a General Fund transfer of $1,871,080 to support operational and service delivery needs. Operating expenses for the year were $9,934,395, reflecting the full cost of sanitation services, including collection, disposal, equipment, and program administration.

The City also continued development of the Municipal Separate Storm Sewer System (MS4) Program. Operating expenses for the year were $89,295.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. The following is an analysis of the City's major funds.

General Fund. The General Fund is the chief operating fund of the City. As of September 30, 2024, the General Fund had an unassigned fund balance of $92,811,736 representing 69.5% of General Fund operating expenditures. Table 3 compares the operating results of the General Fund for fiscal years 2024 and 2023.

General Fund revenues increased by $14,815,374 or 12.21%. Property tax revenue increased by $6,351,684 or 12.74%. Interest income contributed new revenue of $5,762,769 or 4,347%. Title ad valorem taxes increased by $1,011,009 or 42.46%. Sales taxes increased $1,534,630 or 4.42%. Business taxes increased by $1,836,988, or 38.66%, due to a higher fee structure. Insurance premium taxes increased by $690,141 or 7.73%. Other categories showed declines in revenue; charges for services decreased by $3,065,862 (67.5%) primarily due to traffic camera revenue being moved to the separate Traffic Calming Special Revenue fund in fiscal year 2024. Intergovernmental revenue decreased by $1,089,847 (42.2%) stemming from delays in funding from other governmental agencies.

General Fund expenditures increased by $51,470,051 or 62.64%. The following programs increased expenditures over the prior fiscal year: General government $21,676,778 or 118.42% for additional fleet vehicles, land, and building acquisition; and Public Safety $16,915,110 or 41.86% for additional staffing, vehicles, and property acquisition. Culture and recreation increased by $6,505,812 or 123.34% for site and building improvements.

American Rescue Plan Fund. During fiscal year 2024, the City recognized $3,990,489 in American Rescue Plan funding, $522,187 in interest earnings, and spent $4,458,754 in American Rescue Plan expenditures related to various community programs.

TSPLOST Fund. During fiscal year 2019, the City established the TSPLOST I Fund to account for its share of Transportation Special Purpose Local Option Sales Tax (TSPLOST) proceeds. TSPLOST is a voter-approved, one percent regional sales tax authorized under Georgia law and restricted for transportation purposes, including road improvements, resurfacing, bridge repairs, and related capital infrastructure projects. Under the original program, the City receives 16.55% of total collections, which are then distributed to the County and allocated among participating municipalities under an intergovernmental agreement.

In fiscal year 2021, the City ratified the creation of the TSPLOST II Fund following voter approval of a renewed transportation program. Unlike the initial program, TSPLOST II proceeds are distributed directly to the City by the Georgia Department of Revenue.

For fiscal year 2024, the City received $21,920,926 in TSPLOST II proceeds and $3,569,000 in interest earnings. Expenditures totaled $27,942,423, primarily for transportation capital and infrastructure improvements. After adjustments, the cumulative ending fund balance was $68,607,817, representing restricted resources available for future voter-approved transportation projects.

Proprietary Funds. This category of funds includes business-type activities or enterprise funds. The City has two programs that meet the criteria, the Sanitation Fund and the Stormwater Fund. The following is an analysis of the City's major proprietary fund.

Sanitation Fund. Effective June 1, 2023, the City transitioned its sanitation operations from the General Fund into a standalone Sanitation Fund to enhance financial transparency and accountability. For fiscal year 2023, representing four months of operations, the program generated $2,911,391 in revenues and incurred $2,832,305 in operating expenses.

Fiscal year 2024 reflects the first full year of Sanitation Fund operations. Charges for services totaled $9,189,009, supplemented by a General Fund transfer of $1,871,080. Operating expenses were $9,934,395, representing the full annual cost of sanitation service delivery.

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Table 3 — City of South Fulton, Georgia, General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances

	9/30/2024	9/30/2023*	$ Increase (decrease)	% Increase (decrease)
Revenues				
Property taxes	$ 56,210,087	$ 49,858,403	$ 6,351,684	12.74%
Title ad valorem taxes	3,391,979	2,380,970	1,011,009	42.46%
Sales taxes	36,228,961	34,694,331	1,534,630	4.42%
Business taxes	6,588,479	4,751,491	1,836,988	38.66%
Franchise taxes	6,982,851	6,643,310	339,541	5.11%
Insurance premium taxes	9,615,423	8,925,282	690,141	7.73%
Transfer taxes	1,134,972	1,439,300	(304,328)	-21.14%
Alcoholic beverage taxes	925,512	737,336	188,176	25.52%
Hotel tax	1,328	-	1,328	100.00%
Other taxes	99,340	372,145	(272,805)	-73.31%
Licenses and permits	4,161,700	3,252,036	909,664	27.97%
Fines and forfeitures	1,879,372	997,968	881,404	88.32%
Charges for services	1,476,396	4,542,258	(3,065,862)	-67.50%
Intergovernmental	1,492,810	2,582,657	(1,089,847)	-42.20%
Interest income	5,895,323	132,554	5,762,769	4347.49%
Contributions and donations	-	250	(250)	-100.00%
Miscellaneous revenues	42,632	1,500	41,132	2742.13%
Total revenues	**136,127,165**	**121,311,791**	**14,815,374**	**12.21%**
Expenditures				
General government	39,981,068	18,304,290	21,676,778	118.42%
Judicial	1,074,994	840,075	234,919	27.96%
Public safety	57,320,855	40,405,745	16,915,110	41.86%
Public works	12,269,253	8,879,489	3,389,764	38.18%
Culture and recreation	11,780,711	5,274,899	6,505,812	123.34%
Housing and development	9,079,800	6,659,312	2,420,488	36.35%
Debt service	2,128,909	1,801,729	327,180	18.16%
Total Expenses	**133,635,590**	**82,165,539**	**51,470,051**	**62.64%**
Excess of revenues over expenditures	**2,491,575**	**39,146,252**	**(36,654,677)**	**-93.64%**
Other financing sources (uses)				
Issuance of leases and financed purchases	4,222,501	822,493	3,400,008	413.38%
Transfers in	16,694,360	296,516	16,397,844	5530.17%
Transfers out	(22,122,027)	(16,629,440)	(5,492,587)	33.03%
Total other financing sources (uses)	(1,205,166)	(15,510,431)	14,305,265	-92.23%
Change in fund balance	1,286,409	23,635,821	(22,349,412)	-94.56%
Fund balances, October 1	102,613,600	78,977,779	23,635,821	29.93%
Adjustment - restatement - error correction	2,592,343	-	2,592,343	100.00%
Adjustment - change within reporting entity	200,962	-	200,962	100.00%
Fund balances, October 1, as adjusted	105,406,905			
Fund balances, end of fiscal year	**$ 106,693,314**	**$ 102,613,600**	**$ 1,286,409**	**1.25%**

* 2023 fund balance for the General Fund and TSPLOST Fund were restated to correct errors in the prior years related to expenditures.

General Fund Budgetary Highlights

The City's budget has utilized a conservative approach based on the relevant information available. Emphasis was given to ensuring financial stability and long-term viability while providing revenue enhancement, instituting financial priorities, methodologies, and disciplined decision-making. The City will pursue these strategic goals in five (5) priorities to better serve the Citizens of the City of South Fulton. The following are the strategic priorities: Invest in Developing Strong Teams, Grow Infrastructure and Solidify Finances, Increase Community Collaboration and Quality of Life, Focus on Economic Development, and Create an Efficient Government.

1. Invest in Developing Strong Teams
    - Develop a cohesive servant-leader environment of trust and cooperation; commit to a shared vision while maintaining the epitome of professionalism.

2. Grow Infrastructure and Solidify Finances
    - Build and diversify our revenue sources to ensure financial adequacy and stability to reduce dependence on any single source.

3. Increase Community Collaboration and Quality of Life
    - Strengthen relationships with our county and state legislators and surrounding municipalities that will aid the City of South Fulton to take a regional approach to services. Launch initiatives and create change that will improve our quality of life.

4. Focus on Economic Development
    - Promote a healthy and prosperous economy that supports small businesses, entrepreneurs, tourism, and public-private partnerships. Define and promote who the City is and market it to stakeholders.

5. Create an Efficient Government
    - Provide quality and efficient services to improve the quality of life for residents and businesses. Services include fire, police, parks and recreation, courts, economic development, zoning and land use, public works, and sanitation.

The City will conduct periodic reviews of the adopted budget to assess any significant deviations or emerging needs. Rather than a formal mid-year amendment process, budget adjustments will be made as necessary based on operational priorities and available resources. Any required appropriations will be presented for approval through official City Council action to ensure alignment with the City's fiscal goals. For fiscal year 2024, revenues over expenditures for the General Fund were $9,655,930 better than the budgeted amount. The components of this variance are described below:

Total revenues were $5,256,943 higher than the final budget. Sales and Business taxes were $2,528,961 and $1,088,479 higher than the final budget. Fines and Forfeitures were $1,579,372 higher than the budget expectations. All other revenue sources, net, were $60,131 more than the budget.

Total expenditures were $8,742,895 below the final budget, primarily due to the timing of capital projects and controlled spending across departments. Several capital projects remained in progress at fiscal year-end or had not yet commenced, resulting in expenditures being deferred to future fiscal periods.

Departmental variances contributed to the overall favorable budget performance. The Law department was $573,084 under budget, Information Technology was $708,827 below budget, and General Services expenditures were $849,870 less than the final budget. Total General Government was $4,577,989 below budget. Public Works and Parks and Recreation reported favorable variances of $3,164,446 and $1,739,766, respectively, largely attributable to project timing and operational cost management.

The Schedule of General Fund Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual can be found on pages 53-55 of this report.

Capital Assets and Debt Administration

Capital assets. The City's capital assets for its governmental activities as of September 30, 2024 and 2023 amounted to $314,832,894 and $281,864,490, respectively. Capital assets increased by $30,968,404 in fiscal year 2024 due to additions to Construction in progress, buildings, vehicles, and property acquisitions.

Table 4

City of South Fulton, Georgia,
Capital Assets, net of depreciation

	9/30/2024	9/30/2023	Net Change
Land	$ 8,433,789	$ 3,308,991	$ 5,124,798
Construction in-progress	19,123,769	6,293,275	12,830,494
Buildings	20,960,294	13,386,843	7,573,451
Vehicles	13,260,810	8,593,127	4,667,683
Furniture and fixtures	1,106,928	569,997	536,931
Machinery and equipment	6,577,841	5,971,280	606,561
Infrastructure	240,692,661	242,186,573	(1,493,912)
Right-to-use lease assets - Buildings	2,492,605	1,554,404	938,201
Right-to-use lease assets - Equipment	1,648,497	-	1,648,497
Right-to-use SBITA asset	535,700	-	535,700
Total	**$ 314,832,894**	**$ 281,864,490**	**$ 32,968,404**

Additional information on the City's capital assets can be found in Note 6 of this report.

Short-term borrowings. The City did not require short-term borrowing for the fiscal year 2024 or 2023.

Long-term debt and obligations. As of September 30, 2024, the end of the fiscal year, the City's net long-term debt increased by $2,023,071 from the prior fiscal year due to additional lease liabilities.

Table 5

City of South Fulton, Georgia,
Long-Term Debt

	9/30/2024	9/30/2023	Net Change
Financed purchases from direct borrowings	$ 2,639,917	$ 3,240,677	$ (600,760)
Revenue bonds	14,340,000	15,040,000	(700,000)
Lease liabilities	4,331,644	1,609,557	2,722,087
SBITA liabilities	519,950	-	519,950
Compensated absences	2,427,635	2,345,841	81,794
Total	**$ 24,259,146**	**$ 22,236,075**	**$ 2,023,071**

Additional information on the City's long-term debt can be found in Note 7 of this report.

Economic Factors and Next Year's Budgets and Rates

These factors were considered in preparing the City's 2024-2025 fiscal year budget.

Fiscal Year 2024-2025 Budget

The City will continue to pursue these strategic goals in five (5) priorities to better serve the Citizens of the City of South Fulton. The following are the strategic priorities: quality of life and public infrastructure enhancements; public safety; workforce development and implementation of best practices; future facilities for public service and funding for the implementation strategy; and planning for the future.

1. Quality of life and public infrastructure enhancements
    - Provide funding towards operations and implement the first phase of our streetlight plan.
    - Introduce funding for the first phase of the parks and recreation master plan.
    - Pave roads, repair sidewalks, improve right-of-way addressing maintenance needs, and improve pedestrian safety.
    - Develop and implement a customer call satisfaction call center to improve response to citizens.

2. Public safety
    - Provide funding for the Emergency Medical Response (EMS) expansion plan.
    - Provide funding for fifteen additional police officers.
    - Purchase vehicles and equipment.
    - Conduct station improvements and fire initiatives.

3. Workforce development and implementation of best practices
    - Increase funding to bring our lowest-paid employees to a minimum wage of twenty dollars per hour.
    - Perform a city-wide reorganization to create a Procurement, General Services, and Cultural Affairs Department. Consolidate the communications functions into a Public Affairs Department and enhance the Finance Department with needed resources under the leadership of a Chief Financial Officer.
    - Set aside funding for the anticipated salary study recommendations.

4. Future facilities for public service and funding for the implementation strategy
    - Create a funding stream for debt issuance to acquire land and build a Fire Headquarters and Training Center, a new Police Headquarters, and a permanent city hall.
    - Set aside funding to improve facilities at parks throughout the city.

5. Planning for the future
    - Provide for the Comprehensive Plan update, Historic Resources Plan, Trail Plan, Facilities Master Plan, Development Impact Fee Study, and Comprehensive Transportation Plan.

The City reviews its monthly financial performance and trends and follows a budget process to review and realign appropriations. Funding priorities are established in the annual budget process. This process ensures adjustments to appropriations align with expected resources. Differences between the original budget and the final amended budget are resolved via official City Council action.

Requests for Information

This annual comprehensive financial report is designed to provide a general overview of the City of South Fulton, Georgia's finances for all those with interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Department of Finance and Administrative Services, City of South Fulton, 4715 Frederick Drive, South Fulton, GA 30336.

City of South Fulton, Georgia
4715 Frederick Drive
Atlanta, GA 30336

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Development Authority
ASSETS				
Cash and cash equivalents	$ 214,215,081	$ 9,417,570	$ 223,632,651	$ 604,637
Accounts receivable	2,364,189	1,048,450	3,412,639	-
Taxes receivable	58,149,391	-	58,149,391	-
Due from other governments	4,974,652	-	4,974,652	-
Prepaid items	1,782,629	-	1,782,629	-
Internal balances	1,160,361	(1,160,361)	-	-
Due from component unit	27,424	-	27,424	-
Inventories	33,292	-	33,292	-
Capital assets:				
Nondepreciable	27,557,558	-	27,557,558	-
Depreciable, net of accumulated depreciation	287,275,336	463,244	287,738,580	-
Total assets	597,539,913	9,768,903	607,308,816	604,637
LIABILITIES				
Accounts payable	28,788,942	1,273,708	30,062,650	3,435
Accrued liabilities	1,791,374	-	1,791,374	-
Due to primary government	-	-	-	27,424
Unearned revenue	4,137,862	5,899,803	10,037,665	-
Lease liabilities, due within one fiscal year	741,998	-	741,998	-
Lease liabilities, due in more than one fiscal year	3,589,646	-	3,589,646	-
SBITA liabilities, due within one fiscal year	252,403	-	252,403	-
SBITA liabilities, due in more than one fiscal year	267,547	-	267,547	-
Financed purchases, due within one fiscal year	1,053,217	-	1,053,217	-
Financed purchases, due in more than one fiscal year	1,586,700	-	1,586,700	-
Revenue bonds, due within one fiscal year	720,000	-	720,000	-
Revenue bonds, due in more than one fiscal year	13,620,000	-	13,620,000	-
Compensated absences, due within one fiscal year	1,213,817	-	1,213,817	-
Compensated absences, due in more than one fiscal year	1,213,818	-	1,213,818	-
Total liabilities	58,977,324	7,173,511	66,150,835	30,859
DEFERRED INFLOWS OF RESOURCES				
Deferred revenues	58,639,843	-	58,639,843	-
Total deferred inflows of resources	58,639,843	-	58,639,843	-
NET POSITION				
Net investment in capital assets	287,540,576	463,244	288,003,820	-
Restricted for capital projects	74,139,351	-	74,139,351	-
Restricted for public safety	10,772,856	-	10,772,856	-
Restricted for hospitality and tourism	197,161	-	197,161	-
Restricted for development	1,456,859	-	1,456,859	573,778
Unrestricted	105,815,943	2,132,148	107,948,091	-
Total net position	$ 479,922,746	$ 2,595,392	$ 482,518,138	$ 573,778

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Development Authority
Primary government:								
Governmental activities:								
General government	$ 41,001,063	$ 51,302	$ 4,853,023	$ -	$ (36,096,738)	$ -	$ (36,096,738)	$ -
Judicial	1,033,476	1,879,372	-	-	845,896	-	845,896	-
Public safety	54,714,792	4,111,958	1,360,424	-	(49,242,410)	-	(49,242,410)	-
Public works	27,582,415	-	-	22,793,835	(4,788,580)	-	(4,788,580)	-
Parks, recreation, and cultural affairs	11,302,291	355,311	1,003,033	-	(9,943,947)	-	(9,943,947)	-
Housing and development	9,679,432	4,493,670	-	-	(5,185,762)	-	(5,185,762)	-
Interest on long-term debt	732,815	-	-	-	(732,815)	-	(732,815)	-
Total governmental activities	146,046,284	10,891,613	7,216,480	22,793,835	(105,144,356)	-	(105,144,356)	-
Business-type activities:								
Stormwater	89,295	-	-	-	-	(89,295)	(89,295)	-
Sanitation	9,934,395	9,189,009	-	-	-	(745,386)	(745,386)	-
Total business-type activities	10,023,690	9,189,009	-	-	-	(834,681)	(834,681)	-
Total primary government	$ 156,069,974	$ 20,080,622	$ 7,216,480	$ 22,793,835	$ (105,144,356)	$ (834,681)	$ (105,979,037)	$ -
Component Unit:								
Development Authority	$ 70,295	$ -	$ 150,000	$ -	$ -	$ -	$ -	$ 79,705
General revenues:								
Property taxes					56,929,274	-	56,929,274	-
Title ad valorem taxes					3,391,979	-	3,391,979	-
Sales taxes					36,228,961	-	36,228,961	-
Franchise taxes					6,982,851	-	6,982,851	-
Business taxes					6,588,479	-	6,588,479	-
Alcoholic beverage taxes					925,512	-	925,512	-
Hotel/motel taxes					624,706	-	624,706	-
Transfer taxes					1,134,972	-	1,134,972	-
Insurance premium taxes					9,615,423	-	9,615,423	-
Other taxes					99,340	-	99,340	-
Interest					10,075,291	-	10,075,291	25,742
Miscellaneous revenues					42,632	-	42,632	100,000
Transfers					(1,871,080)	1,871,080	-	-
Total general revenues					130,768,340	1,871,080	132,639,420	125,742
Change in net position					25,623,984	1,036,399	26,660,383	205,447
Net position, beginning of fiscal year, as previously reported					448,995,149	1,558,993	450,554,142	368,331
Restatement - error correction					5,303,613	-	5,303,613	-
Net position, beginning of fiscal year, as restated					454,298,762	1,558,993	455,857,755	368,331
Net position, end of fiscal year					$ 479,922,746	$ 2,595,392	$ 482,518,138	$ 573,778

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

ASSETS	General Fund	American Rescue Plan Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 114,903,502	$ 8,810,538	$ 71,727,373	$ 18,773,668	$ 214,215,081
Accounts receivable	36,033	-	-	2,328,156	2,364,189
Taxes receivable, net	58,149,391	-	-	-	58,149,391
Due from other governments	3,227,494	-	1,747,158	-	4,974,652
Due from other funds	11,405,301	-	-	4,148,615	15,553,916
Due from component unit	27,424	-	-	-	27,424
Inventory	33,292	-	-	-	33,292
Prepaid items	1,782,629	-	-	-	1,782,629
Total assets	$ 189,565,066	$ 8,810,538	$ 73,474,531	$ 25,250,439	$ 297,100,574
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE					
LIABILITIES					
Accounts payable	$ 21,673,669	$ 615,539	$ 3,351,639	$ 3,148,095	$ 28,788,942
Accrued liabilities	1,715,882	-	-	-	1,715,882
Unearned revenue	-	4,137,862	-	-	4,137,862
Due to other funds	1,363,472	3,986,410	1,515,075	7,528,598	14,393,555
Total liabilities	24,753,023	8,739,811	4,866,714	10,676,693	49,036,241
DEFERRED INFLOWS OF RESOURCES					
Deferred revenues	57,304,616	-	-	1,335,227	58,639,843
Unavailable revenues - intergovernmental	-	-	-	927,455	927,455
Unavailable revenues - taxes	814,113	-	-	-	814,113
Total deferred inflows of resources	58,118,729	-	-	2,262,682	60,381,411
FUND BALANCE					
Fund balance:					
Nonspendable:					
Prepaid items	1,782,629	-	-	-	1,782,629
Inventory	33,292	-	-	-	33,292
Restricted for:					
Hospitality and tourism	-	-	-	197,161	197,161
Capital projects	-	70,727	68,607,817	-	68,678,544
Public safety	-	-	-	10,772,856	10,772,856
Development	-	-	-	1,456,859	1,456,859
Committed for:					
Tree replacement	12,065,657	-	-	-	12,065,657
Unassigned	92,811,736	-	-	(115,812)	92,695,924
Total fund balance	106,693,314	70,727	68,607,817	12,311,064	187,682,922
Total liabilities, deferred inflows of resources, and fund balance	$ 189,565,066	$ 8,810,538	$ 73,474,531	$ 25,250,439	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.					314,832,894
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.					1,741,568
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.					(24,334,638)
Net position of governmental activities					$ 479,922,746

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	General Fund	American Rescue Plan Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 56,210,087	$ -	$ -	$ 891,544	$ 57,101,631
Title ad valorem taxes	3,391,979	-	-	-	3,391,979
Sales taxes	36,228,961	-	-	-	36,228,961
Business taxes	6,588,479	-	-	-	6,588,479
Franchise taxes	6,982,851	-	-	-	6,982,851
Insurance premium taxes	9,615,423	-	-	-	9,615,423
Transfer taxes	1,134,972	-	-	-	1,134,972
Alcoholic beverage excise taxes	925,512	-	-	-	925,512
Hotel Tax	1,328	-	-	-	1,328
Other taxes	99,340	-	-	623,378	722,718
Licenses and permits	4,161,700	-	-	-	4,161,700
Fines and forfeitures	1,879,372	-	-	3,334,877	5,214,249
Charges for services	1,476,396	-	-	-	1,476,396
Intergovernmental	1,492,810	3,990,489	21,920,926	2,415,309	29,819,534
Interest income	5,895,323	522,187	3,569,000	88,781	10,075,291
Contributions and donations	-	-	-	39,268	39,268
Miscellaneous revenues	42,632	-	-	-	42,632
Total revenues	136,127,165	4,512,676	25,489,926	7,393,157	173,522,924
Expenditures:					
Current:					
General government	39,981,068	3,690,674	-	-	43,671,742
Judicial	1,074,994	-	-	-	1,074,994
Public safety	57,320,855	-	-	6,999,875	64,320,730
Public works	12,269,253	-	27,942,423	-	40,211,676
Parks, recreation, and cultural affairs	11,780,711	-	-	819,210	12,599,921
Housing and development	9,079,800	768,080	-	-	9,847,880
Capital outlay	-	-	-	6,490,496	6,490,496
Debt service:					
Principal	1,852,486	-	-	1,633,715	3,486,201
Interest	276,423	-	-	456,392	732,815
Total expenditures	133,635,590	4,458,754	27,942,423	16,399,688	182,436,455
Excess (deficiency) of revenues over (under) expenditures	2,491,575	53,922	(2,452,497)	(9,006,531)	(8,913,531)
Other financing sources (uses):					
Issuance of lease liability	3,112,539	-	-	401,427	3,513,966
Issuance of financed purchase	1,109,962	-	-	-	1,109,962
Issuance of SBITA	-	-	-	803,550	803,550
Transfers in	16,694,360	-	379,152	19,871,795	36,945,307
Transfers out	(22,122,027)	-	-	(16,694,360)	(38,816,387)
Total other financing sources (uses)	(1,205,166)	-	379,152	4,382,412	3,556,398
Net change in fund balances	1,286,409	53,922	(2,073,345)	(4,624,119)	(5,357,133)
Fund balances, October 1	102,613,600	16,805	67,969,892	17,136,145	187,736,442
Adjustment - restatement - error correction	2,592,343	-	2,711,270	-	5,303,613
Adjustment - change within reporting entity	200,962	-	-	(200,962)	-
Fund balances, October 1, as adjusted	105,406,905	16,805	70,681,162	16,935,183	193,040,055
Fund balances, end of fiscal year	$ 106,693,314	$ 70,727	$ 68,607,817	$ 12,311,064	$ 187,682,922

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(5,357,133)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		33,004,769
The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, and donations) is to decrease net position.		(36,365)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		18,424
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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(1,941,277)
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 the governmental funds.		(64,434)
Change in net position - governmental activities	$	25,623,984

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities		
		Nonmajor Fund	
	Sanitation Fund	Stormwater Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 9,417,570	$ -	$ 9,417,570
Accounts receivable, net	1,048,450	-	1,048,450
Due from other funds	-	648,001	648,001
Total current assets	10,466,020	648,001	11,114,021
Noncurrent assets:			
Capital assets:			
Capital assets, being depreciated	-	628,951	628,951
Less accumulated depreciation	-	(165,707)	(165,707)
Total noncurrent assets	-	463,244	463,244
Total assets	10,466,020	1,111,245	11,577,265
LIABILITIES			
Current liabilities:			
Accounts payable	1,273,708	-	1,273,708
Due to other funds	1,808,362	-	1,808,362
Unearned revenue	5,899,803	-	5,899,803
Total current liabilities	8,981,873	-	8,981,873
Total liabilities	8,981,873	-	8,981,873
NET POSITION			
Investment in capital assets	-	463,244	463,244
Unrestricted	1,484,147	648,001	2,132,148
Total net position	$ 1,484,147	$ 1,111,245	$ 2,595,392

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities		
	Sanitation Fund	Nonmajor Fund Stormwater Fund	Total
OPERATING REVENUES			
Charges for services	$ 9,189,009	$ -	9,189,009
Total operating revenues	9,189,009	-	9,189,009
OPERATING EXPENSES			
Purchased contract services	9,934,395	18,250	9,952,645
Depreciation	-	71,045	71,045
Total operating expenses	9,934,395	89,295	10,023,690
OPERATING LOSS BEFORE TRANSFERS	(745,386)	(89,295)	(834,681)
Transfers in	1,871,080	-	1,871,080
Change in net position	1,125,694	(89,295)	1,036,399
NET POSITION, beginning of fiscal year	358,453	1,200,540	1,558,993
NET POSITION, end of fiscal year	$ 1,484,147	$ 1,111,245	2,595,392

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities		
		Nonmajor Fund	
	Sanitation Fund	Stormwater Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 13,719,886	$ -	$ 13,719,886
Payments to suppliers and service providers	(9,072,238)	-	(9,072,238)
Net cash provided by operating activities	4,647,648	-	4,647,648
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	1,871,080	-	1,871,080
Net cash provided by noncapital financing activities	1,871,080	-	1,871,080
Increase in cash	6,518,728	-	6,518,728
Cash:			
Beginning of fiscal year	2,898,842	-	2,898,842
End of fiscal year	$ 9,417,570	$ -	$ 9,417,570
Reconciliation of operating loss to net cash provided by operating activities:			
Operating loss	$ (745,386)	$ (89,295)	$ (834,681)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	-	71,045	71,045
Decrease in accounts receivable	4,453,856	-	4,453,856
Decrease in due from other funds	-	53,148	53,148
Increase (decrease) in accounts payable	575,094	(34,898)	540,196
Increase in due to other funds	287,063	-	287,063
Increase in unearned revenue	77,021	-	77,021
Net cash provided by operating activities	$ 4,647,648	$ -	$ 4,647,648

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of South Fulton, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (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. The Financial Reporting Entity

The City, which was incorporated by a voter-approved referendum on November 8, 2016, commenced operations on May 1, 2017 pursuant to the election of a mayor and council on April 18, 2017. Policy-making and legislative authority are vested in the Mayor and City Council which consists of seven (7) council members and the Mayor. The government provides such services as general government administration, judicial services through its municipal court, code enforcement, building and zoning, housing and development, culture and recreation, and public works.

Discretely Presented Component Unit:

The South Fulton Development Authority (the "Development Authority") was established for the purposes of attracting development, industry, and employment opportunities to the City. The Board of the Development Authority is made up of nine (9) board members from the local community who are appointed by the Mayor and City Council. While there is a financial benefit or burden relationship as the City has provided support to the Development Authority, the Development Authority intends to issue debt on behalf of 3rd parties and will be collecting a fee to do so. It will not be functioning as a financing entity exclusively for the benefit of the City but rather for the community as a whole. Therefore, the Development Authority is reported in the City's financial statements as a proprietary-type discretely presented component unit. Separate financial statements for the Development Authority are not prepared.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Blended Component Unit:

The South Fulton Downtown Development Authority (the "DDA") was established in 2020 by the City Council pursuant to the Georgia Downtown Development Authorities Law. It operates through a Board of Directors consisting of seven (7) members appointed by the City Council and Mayor and they may also be removed by the Mayor and City Council. The purpose of the DDA is to revitalize and redevelop the central business district of the City, promote the public good and general welfare, trade, commerce, industry and employment opportunities which exclusively benefits the City even though it does not provide services directly to it. The Downtown Development Authority will be reported in the City's financial statements as a blended component unit for the year ended September 30, 2024 as there is a financial benefit or burden relationship as the City will provide support to the DDA and the services provided by the DDA exclusively benefit the City of South Fulton even though it does not provide services directly to it. There was no significant reportable activity for the DDA for the fiscal year ended September 30, 2024.

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 activities of the primary government. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. *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 net position includes noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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 funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. As such, property tax revenues will be recognized in the current fiscal year for the previous tax year's levy. 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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period for which they are levied. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to long-term liabilities such as compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, business taxes, excise taxes, and licenses and permits 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 availability criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 to customers for services provided. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," the corresponding assets (receivables) in non-exchange 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.

In accordance with GASB Statement No. 34, major individual governmental 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 Fund** is used to account for the proceeds and expenditures related to the American Rescue Plan Act grant.

The **TSPLOST Fund** accounts for proceeds of a sales tax levied in Fulton County, which will be used by the City for the exclusive purpose of transportation improvement projects within the City.

The City also reports the following major proprietary fund:

The **Sanitation Fund** is used to account for the revenues and maintenance of the City's sanitation system.

The City also reports the following fund types:

The **Special Revenue** funds are used to account for revenue sources which are legally restricted or committed to expenditures for specific purposes, such as, grants and hotel/motel taxes.

The **Capital Projects** funds are used to account for expenditures related to construction, acquisition, or installation of the City's capital assets.

The **Stormwater Fund** is used to account for the revenues and maintenance of the City's stormwater infrastructure.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, and 2) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

D. Budgets

Formal budgetary accounting is employed as a management control device for the funds of the City. The governmental fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual operating budget is adopted for the General fund and each Special Revenue fund each fiscal year through passage of an annual budget ordinance and amended as required. The City adopts project length budgets for the Capital Projects funds. During the fiscal year ended September 30, 2024, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedule. All appropriations lapse at fiscal year-end. The City does not use encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Cash Equivalents and Investments (Continued)

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard & Poor's criteria for AAAf-rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair value as of year end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. As of September 30, 2024, the weighted-average maturity of the pool was 17 days.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

G. Interfund Receivables and Payables

Activity between funds that is 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."

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2024, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

I. Inventories

Inventories are valued at cost, which approximates market, using the weighted-average cost method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

Capital assets, which include buildings, parks, furniture and fixtures, vehicles and machinery, and equipment and infrastructure, are reported in the government-wide financial statements. 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 one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated 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 assets' lives is not capitalized.

Capital assets of the City are depreciated using the straight line method over the following useful lives:

Buildings	50 years
Right-to-use lease buildings	5-9 years
Right-to-use lease equipment	5-6 years
Right-to-use SBITA assets	3 years
Vehicles	5 years
Furniture and fixtures	10 years
Machinery and equipment	5-10 years
Infrastructure	50 years

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The first item, *unavailable revenue*, is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and intergovernmental revenue as these amounts are deferred and will be recognized as inflows of resources in the period in which the amounts become available. Additionally, the City reports deferred revenues for the 2024 property tax digest which is levied for operation of the 2025 fiscal year and thus reported as deferred revenues in the fund and in the Statement of Net Position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Subscription-Based Information Technology Arrangements (SBITAs)

The City is a subscriber in various subscription-based information technology arrangements. The City recognizes a subscription liability and an intangible right-to-use asset in the government-wide financial statements. The City recognizes SBITA liabilities with an initial, individual value of $50,000 of more.

At the commencement of a subscription, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the City determines: (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments:

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.

- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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 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. The authority to assign fund balances remains with the City Council.

- **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. The City, by resolution, has created a minimum fund balance policy to be no less than two-and-one-half months of its prior fiscal year's actual operating expenditures of the General Fund, in order to cover unforeseen emergencies and/or revenue shortfalls.

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: (1) Committed, (2) Assigned, and (3) Unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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. Net investment in capital assets consists of capital assets, net of accumulated depreciation, 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.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

N. Use of 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 amounts of assets, deferred inflows of resources, and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Compensated Absences

The compensated absences policy of the City provides for accumulation of up to 120 hours per employee. For the City's government-wide statements, an expense and a liability for compensated absences and the salary-related payments are recorded as leave is earned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Leases

Lessee

The City is a lessee for noncancellable leases of buildings. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $10,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.
- The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.
- Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes reconciliations between *fund balance – total governmental fund* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds." The details of this $24,334,638 difference are as follows:

Financed purchases from direct borrowings	$	(2,639,917)
Lease liabilities		(4,331,644)
SBITA liabilities		(519,950)
Revenue bonds		(14,340,000)
Compensated absences		(2,427,635)
Accrued interest		(75,492)
Net adjustment to decrease *fund balances - total governmental funds* to arrive at *net position - governmental activities.*	$	(24,334,638)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net change in fund balance and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $33,004,769 difference are as follows:

Capital outlay	$	44,556,984
Depreciation and amortization expense		(11,552,215)
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	33,004,769

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of that reconciliation explains that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." The details of this $1,941,277 difference are as follows:

Principal repayment on financed purchases	$	1,710,722
Principal repayment on lease liabilities		791,879
Principal repayment on SBITA liabilities		283,600
Principal repayment on bonds		700,000
Issuance of financed purchase		(1,109,962)
Issuance of lease liability		(3,513,966)
Issuance of SBITA liability		(803,550)
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities.*	$	(1,941,277)

Another element of that reconciliation explains that "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 the governmental funds." The details of this $64,434 difference are as follows:

Compensated absences	$	(81,794)
Accrued interest		17,360
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities.*	$	(64,434)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund.

Transfers of appropriations within a department budget are allowed without City Council approval. Transfers of appropriations between non-departmental expenditure categories require the approval of the City Council. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution.

For the fiscal year ended September 30, 2024, expenditures exceeded final budget in the following fund departments as follows:

General Fund:		
Judicial	$	180,356
Public safety: Police services		299,033
Public safety: Fire services		632,721
Debt service		757,717
Multiple Grant Fund:		
Public safety		692,136
Debt service		369,100

The excess of expenditures over budget were primarily funded by revenues exceeding budgeted expectations.

B. Deficit Fund Balance

The Multiple Grants Fund has a deficit fund balance of $115,812. The deficit is caused by unavailable revenues which will be recognized in future periods when the revenues become available.

NOTE 4. DEPOSITS

Custodial Credit Risk – Deposits. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. 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 September 30, 2024, the financial institution holding all of the City's deposits is a participant of 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 tier assigned by the State. As of September 30, 2024, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by state statutes.

Credit Risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The City has no investment policy that would further limit its investment choices.

Operating funds of the City are currently invested in the Georgia Fund 1.

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.

NOTE 4. DEPOSITS (CONTINUED)

At September 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	Fair Value
Georgia Fund 1	17	AAAf/S1	$ 84,378,343

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.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose investment in the Georgia Fund 1 within the fair value hierarchy.

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1, which is also the lien date. The City contracts with Fulton County to bill and collect City of South Fulton property taxes. The taxes were levied on September 1 based on the assessed value of property as listed on the previous January 1 and were due on October 31. Property taxes levied on September 1, 2024 are for the year ended September 30, 2025 and property taxes are recorded as receivables and deferred revenue when levied.

Receivables at September 30, 2024, including any applicable allowances for uncollectible accounts, are as follows:

	General Fund	TSPLOST Fund	Nonmajor Governmental	Sanitation Fund	Total
Receivables:					
Accounts receivable	$ 36,033	$ -	$ 2,328,156	$ 1,288,167	$ 2,364,189
Taxes	59,080,466	-	-	-	59,080,466
Other governments	3,227,494	1,747,158	-	-	4,974,652
Total receivables	62,343,993	1,747,158	2,328,156	1,288,167	66,419,307
Less allowance for uncollectible	931,075	-	-	239,717	931,075
Net total receivable	$ 61,412,918	$ 1,747,158	$ 2,328,156	$ 1,048,450	$ 65,488,232

NOTE 6. CAPITAL ASSETS

Capital asset activity for the City for the fiscal year ended September 30, 2024 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Nondepreciable capital assets:					
Land	$ 3,308,991	$ 5,124,798	$ -	$ -	$ 8,433,789
Construction in progress	6,293,275	17,675,715	-	(4,845,221)	19,123,769
Total	9,602,266	22,800,513	-	(4,845,221)	27,557,558
Depreciable capital assets:					
Buildings	15,248,078	7,147,622	-	960,510	23,356,210
Vehicles	15,823,891	7,625,100	(8)	-	23,448,983
Furniture and fixtures	732,682	621,449	-	-	1,354,131
Machinery and equipment	9,746,365	2,144,214	(43,197)	-	11,847,382
Infrastructure	268,613,768	-	-	3,884,711	272,498,479
Right-to-use lease asset - Buildings	2,503,049	1,584,474	-	-	4,087,523
Right-to-use lease asset - Equipment	-	1,830,062	-	-	1,830,062
Right-to-use SBITA asset	-	803,550	-	-	803,550
Total	312,667,833	21,756,471	(43,205)	4,845,221	339,226,320
Less accumulated depreciation/amortization for:					
Buildings	(1,861,235)	(534,681)	-	-	(2,395,916)
Vehicles	(7,230,764)	(2,957,409)	-	-	(10,188,173)
Furniture and fixtures	(162,685)	(84,518)	-	-	(247,203)
Machinery and equipment	(3,775,085)	(1,501,296)	6,840	-	(5,269,541)
Infrastructure	(26,427,195)	(5,378,623)	-	-	(31,805,818)
Right-to-use lease asset - Buildings	(948,645)	(646,273)	-	-	(1,594,918)
Right-to-use lease asset - Equipment	-	(181,565)	-	-	(181,565)
Right-to-use SBITA asset	-	(267,850)	-	-	(267,850)
Total	(40,405,609)	(11,552,215)	6,840	-	(51,950,984)
Total capital assets being depreciated/amortized, net	272,262,224	10,204,256	(36,365)	4,845,221	287,275,336
Governmental activities capital assets, net	$ 281,864,490	$ 33,004,769	$ (36,365)	$ -	$ 314,832,894

Governmental activities:	
General government	$ 1,180,161
Judicial	18,583
Public safety	4,203,003
Public works	5,505,251
Parks, recreation, and cultural affairs	569,364
Housing and development	75,853
Total depreciation and amortization expense	$ 11,552,215

NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Reductions	Ending Balance
Business-type activities:				
Depreciable capital assets				
Machinery	$ 81,497	$ -	$ -	$ 81,497
Vehicles	547,454	-	-	547,454
Total	628,951	-	-	628,951
Less accumulated depreciation for:				
Machinery	(17,985)	(16,299)		(34,284)
Vehicles	(76,677)	(54,746)	-	(131,423)
Total	(94,662)	(71,045)	-	(165,707)
Total business-type activities capital assets, net	$ 534,289	$ (71,045)	$ -	$ 463,244

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

Business-type activities:	
Stormwater Fund	$ 71,045
Total depreciation expense	$ 71,045

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity of the City for the fiscal year ended September 30, 2024:

	Beginning Balance	Additions	Reductions	Remeasurement	Ending Balance	Due Within One Year
Governmental activities						
Financed purchases from direct borrowings	$ 3,240,677	$ 1,109,962	$ (1,710,722)	$ -	$ 2,639,917	$ 1,053,217
Revenue bonds from direct placement	15,040,000	-	(700,000)	-	14,340,000	720,000
Lease liabilities	1,609,557	2,164,562	(791,879)	1,349,404	4,331,644	741,998
SBITA liabilities	-	803,550	(283,600)	-	519,950	252,403
Compensated absences	2,345,841	1,986,146	(1,904,352)	-	2,427,635	1,213,817
Total governmental activities long-term liabilities	$ 22,236,075	$ 6,064,220	$ (5,390,553)	$ 1,349,404	$ 24,259,146	$ 3,981,435

The City's compensated absences will be liquidated by the General Fund, purchases from direct financing and lease liabilities will be liquidated by the General Fund and the Capital Projects Fund, and purchases from SBITA liabilities will be liquated by the Multiple Grant Fund.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings

In October 2021, the City entered into an agreement with Enterprise Fleet Management to finance the purchase of thirty (30) vehicles for the City's Police Department. The vehicles are included in capital assets at a cost of $1,081,755. Interest has been imputed at a rate of 0.19% and the City will make monthly payments through June 2025. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 100,744	$ 4	$ 100,748
	$ 100,744	$ 4	$ 100,748

In November 2019, the City entered into an agreement with Motorola to finance the purchase of radio equipment for the City's Police Department. The radios are included in capital assets at a cost of $1,358,424. Interest has been imputed at a rate of 3.07% and the City will make monthly payments through December 2024. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 288,359	$ 8,852	$ 297,211
	$ 288,359	$ 8,852	$ 297,211

In September 2021, the City entered into an agreement with Georgia Municipal Association to finance the purchase of patrol vehicles for the City's Police Department. The vehicles are included in capital assets at a cost of $1,555,640. Interest has been imputed at a rate of 1.26% and the City will make monthly payments through September 2026. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 315,021	$ 6,170	$ 321,191
2026	319,013	2,177	321,190
	$ 634,034	$ 8,347	$ 642,381

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings (Continued)

In September 2021, the City entered into an agreement with Georgia Municipal Association to finance the purchase of pumper trucks for the City's Fire Department. The vehicles are included in capital assets at a cost of $1,369,500. Interest has been imputed at a rate of 1.78% and the City will make monthly payments through September 2028. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 195,521	$ 14,297	$ 209,818
2026	199,001	10,817	209,818
2027	202,544	7,275	209,819
2028	206,149	3,669	209,818
	$ 803,215	$ 36,058	$ 839,273

In February 2023, the City entered into an agreement with Republic First National to finance the purchase of a pumper truck for the City's Fire Department. While the agreement was entered into in fiscal year 2023, the City did not take possession of the equipment or pay any debt service payments until fiscal year 2024. The vehicle is included in capital assets at a cost of $1,109,962. Interest has been imputed at a rate of 2.89% and the City will make monthly payments through February 2029. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 153,572	$ 23,523	$ 177,095
2026	158,012	19,083	177,095
2027	162,581	14,514	177,095
2028	167,281	9,814	177,095
2029	172,119	4,977	177,096
	$ 813,565	$ 71,911	$ 885,476

As of September 30, 2024, the City had $6,475,281 of assets, with associated accumulated depreciation of $2,515,470 financed. The related depreciation expense for these assets is included in the capital asset depreciation expense.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Leases

City as a Lessee

In October 2021, the City entered into a lease agreement as lessee for the use of 6385 Old National Highway Suite 210 for a term of nine (9) years. The initial lease liability was recorded in the amount of $335,622. As of September 30, 2024, the value of the lease liability was $254,463. The City is required to make variable monthly principal and interest payments from $3,000 to $4,270. The City used its incremental borrowing rate of 4.0%.

In October 2021, the City entered into a lease agreement as lessee for the use of 5440 Fulton Industrial Boulevard for a term of five (5) years. The initial lease liability was recorded in the amount of $1,344,934. In August 2024, the lease term was extended to December 2029 and the lease liability and right-to-use asset amortization was remeasured. As of September 30, 2024, the value of the lease liability was $1,851,139. The City is required to make monthly principal and interest payments of $31,303 which increase by 4% each year. The City used its incremental borrowing rate of 4.0%.

In October 2022, the City entered into a lease agreement as lessee for the use of 100 Hartsfield Center for a term of four (4) years. The initial lease liability was recorded in the amount of $522,128. As of September 30, 2024, the value of the lease liability was $270,581. The City is required to make monthly principal and interest payments of $11,750. The City used its incremental borrowing rate of 4.0%.

In January 2023, the City entered into a lease agreement as lessee for the use of 6095 Boat Rock Boulevard for a term of two (2) years. The initial lease liability was recorded in the amount of $300,365. As of September 30, 2024, the value of the lease liability was $38,742. The City is required to make monthly principal and interest payments of $13,000. The City used its incremental borrowing rate of 4.0%.

In August 2024, the City entered into a lease agreement as lessee for the use of 6424 Old National Highway for a term of three (3) years. The initial lease liability was recorded in the amount of $334,500. As of September 30, 2024, the value of the lease liability was $316,529. The City is required to make monthly principal and interest payments of $10,605 which increase by 4% each year. The agreement had an interest rate of 12%.

In September 2024, the City entered into a lease agreement as lessee for the use of vehicles for a term of five (5) years. The initial lease liability was recorded in the amount of $626,011. As of September 30, 2024, the value of the lease liability was $626,011. The City is required to make monthly principal and interest payments of $12,042. The agreement had an interest rate of 6%.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Leases (Continued)

In April 2024, the City entered into a lease agreement as lessee for the use of emergency training equipment for a term of seven (7) years. The initial lease liability was recorded in the amount of $802,624. As of September 30, 2024, the value of the lease liability was $658,252. The City is required to make monthly principal and interest payments of $144,372. The agreement had an interest rate of 8.46%.

In February 2024, the City entered into a lease agreement as lessee for the use of safety cameras for a term of six (6) years. The initial lease liability was recorded in the amount of $401,427. As of September 30, 2024, the value of the lease liability was $315,927. The City is required to make monthly principal and interest payments of $75,000. The agreement had an interest rate of 6%.

The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 741,998	$ 229,478	$ 971,476
2026	898,653	183,636	1,082,289
2027	808,917	131,619	940,536
2028	756,014	88,298	844,312
2029	815,390	48,137	863,527
2029-2031	310,672	13,704	324,376
Total	$ 4,331,644	$ 694,872	$ 5,026,516

Subscription-Based Information Technology Arrangements (SBITAs)

In January 2024, the City entered into a subscription-based information technology arrangement for the use of a public safety data analytics platform for a term of three (3) years. The initial subscription liability was recorded in the amount of $351,624. As of September 30, 2024, the value of the subscription liability was $227,524. The City is required to make annual principal and interest payments of $124,100. The subscription does not have a specified interest rate. The City used its incremental borrowing rate of 6%. The subscription has a useful life equal to the remaining subscription term of two (2) years and the value of the right-to-use asset as of the end of the current fiscal year was $351,624 and had accumulated amortization of $117,208.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

In April 2024, the City entered into a subscription-based information technology arrangement for the use of a gunshot detection technology for a term of three (3) years. The initial subscription liability was recorded in the amount of $451,926. As of September 30, 2024, the value of the subscription liability was $292,426. The City is required to make annual principal and interest payments of $159,500. The subscription does not have a specified interest rate. The City used its incremental borrowing rate of 6%. The subscription has a useful life equal to the remaining subscription term of two (2) years and the value of the right-to-use asset as of the end of the current fiscal year was $451,926 and had accumulated amortization of $150,642.

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 252,403	$ 31,197	$ 283,600
2026	267,547	16,053	283,600
Total	$ 519,950	$ 47,250	$ 567,200

Revenue Bonds from Direct Placement

In December 2019, the Urban Redevelopment Authority issued direct placement, Series 2020 Revenue Bonds to finance the City's urban redevelopment project. The bonds were issued for an original amount of $17,020,000 bearing interest at 2.85% per annum payable semiannually on February 1 and August 1 and maturing in February 2040. As of September 30, 2024, the outstanding principal is $14,340,000. The bonds are secured by an ad valorem tax levied by the City. In the event of default, outstanding bonds payable accrue additional interest, but there is no acceleration clause enforceable for immediate payment upon default. The debt service requirements to maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	$ 720,000	$ 398,430	$ 1,118,430
2026	740,000	377,625	1,117,625
2027	760,000	356,250	1,116,250
2028	780,000	334,305	1,114,305
2029	805,000	311,719	1,116,719
2030-3034	4,380,000	1,196,003	5,576,003
2035-2039	5,055,000	525,184	5,580,184
2040	1,100,000	15,675	1,115,675
Total	$ 14,340,000	$ 3,515,191	$ 17,855,191

NOTE 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Receivable Fund	Payable Fund	Amount
General Fund	ARPA Fund	$ 1,894,572
General Fund	TSPLOST Fund	1,515,075
General Fund	Nonmajor Governmental Funds	6,187,292
Nonmajor Governmental Funds	General Fund	715,471
Nonmajor Governmental Funds	ARPA Fund	2,091,838
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,341,306
General Fund	Sanitation Fund	1,808,362
Nonmajor Proprietary Fund	General Fund	648,001
	Total	$ 16,201,917

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

The composition of amounts due from/to the primary government and its component unit is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Development Authority	$ 27,424

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	$ 16,694,360
TSPLOST Fund	General Fund	379,152
Nonmajor Governmental Funds	General Fund	19,871,795
Sanitation Fund	General Fund	1,871,080
	Total	$ 38,816,387

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. HOTEL/MOTEL LODGING TAX

The City has levied an occupancy tax of 8% for the rent of a guest room at a hotel or motel in the City as authorized by the Official Code of Georgia Annotated (O.C.G.A.) §48-13-51(b). For the fiscal year ended September 30, 2024, the City collected $623,378 in hotel/motel tax revenues. Of this amount, $341,785 or 55% was transferred to the General Fund and the remaining portion was expended for hospitality and tourism as stipulated by O.C.G.A. §48-13-51(b).

NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to liabilities enumerated in the balance sheet at September 30, 2024, the City has contractual commitments on uncompleted contracts of $33,931,475.

Litigation:

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 11. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which Fulton County has paid on behalf of the City of South Fulton. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. 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 the ARC. Separate financial statements may be obtained from ARC, 229 Peachtree St NE, Atlanta, Georgia 30303.

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City participates in the Georgia Interlocal Risk Management Agency Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

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 costs 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 these risks of losses. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the past two years.

NOTE 13. TAX ABATEMENTS

Fulton County has entered into property tax abatement agreements with local businesses through the Development Authority of Fulton County, for the purpose of attracting or retaining businesses within the County. For the fiscal year ended September 30, 2024, the City of South Fulton's ad valorem tax revenues were reduced by $174,442 under agreements entered into by Fulton County.

NOTE 14. ACCOUNTING CHANGES AND ERROR CORRECTIONS

Change within the Financial Reporting Entity

During the fiscal year ended September 30, 2024, the City established a separate special revenue fund to account for its traffic camera revenue, which was previously reported within the General Fund.

Correction of Errors in Previously Issued Financial Statements

The City determined that a restatement of beginning net position of governmental activities and beginning fund balance of the General Fund and TSPLOST Fund was necessary due to errors reported in the prior fiscal year as follows:

- The City erroneously recorded an expenditure in the TSPLOST Fund that was paid from and already expensed in the Capital Grants Fund in the amount of $1,606,514. This caused expenditures in the TSPLOST Fund to be overstated by $1,606,514.
- The City recorded an expenditure in the TSPLOST Fund in the amount of $1,104,756 that was never disbursed from the bank. This caused TSPLOST expenditures to be overstated by $1,104,756.
- The General Fund cash was understated by $2,592,343 due to unreconciled differences from prior years. The identified errors stemmed from systemic issues that built up over time due to numerous turnovers in key positions and people within the City's accounting department. These issues specifically included multiple years of unreconciled differences and incorrect and inconsistent forced reversals and duplicate entries.

Adjustments to beginning net position and fund balance for the above were as follows:

	Reporting Units Affected by Adjustments to Beginning Balances			
	Government-Wide	Funds		
	Governmental Activities	General Fund	TSPLOST Fund	Traffic Calming Fund
September 30, 2023, as previously reported	$ 448,995,149	$ 102,613,600	$ 67,969,892	$ -
Move Traffic Calming Fund to separate Special Revenue fund	-	200,962	-	(200,962)
Error correction - restatements	5,303,613	2,592,343	2,711,270	-
September 30, 2023, as restated	$ 454,298,762	$ 105,406,905	$ 70,681,162	$ (200,962)

NOTE 15. SUBSEQUENT EVENT

The Public Facilities Authority was established by the City on August 12, 2025 subsequent to September 30, 2024. The Authority's purpose is to promote the public good through the financing, construction, and management of public facilities, including providing public buildings, facilities, equipment, and services for the benefit of the City's citizens. It is governed by five voting members of the City Council, appointed by the Mayor and City Council and serving by virtue of their position on the Council.

On January 27th, 2026 the City's Public Facility Authority approved the issuance of private placement bonds at the estimated amount of $96,285,000 for the purpose of constructing a new police and fire headquarters and training facility. As of the audit report date, the private placement bonds have not been issued.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF SOUTH FULTON, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Property taxes	$ 58,016,871	$ 58,016,871	$ 56,210,087	$ (1,806,784)
Title ad valorem taxes	1,700,000	1,700,000	3,391,979	1,691,979
Sales taxes	33,700,000	33,700,000	36,228,961	2,528,961
Franchise taxes	7,100,000	7,100,000	6,982,851	(117,149)
Business taxes	5,500,000	5,500,000	6,588,479	1,088,479
Insurance taxes	10,000,000	10,000,000	9,615,423	(384,577)
Other taxes	500,000	500,000	99,340	(400,660)
Alcoholic beverage excise taxes	640,000	640,000	925,512	285,512
Transfer tax	1,490,000	1,490,000	1,134,972	(355,028)
Hotel tax	-	-	1,328	1,328
Licenses and permits	4,095,350	4,095,350	4,161,700	66,350
Fines and forfeitures	300,000	300,000	1,879,372	1,579,372
Charges for services	1,028,598	1,032,678	1,476,396	443,718
Intergovernmental	900,000	900,000	1,492,810	592,810
Interest income	1,546,052	5,895,323	5,895,323	-
Miscellaneous revenues	-	-	42,632	42,632
Total revenues	126,516,871	130,870,222	136,127,165	5,256,943
Expenditures:				
Current:				
General government:				
Legislative:				
Personnel	480,950	416,539	380,198	36,341
Supplies	630,098	670,302	222,749	447,553
Other services and charges	1,488,487	1,530,210	236,984	1,293,226
Total legislative	2,599,535	2,617,051	839,931	1,777,120
Mayor:				
Personnel	77,352	68,814	68,699	115
Supplies	26,500	17,483	16,901	582
Other services and charges	40,500	79,057	78,469	588
Total mayor	144,352	165,354	164,069	1,285
City clerk:				
Personnel	1,435,224	1,092,577	1,089,696	2,881
Supplies	33,250	48,250	34,693	13,557
Other services and charges	432,057	468,245	314,473	153,772
Total city clerk	1,900,531	1,609,072	1,438,862	170,210
City manager:				
Personnel	1,722,536	885,840	885,722	118
Supplies	87,500	52,035	51,172	863
Other services and charges	599,500	427,700	421,827	5,873
Total city manager	2,409,536	1,365,575	1,358,721	6,854
Financial:				
Personnel	4,623,255	1,010,286	1,007,340	2,946
Supplies	37,100	16,735	13,616	3,119
Furniture and fixtures	20,000	3,400	3,319	81
Other services and charges	3,369,000	1,013,725	956,534	57,191
Total financial	8,049,355	2,044,146	1,980,809	63,337
Grants:				
Personnel	331,691	224,901	224,108	793
Supplies	6,000	-	-	-
Other services and charges	12,000	-	-	-
Total financial	349,691	224,901	224,108	793
Law:				
Personnel	902,930	710,141	709,849	292
Supplies	6,750	5,820	1,793	4,027
Other services and charges	1,120,000	1,104,713	535,948	568,765
Total law	2,029,680	1,820,674	1,247,590	573,084

(continued)

CITY OF SOUTH FULTON, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget
Human resources:				
Personnel	$ 1,150,335	$ 956,314	$ 945,341	$ 10,973
Supplies	41,250	44,055	44,039	16
Other services and charges	256,420	388,205	383,933	4,272
Total human resources:	1,448,005	1,388,574	1,373,313	15,261
Communications:				
Personnel	827,613	614,835	587,388	27,447
Supplies	319,936	299,568	293,987	5,581
Other services and charges	512,188	491,297	450,870	40,427
Total communications	1,659,737	1,405,700	1,332,245	73,455
IT and GIS:				
Personnel	1,278,711	1,210,350	1,179,340	31,010
Supplies	750,750	960,272	891,339	68,933
Other services and charges	2,368,600	2,627,582	2,024,981	602,601
Equipment	50,000	70,000	63,717	6,283
Total IT and GIS	4,448,061	4,868,204	4,159,377	708,827
Purchasing:				
Personnel	832,864	475,362	475,045	317
Supplies	16,500	15,000	6,823	8,177
Other services and charges	197,000	225,640	200,348	25,292
Total purchasing	1,046,364	716,002	682,216	33,786
General services administration:				
Personnel	1,482,122	1,192,650	1,179,788	12,862
Supplies	3,802,500	1,770,021	1,781,803	(11,782)
Furniture and fixtures	1,785,667	13,936,007	14,118,503	(182,496)
Other services and charges	782,600	2,244,352	1,213,066	1,031,286
Total general services administration	7,852,889	19,143,030	18,293,160	849,870
Risk management:				
Personnel	861,488	1,057,406	1,043,187	14,219
Supplies	60,550	75,030	61,380	13,650
Other services and charges	2,782,317	2,886,120	2,881,331	4,789
Total risk management	3,704,355	4,018,556	3,985,898	32,658
Facilities:				
Supplies	861,488	1,057,406	11,380	1,046,026
Furniture and fixtures	861,488	1,057,406	1,250,359	(192,953)
Other services and charges	861,488	1,057,406	1,639,030	(581,624)
Total facilities	2,584,464	3,172,218	2,900,769	271,449
Total general government	40,226,555	44,559,057	39,981,068	4,577,989
Judicial:				
Personnel	645,481	479,883	466,656	13,227
Supplies	14,340	14,650	9,945	4,705
Other services and charges	501,535	400,105	263,893	136,212
Buildings	-	-	334,500	(334,500)
Total judicial	1,161,356	894,638	1,074,994	(180,356)
Public safety:				
Police services:				
Personnel	23,904,665	23,583,706	23,014,347	569,359
Supplies	1,766,500	1,823,836	2,526,007	(702,171)
Other services and charges	1,348,200	1,564,737	1,730,958	(166,221)
Total police	27,019,365	26,972,279	27,271,312	(299,033)
Fire services:				
Personnel	23,315,590	22,538,774	21,937,527	601,247
Supplies	1,178,500	1,274,135	875,151	398,984
Furniture and Fixtures	1,545,000	2,645,000	4,271,099	(1,626,099)
Other services and charges	1,413,584	1,029,490	1,036,343	(6,853)
Total fire services	27,452,674	27,487,399	28,120,120	(632,721)

(continued)

CITY OF SOUTH FULTON, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget
E-911 services:				
Other services and charges	$ -	$ 2,000,000	$ 1,929,423	$ 70,577
Total E-911 services	-	2,000,000	1,929,423	70,577
Total public safety	54,472,039	56,459,678	57,320,855	(861,177)
Public works:				
Personnel	2,254,304	2,421,274	2,341,881	79,393
Supplies	2,602,997	3,142,472	2,713,975	428,497
Furniture and Fixtures	8,509,000	5,142,733	2,643,904	2,498,829
Other services and charges	6,052,220	4,727,220	4,569,493	157,727
Total public works	19,418,521	15,433,699	12,269,253	3,164,446
Parks, recreation, and cultural affairs:				
Personnel	5,022,851	4,769,223	4,594,678	174,545
Supplies	1,020,700	1,227,093	1,083,366	143,727
Other services and charges	1,713,435	1,360,141	1,214,591	145,550
Total parks, recreation, and cultural affairs	15,161,986	13,520,477	11,780,711	1,739,766
Housing and development:				
Planning and zoning:				
Personnel	2,734,000	1,986,869	1,940,701	46,168
Supplies	64,000	26,762	17,947	8,815
Vehicles	95,000	95,000	25,720	69,280
Other services and charges	2,225,700	2,129,039	1,646,779	482,260
Total planning and zoning	5,118,700	4,237,670	3,631,147	606,523
Economic development:				
Personnel	557,150	499,807	488,862	10,945
Supplies	271,225	177,955	151,001	26,954
Other services and charges	1,009,655	1,105,305	792,288	313,017
Total economic development	1,838,030	1,783,067	1,432,151	350,916
Code enforcement:				
Personnel	1,950,448	1,681,267	1,617,625	63,642
Supplies	163,200	116,490	104,928	11,562
Other services and charges	1,935,000	2,321,250	2,293,949	27,301
Total code enforcement	4,048,648	4,119,007	4,016,502	102,505
Total housing and development	6,956,730	10,139,744	9,079,800	1,059,944
Debt service:				
Principal	7,215,317	1,319,402	1,852,486	(533,084)
Interest	-	51,790	276,423	(224,633)
Total debt service	7,215,317	1,371,192	2,128,909	(757,717)
Total expenditures	144,612,504	142,378,485	133,635,590	8,742,895
Excess (deficiency) of revenues (over) under expenditures	(18,095,633)	(11,508,263)	2,491,575	13,999,838
Other financing sources (uses)				
Issuance of lease liability	-	-	3,112,539	3,112,539
Issuance of financed purchase	-	-	1,109,962	1,109,962
Transfers in	(2,170,000)	16,694,372	16,694,360	(12)
Transfers out	(1,798,330)	(18,674,765)	(22,122,027)	(3,447,262)
Total other financing sources (uses)	(3,968,330)	(1,980,393)	(1,205,166)	775,227
Net change in fund balance	(22,063,963)	(13,488,656)	1,286,409	14,775,065
Fund balance, October 1	102,613,600	102,613,600	102,613,600	-
Adjustment - restatement - error correction	-	-	2,592,343	2,592,343
Adjustment - change within reporting entity	-	-	200,962	200,962
Fund balances, October 1, as adjusted	102,613,600	102,613,600	105,406,905	2,793,305
Fund balance, end of fiscal year	$ 80,549,637	$ 89,124,944	$ 106,693,314	$ 17,568,370

CITY OF SOUTH FULTON, GEORGIA

AMERICAN RESCUE PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental revenues	$ 8,000,000	$ 8,000,000	$ 3,990,489	$ (4,009,511)
Interest income	-	-	522,187	522,187
Total revenues	8,000,000	8,000,000	4,512,676	(3,487,324)
Expenditures:				
Current:				
General government	6,531,344	6,531,344	3,690,674	2,840,670
Housing and development	1,468,656	1,468,656	768,080	700,576
Total expenditures	8,000,000	8,000,000	4,458,754	3,541,246
Net change in fund balances	-	-	53,922	(53,922)
Fund balances, beginning of fiscal year	16,805	16,805	16,805	-
Fund balances, end of fiscal year	$ 16,805	$ 16,805	$ 70,727	$ (53,922)



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

Confiscated Assets Fund – This fund accounts for the use of confiscated assets by the Police Department; these funds are restricted by the applicable State of Georgia confiscation and seizure laws.

Multiple Grant Fund – This fund is used to account for proceeds of various grant revenues and the related expenditures.

Eastside TAD Fund – This fund is used to account for the tax revenues and development expenditures related to the Eastside Tax Allocation District (TAD).

Westside TAD Fund – This fund is used to account for the tax revenues and development expenditures related to the Westside Tax Allocation District (TAD).

Traffic Calming Fund – This fund is used to account for traffic camera fines and police department expenditures, as restricted by Official Code of Georgia Annotated (OCGA) §40-14-18.

Hotel/Motel Tax Fund – This fund accounts for the collection of the restricted portion of hotel/motel taxes as required by the Official Code of Georgia Annotated (OCGA) §48-13-51(b).

Capital Project Funds

Capital project funds account for amounts for financial resources to be used for acquisition and construction of major capital projects.

Capital Grant Fund – This fund accounts to capital projects fund used to account for expenditures related to the construction, acquisition, and/or installation of the City's capital assets paid with capital grants from federal and state sources.

Capital Projects Fund – This fund is used to account for expenditures related to the construction, acquisition, and/or installation of the City's capital assets as well as debt issued by the City which will be used by the City to fund various capital projects within the City.

CITY OF SOUTH FULTON, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue Funds						Capital Project Funds		
ASSETS	Confiscated Assets Fund	Multiple Grant Fund	Eastside TAD Fund	Westside TAD Fund	Traffic Calming Fund	Hotel/Motel Tax Fund	Capital Grant Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
Cash	$ 463,415	$ 4,307,892	$ 739,648	$ 717,212	$ 11,461,841	$ 1,077,649	$ -	$ 6,011	$ 18,773,668
Accounts receivable	-	927,455	834,103	501,123	-	65,475	-	-	2,328,156
Due from other funds	108,635	2,091,838	-	-	-	180,000	1,232,671	535,471	4,148,615
Total assets	$ 572,050	$ 7,327,185	$ 1,573,751	$ 1,218,335	$ 11,461,841	$ 1,323,124	$ 1,232,671	$ 541,482	$ 25,250,439
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts payable	$ 33,680	$ 889,810	$ -	$ -	$ 821,189	$ 184,058	$ 677,876	$ 541,482	$ 3,148,095
Due to other funds	154,146	5,625,732	-	-	252,020	941,905	554,795	-	7,528,598
Total liabilities	187,826	6,515,542	-	-	1,073,209	1,125,963	1,232,671	541,482	10,676,693
DEFERRED INFLOWS OF RESOURCES									
Deferred revenues	-	-	834,103	501,124	-	-	-	-	1,335,227
Unavailable revenues - intergovernmental	-	927,455	-	-	-	-	-	-	927,455
Total deferred inflows of resources	-	927,455	834,103	501,124	-	-	-	-	2,262,682
FUND BALANCES (DEFICITS)									
Restricted for:									
Hospitality and tourism	-	-	-	-	-	197,161	-	-	197,161
Public safety	384,224	-	-	-	10,388,632	-	-	-	10,772,856
Development	-	-	739,648	717,211	-	-	-	-	1,456,859
Unassigned	-	(115,812)	-	-	-	-	-	-	(115,812)
Total fund balances (deficits)	384,224	(115,812)	739,648	717,211	10,388,632	197,161	-	-	12,311,064
Total liabilities, deferred inflows or resources, and fund balances (deficits)	$ 572,050	$ 7,327,185	$ 1,573,751	$ 1,218,335	$ 11,461,841	$ 1,323,124	$ 1,232,671	$ 541,482	$ 25,250,439

CITY OF SOUTH FULTON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds						Capital Project Funds		
	Confiscated Assets Fund	Multiple Grant Fund	Eastside TAD Fund	Westside TAD Fund	Traffic Calming Fund	Hotel/Motel Tax Fund	Capital Grant Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES									
Property taxes	$ -	$ -	$ 483,152	$ 408,392	$ -	$ -	$ -	$ -	$ 891,544
Hotel/motel taxes	-	-	-	-	-	623,378	-	-	623,378
Intergovernmental	-	2,415,309	-	-	-	-	-	-	2,415,309
Fines and forfeitures	168,673	-	-	-	3,166,204	-	-	-	3,334,877
Interest income	12,012	58,698	-	-	-	18,071	-	-	88,781
Contributions and donations	-	39,268	-	-	-	-	-	-	39,268
Total revenues	180,685	2,513,275	483,152	408,392	3,166,204	641,449	-	-	7,393,157
EXPENDITURES									
Current:									
Public safety	156,024	3,342,050	-	-	3,452,122	-	-	49,679	6,999,875
Parks, recreation, and cultural affairs	-	-	-	-	-	282,503	-	536,707	819,210
Capital outlay	-	-	-	-	-	-	677,875	5,812,621	6,490,496
Debt service:									
Principal	-	369,100	-	-	-	-	-	1,264,615	1,633,715
Interest	-	-	-	-	-	-	-	456,392	456,392
Total expenditures	156,024	3,711,150	-	-	3,452,122	282,503	677,875	8,120,014	16,399,688
Excess (deficiency) of revenues over expenditures	24,661	(1,197,875)	483,152	408,392	(285,918)	358,946	(677,875)	(8,120,014)	(9,006,531)
OTHER FINANCING SOURCES (USES):									
Issuance of lease liability	-	401,427	-	-	-	-	-	-	401,427
Issuance of SBITA	-	803,550	-	-	-	-	-	-	803,550
Transfers in	-	-	-	-	10,875,512	180,000	121,246	8,695,037	19,871,795
Transfers out	-	-	-	-	-	(341,785)	-	(16,352,575)	(16,694,360)
Total other financing sources (uses)	-	1,204,977	-	-	10,875,512	(161,785)	121,246	(7,657,538)	4,382,412
Net change in fund balances (deficits)	24,661	7,102	483,152	408,392	10,589,594	197,161	(556,629)	(15,777,552)	(4,624,119)
FUND BALANCES (DEFICITS), October 1	359,563	(122,914)	256,496	308,819	-	-	556,629	15,777,552	17,136,145
Adjustment - change within reporting entity	-	-	-	-	(200,962)	-	-	-	(200,962)
FUND BALANCES (DEFICITS), October 1, as adjusted	359,563	(122,914)	256,496	308,819	(200,962)	-	556,629	15,777,552	16,935,183
FUND BALANCES (DEFICITS), end of fiscal year	$ 384,224	$ (115,812)	$ 739,648	$ 717,211	$ 10,388,632	$ 197,161	$ -	$ -	$ 12,311,064

CITY OF SOUTH FULTON, GEORGIA

CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 100,000	$ 173,640	$ 168,673	$ (4,967)
Interest income	-	-	12,012	12,012
Total revenues	100,000	173,640	180,685	7,045
Expenditures:				
Current:				
Public safety	100,000	173,640	156,024	17,616
Total expenditures	100,000	173,640	156,024	17,616
Net change in fund balances	-	-	24,661	24,661
Fund balances, beginning of fiscal year	359,563	359,563	359,563	-
Fund balances, end of fiscal year	$ 359,563	$ 359,563	$ 384,224	$ 24,661

CITY OF SOUTH FULTON, GEORGIA

MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 1,633,000	$ 2,569,784	$ 2,415,309	$ (154,475)
Interest income	-	40,860	58,698	17,838
Contributions and donations	-	39,270	39,268	(2)
Total revenues	1,633,000	2,649,914	2,513,275	(136,639)
Expenditures:				
Current:				
Public safety	1,633,000	2,649,914	3,342,050	(692,136)
Debt service:				
Principal	-	-	369,100	(369,100)
Total expenditures	1,633,000	2,649,914	3,711,150	(1,061,236)
Deficiency of revenues under expenditures	-	-	(1,197,875)	(1,197,875)
Other financing sources:				
Issuance of lease liability	-	-	401,427	401,427
Issuance of SBITA	-	-	803,550	803,550
Total other financing sources	-	-	1,204,977	1,204,977
Net change in fund balances	-	-	7,102	7,102
Fund balances (deficit), beginning of fiscal year	(122,914)	(122,914)	(122,914)	-
Fund balances (deficit), end of fiscal year	$ (122,914)	$ (122,914)	$ (115,812)	$ 7,102

CITY OF SOUTH FULTON, GEORGIA
EASTSIDE TAD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property tax	$ 350,000	$ 350,000	$ 483,152	$ 133,152
Total revenues	350,000	350,000	483,152	133,152
Expenditures:				
Current:				
Public works	350,000	350,000	-	350,000
Total expenditures	350,000	350,000	-	350,000
Net change in fund balances	-	-	483,152	483,152
Fund balances, beginning of fiscal year	256,496	256,496	256,496	-
Fund balances, end of fiscal year	$ 256,496	$ 256,496	$ 739,648	$ 483,152

CITY OF SOUTH FULTON, GEORGIA
WESTSIDE TAD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property tax	$ 380,000	$ 380,000	$ 408,392	$ 28,392
Total revenues	380,000	380,000	408,392	28,392
Expenditures:				
Current:				
Public works	380,000	380,000	-	380,000
Total expenditures	380,000	380,000	-	380,000
Net change in fund balances	-	-	408,392	408,392
Fund balances, beginning of fiscal year	308,819	308,819	308,819	-
Fund balances, end of fiscal year	$ 308,819	$ 308,819	$ 717,211	$ 408,392

CITY OF SOUTH FULTON, GEORGIA
TRAFFIC CALMING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 4,700,000	$ 4,700,000	$ 3,166,204	$ (1,533,796)
Total revenues	4,700,000	4,700,000	3,166,204	(1,533,796)
Expenditures:				
Current:				
Public safety	3,850,000	3,781,000	3,452,122	328,878
Debt service:				
Principal	850,000	919,000	-	919,000
Total expenditures	4,700,000	4,700,000	3,452,122	1,247,878
Deficiency of revenues over expenditures	-	-	(285,918)	(285,918)
Other financing sources:				
Transfers in	-	-	10,875,512	10,875,512
Total other financing sources	-	-	10,875,512	10,875,512
Net change in fund balances	-	-	10,589,594	10,589,594
Fund balances (deficit), beginning of fiscal year, as restated	(200,962)	(200,962)	(200,962)	-
Fund balances (deficit), end of fiscal year	$ (200,962)	$ (200,962)	$ 10,388,632	$ 10,589,594

CITY OF SOUTH FULTON, GEORGIA

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Hotel/motel taxes	$ 545,600	$ 622,930	$ 623,378	$ 448
Interest income	-	18,930	18,071	(859)
Total revenues	545,600	641,860	641,449	(411)
Expenditures:				
Current:				
Parks, recreation, and cultural affairs	255,068	480,068	282,503	197,565
Total expenditures	255,068	480,068	282,503	197,565
Excess of revenues over expenditures	290,532	161,792	358,946	197,154
Other financing sources (uses):				
Transfers in	-	180,000	180,000	-
Transfers out	(290,532)	(341,792)	(341,785)	7
Total other financing sources (uses)	(290,532)	(161,792)	(161,785)	7
Net change in fund balances	-	-	197,161	197,161
Fund balances, beginning of fiscal year	-	-	-	-
Fund balances, end of fiscal year	$ -	$ -	$ 197,161	$ 197,161

CITY OF SOUTH FULTON, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST) FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
Corridor Resurfacing	$ 4,358,198	$ 28,516,555	$ 9,405,037	$ 18,511,885	$ 27,916,922	98%
Subdivisions Resurfacing	9,441,915	15,853,904	14,247,390	-	14,247,390	90%
Bridges	19,567,840	19,567,840	269,798	2,240,585	2,510,383	13%
ATMS - Flat Shoals Road	1,000,000	1,000,000	279,009	24,620	303,629	30%
OSI Projects	1,776,144	8,092,756	3,044,862	5,047,894	8,092,756	100%
Bike/Ped Projects	290,330	2,780,729	663,440	2,117,289	2,780,729	100%
Quick Response Projects (2%)	969,439	969,439	509,473	-	509,473	53%
PM/CM (5.5%)	3,077,183	3,077,183	1,957,855	150	1,958,005	64%
TOTAL TSPLOST	$ 40,481,049	$ 79,858,406	$ 30,376,864	$ 27,942,423	$ 58,319,287	

Note: TSPLOST projects in the City of South Fulton city limits will be completed with the TSPLOST revenue collected by Fulton County and distributed monthly to the City.



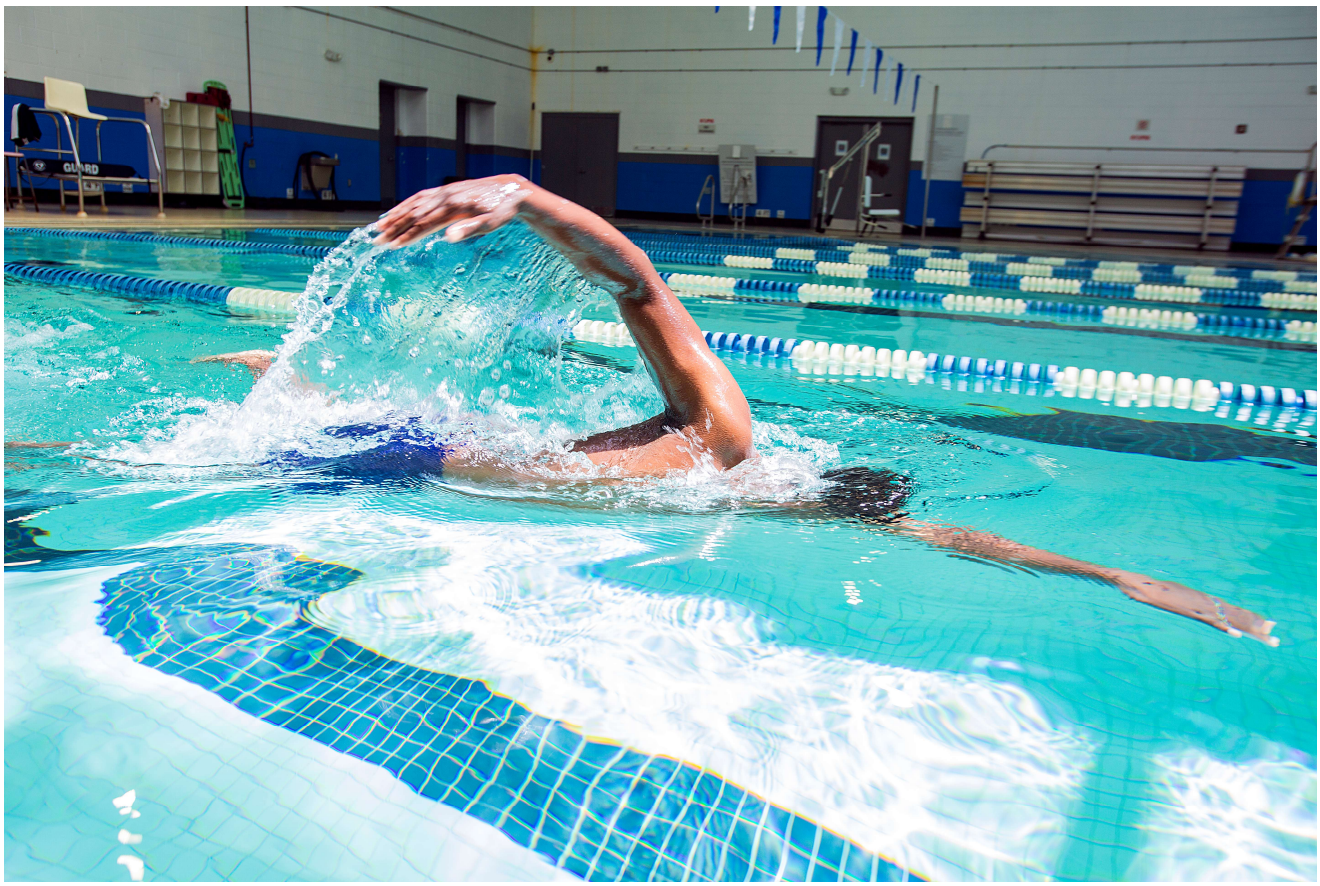
COMPONENT UNIT

Development Authority – To account for development activities undertaken throughout the City.

CITY OF SOUTH FULTON, GEORGIA

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Development Authority Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Interest Income	$ 25,742
Other - miscellaneous revenue	100,000
Receipts from primary government	328,895
Net cash provided by operating activities	454,637
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer in from primary government	150,000
Net cash provided by noncapital financing activities	150,000
Net increase in cash and cash equivalents	604,637
Cash and cash equivalents:	
Beginning of fiscal year	-
End of fiscal year	$ 604,637
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 55,447
Adjustments to reconcile operating income to net cash provided by operating activities	
Change in assets and liabilities:	
Decrease in due from primary government	368,331
Increase in accounts payable	3,435
Increase in due to primary government	27,424
Net cash provided by operating activities	$ 454,637



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of South Fulton, Georgia's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Page

Financial Trends **67**

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

Revenue Capacity **72**

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity **76**

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

Demographic and Economic Information **79**

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

Operating Information **82**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report.

CITY OF SOUTH FULTON, GEORGIA

NET POSITION BY COMPONENT
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

	2024	2023 Restated 7	2022 Restated 6	2021	2020	2019	2018	2017
Governmental activities:								
Net investment in capital assets	$ 287,540,576	$ 263,479,743	$ 267,120,367	$ 265,092,995	$ 268,365,263	$ 270,736,966 1	$ 13,090,650	$ 291,584
Restricted	86,566,227	70,295,572	28,680,198	51,456,443	29,289,044	22,457,468 2	-	-
Unrestricted	105,815,943	120,523,447	98,116,621	47,593,161	23,658,456	10,507,534	(7,935,621)	(6,155,811)
Total governmental activities net position	479,922,746	454,298,762	393,917,186	364,142,599	321,312,763	303,701,968	5,155,029	(5,864,227)
Business-type activities:								
Net investment in capital assets	463,244	534,289	605,334 4	-	-	-	-	-
Unrestricted	2,132,148	1,024,704	(227,760)	-	-	3 196,528 3	-	-
Total business-type activities net position	2,595,392	1,558,993 5	377,574	-	-	196,528	-	-
Primary government:								
Net investment in capital assets	288,003,820	264,014,032	267,725,701	265,092,995	268,365,263	270,736,966	13,090,650	291,584
Restricted	86,566,227	70,295,572	28,680,198	51,456,443	29,289,044	22,457,468	-	-
Unrestricted	107,948,091	121,548,151	97,888,861	47,593,161	23,658,456	10,704,062	(7,935,621)	(6,155,811)
Total primary government net position	$ 482,518,138	$ 455,857,755	$ 394,294,760	$ 364,142,599	$ 321,312,763	$ 303,898,496	$ 5,155,029	$ (5,864,227)

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report in subsequent years.
Note: Fiscal period 2017 was the City's first period of operation and consisted of five (5) months of activity.

1 Increase in net investment in capital assets in fiscal year 2019 is the result of the City receiving donated infrastructure capital assets from Fulton County in the amount of $262,902,561.

2 Increase in restricted net position in fiscal year 2019 is due to the City receiving $21,257,861 of intergovernmental revenue from Fulton County relating to TSPLOST.

3 During fiscal year 2019, the City created a Development Fund which was reported as a blended component unit - Proprietary Fund.

4 During fiscal year 2020, management reclassified the Development Authority to a discretely presented component unit.

5 During fiscal year 2023, management reclassified the Sanitation Fund to an enterprise fund. It was previously reported in the General Fund.

6 2022 fund balance for the General Fund was restated to move the Sanitation Fund to a separate Enterprise Fund and fund balance for the TSPLOST Fund was restated to correct an error in the prior year balance related to receivables.

7 2023 fund balance for the General Fund was restated to move the Traffic Calming Fund to a separate Special Revenue Fund, and fund balances for the General Fund and TSPLOST Fund were restated to correct an error in the prior year balance related to cash and expenditures.

CITY OF SOUTH FULTON, GEORGIA

CHANGES IN NET POSITION
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

	2024		2023 Restated		2022 Restated		2021		2020		2019		2018		2017
Expenses															
Governmental activities:															
General government	$ 41,001,063	6	$ 18,634,398		$ 13,957,887		$ 14,027,988		$ 14,031,490		$ 7,562,293		$ 4,508,869		$ 1,375,830
Judicial	1,033,476		845,303		841,461		785,886		778,800		849,522		622,080		10,278
Public safety	54,714,792	7	43,070,676		38,794,443		30,115,600		33,300,498		26,421,034		32,787,168		12,113,136
Public works	27,582,415	8	13,965,442		23,770,812		22,537,237		22,772,513		16,615,373		7,339,476		1,798,802
Parks, recreation, and cultural affairs	11,302,291	9	5,334,104		4,740,482		4,418,031		4,198,093		2,642,631		4,987,263		1,813,405
Housing and development	9,679,432		7,439,886		7,484,200		6,045,466		4,936,332		4,192,784		2,828,989		862,905
Interest on long-term debt	732,815		657,149		651,701		562,641		750,365		62,810		322,566		20,233
Total governmental activities expenses	146,046,284		89,946,958		90,240,986		78,492,849		80,768,091		58,346,447		53,396,411		17,994,589
Business-type activities:															
Stormwater	89,295		576,953		346,943	4	-		-		-		-		-
Sanitation	9,934,395		2,832,305	5	448,165		-		-		-		-		-
Development	-		-		-		-		-		3,472	3	-		-
Total business-type activities expenses	10,023,690		3,409,258		795,108		-		-		3,472		-		-
Program revenues															
Governmental activities:															
Charges for services:															
General government	51,302		762		926		-		1,494		518		650		250,382
Judicial	1,879,372		997,968		2,053,951		724,712		429,389		452,019		274,348		-
Public safety	4,111,958		4,118,936		5,583,928		4,618,849		491,023		353,659		166,004		503,671
Parks, recreation, and cultural affairs	355,311		271,555		209,566		193,086		194,990		559,745		338,751		140,843
Housing and development	4,493,670		3,590,570		5,434,857		3,168,394		3,710,553		2,278,878		1,927,579		495,833
Operating grants and contributions	7,216,480		5,390,897		115,362		34,114,476		22,953,889		27,066,418	2	3,630,149		-
Capital grants and contributions	22,793,835		21,881,875		22,207,336		-		-		262,902,562	1	13,029,454		157,313
Total governmental activities program revenues	40,901,928		36,252,563		35,605,926		42,819,517		27,781,338		293,613,799		19,366,935		1,548,042
Business-type activities:															
Charges for services:															
Sanitation	9,189,009		2,911,391		506,661		-		-		-		-		
Total business-type activities program revenues	9,189,009		2,911,391		506,661		-		-		-		-		
Net (expense)/revenue:															
Governmental activities	(105,144,356)		(53,694,395)		(54,635,060)		(35,673,332)		(52,986,753)		235,267,352		(34,029,476)		(16,446,547)
Business-type activities	(834,681)		(497,867)		(288,447)		-		-		(3,472)		-		-
Total primary government net (expense) revenue	$ (105,979,037)		$ (54,192,262)		$ (54,923,507)		$ (35,673,332)		$ (52,986,753)		$ 235,263,880		$ (34,029,476)		$ (16,446,547)
General Revenues and Other Changes in Net Position															
Governmental activities:															
Taxes															
Property taxes	$ 56,929,274		$ 49,681,348		$ 32,693,719		$ 29,040,306		$ 29,389,742		$ 30,265,167		$ 14,625,008		$ -
Title ad valorem taxes	3,391,979		2,380,970		1,987,254		2,053,265		1,658,468		395,350		854,804		340,407
Sales taxes	36,228,961		34,694,331		32,626,606		27,738,613		24,254,078		26,442,415		24,650,013		9,708,371
Franchise taxes	6,982,851		6,643,310		5,145,151		7,533,433		4,113,950		3,058,729		1,760,981		328,410
Business taxes	6,588,479		4,751,491		3,035,599		1,971,342		1,772,707		2,050,459		1,946,092		15,647
Alcoholic beverage excise taxes	925,512		737,336		677,828		645,114		332,706		262,382		301,332		113,744
Hotel/motel taxes	624,706		630,638		637,995		320,044		121,792		123,192		93,044		-
Transfer taxes	1,134,972		1,439,300		2,300,583		2,008,924		1,300,427		638,534		277,621		-
Insurance premium taxes	9,615,423		8,925,282		7,127,261		6,900,029		7,154,213		8,400		4,809		-
Other taxes	99,340		372,145		434,402		199,622		188,207		7,621		2,762		75,668
Interest	10,075,291	10	193,743		4,771		3,823		2,315		1,121		232		73
Miscellaneous revenues	42,632		1,750		11,013		88,653		308,943		174,744		573,570		-
Gain on sale of capital assets	-		-		-		-		-		-		9,937		-
Transfers	(1,871,080)		(1,679,286)		(445,150)		-		-		(200,000)		-		-
Total governmental activities	130,768,340		108,772,358		86,237,032		78,503,168		70,597,548		63,228,114		45,100,205		10,582,320
Business-type activities:															
Transfers	1,871,080		1,679,286		445,150		-		-		200,000		-		-
Total business-type activities	1,871,080		1,679,286		445,150		-		-		200,000		-		-
Total primary government	$ 132,639,420		$ 110,451,644		$ 86,682,182		$ 78,503,168		$ 70,597,548		$ 63,428,114		$ 45,100,205		$ 10,582,320
Change in Net Position															
Governmental and business-type activities	$ 26,660,383		$ 56,259,382		$ 31,758,675		$ 42,829,836		$ 17,610,795		$ 298,691,994		$ 11,070,729		$ (5,864,227)

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report in subsequent years.
Note: Fiscal period 2017 was the City's first period of operation, and consisted of five months of activity.

1 Increase in capital grants and contributions in fiscal year 2019 is the result of the City receiving donated infrastructure capital assets from Fulton County in the amount of $262,902,561.
2 Increase in operating grants and contributions in fiscal year 2019 is due to the City receiving $21,257,861 of intergovernmental revenue from Fulton County relating to TSPLOST.
3 During fiscal year 2019, the City created a Development Fund which was reported as a blended component unit - Proprietary Fund.
4 During fiscal year 2020, management reclassified this fund to a discretely presented component unit.
5 During fiscal year 2023, management reclassified this fund to an enterprise fund. It was previously reported in the General Fund. 2022 net position and fund balance was restated.
6 Increase in general government expenditures is due to various property (land and building acquisitions), fleet expansion, additional staffing, building renovations, and furniture throughout the City.
7 Increase in public safety expenditures is due to a significant increase in staffing needs, approximately $7.2 million for police and $3.5 million for fire.
8 Increase in public works is due to various professional services contracts and a significant increase in paving and road projects.
9 Increase in parks, recreation and cultural affairs is due to various capital outlays of land and buildings of approximately $4.6 million and additional staffing of approximately $1.4 million.
10 Increase in interest revenue is due to a change in the organizational policy on investment strategies.

CITY OF SOUTH FULTON, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Taxes	TAVT Taxes	Sales Taxes	Franchise Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes (1)	Total
2017	$ -	$ 340,407	$ 9,708,371	$ 328,410	$ 15,647	$ -	$ 189,412	$ 10,582,247
2018	14,625,008	854,804	24,650,013	1,760,981	1,946,092	93,044	586,524	44,516,466
2019	30,265,167	395,350	26,442,415	3,058,729	2,050,459	123,192	916,937	63,252,249
2020	29,389,742	1,658,468	24,254,078	4,113,950	1,772,707	121,792	8,975,553	70,286,290
2021	29,040,306	2,053,265	27,738,613	7,533,433	1,971,342	320,044	9,753,689	78,410,692
2022	32,693,719	1,987,254	32,626,606	5,651,812	3,035,599	637,995	10,540,074	87,173,059
2023	49,681,348	2,380,970	34,694,331	6,643,310	4,751,491	630,638	11,474,063	110,256,151
2024	56,929,274	3,391,979	36,228,961	6,982,851	6,588,479	624,706	11,775,247	122,521,497

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report in subsequent years.

Notes:

(1) Includes Alcoholic Beverage taxes, Transfer taxes, Insurance Premium taxes, and Other taxes.

CITY OF SOUTH FULTON, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(modified accrual basis of accounting)

	2024	2023 Restated (2)	2022 Restated (1)	2021	2020	2019	2018	2017
General Fund								
Nonspendable - Prepaid items	$ 1,782,629	$ 1,060,135	$ 1,474,022	$ 416,201	$ 1,133,837	$ 1,202,681	$ 266,617	$ 22,720
Nonspendable - Inventory	33,292	184,205	163,121	3,262	3,175	29,354	23,289	-
Committed - Tree replacement	12,065,657	5,331,636	1,167,167	112,301	427,489	-	-	-
Assigned - Appropriations for next fiscal year's budget	-	-	1,603,281	-	-	-	-	-
Unassigned	92,811,736	98,830,929	74,570,188	60,114,088	26,249,230	9,374,794	(8,980,724)	(6,562,595)
Total General fund	$ 106,693,314	$ 105,406,905	$ 78,977,779	$ 60,645,852	27,813,731	$ 10,606,829	$ (8,690,818)	$ (6,539,875)
All Other Governmental Funds								
Nonspendable - Prepaid items	$ -	$ -	$ -	$ -	$ -	$ 62,131	$ 1,042,234	$ -
Restricted - Hospitality and tourism	197,161	-	229	9,749	24,607	13,663	51,473	-
Restricted - Capital projects	68,678,544	71,254,596	49,244,655	37,490,891	29,098,591	22,289,952	-	-
Restricted - Public safety	10,772,856	158,601	240,192	261,181	154,647	142,654	-	-
Restricted - Development	1,456,859	565,315	138,995	1,052	-	-	-	-
Committed - Capital projects	-	-	-	13,087,936	16,355,094	-	-	-
Assigned - Public safety	-	-	212,820	-	-	-	-	-
Assigned - Capital projects	-	15,777,552	7,742,317	1,050	1,050	1,059,381	489,967	-
Unassigned (deficit)	(115,812)	(122,914)	-	-	(139,339)	(409,568)	(409,568)	-
Total all other governmental funds	$ 80,989,608	$ 87,633,150	$ 57,579,208	$ 50,851,859	$ 45,494,650	$ 23,158,213	$ 1,174,106	$ -

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report in subsequent years.

Note: Fiscal period 2017 was the City's first period of operation and consisted of five months of activity.

(1) 2022 fund balance for the General Fund was restated to move the Sanitation Fund to a separate Enterprise Fund and fund balance for the TSPLOST Fund was restated to correct an error in the prior year balance related to receivables.

(2) 2023 fund balance for the General Fund was restated to move the Traffic Calming Fund to a separate Special Revenue Fund, and fund balance for the General Fund and TSPLOST Fund was restated to correct an error in the prior year balance related to cash and expenditures.

CITY OF SOUTH FULTON, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017
Revenues								
Taxes	$ 122,693,854	$ 110,859,526	$ 85,965,559	$ 78,282,343	$ 70,280,501	$ 63,072,251	$ 44,575,456	$ 10,198,183
Licenses and permits	4,161,700	3,252,036	5,132,836	3,016,223	3,615,853	2,209,578	1,822,564	716,326
Fines and forfeitures	5,214,249	1,185,497	2,107,867	831,246	498,933	668,616	278,348	33,130
Charges for services	1,476,396	4,542,258	6,042,525	4,857,223	712,663	766,625	606,420	641,273
Intergovernmental	29,819,534	26,919,974	27,436,658	27,983,121	22,803,351	27,153,510	3,122,290	-
Interest income	10,075,291	193,743	4,771	3,823	2,315	1,121	232	73
Contributions and donations	39,268	250	11,013	66,500	11,500	1,600	10,600	-
Miscellaneous revenues	42,632	101,520	20,606	22,153	297,443	173,144	573,570	-
Total revenues	173,522,924	147,054,804	126,721,835	115,062,632	98,222,559	94,046,445	50,989,480	11,588,985
Expenditures								
Current:								
General government	43,671,742	19,335,822	14,857,575	14,194,414	13,632,498	7,447,034	4,339,235	1,510,101
Judicial	1,074,994	840,075	852,764	804,873	765,531	838,857	612,473	10,278
Public safety	64,320,730	40,943,241	38,040,062	29,758,622	27,667,294	27,128,928	31,764,104	12,113,136
Public works	40,211,676	11,227,573	18,866,897	18,659,367	17,326,632	11,355,545	7,339,476	1,798,802
Parks, recreation, and cultural affairs	12,599,921	5,609,250	5,111,581	4,213,251	3,714,549	2,443,333	4,862,923	1,813,405
Housing and development	9,847,880	7,399,386	7,524,725	6,151,402	4,845,484	4,139,461	2,735,477	862,905
Capital outlay	6,490,496	6,152,215	13,414,541	4,694,465	10,353,823	1,849,565	-	-
Debt service:								
Principal	3,486,201	2,853,845	2,570,669	1,841,163	598,781	5,743	-	-
Interest	732,815	657,149	651,149	562,039	369,764	62,810	322,566	20,233
Debt issuance costs	-	-	552	602	380,601	-	-	-
Total expenditures	182,436,455	95,018,556	101,890,515	80,880,198	79,654,957	55,271,276	51,976,254	18,128,860
Excess (deficiency) of revenues over (under) expenditures	(8,913,531)	52,036,248	24,831,320	34,182,434	18,567,602	38,775,169	(986,774)	(6,539,875)
Other financing sources (uses)								
Financed purchases from direct borrowings	1,109,962	822,493	1,680,556	4,006,896	3,534,970	2,706,585	-	-
Issuance of lease liability	3,513,966							
Issuance of SBITA	803,550	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	819,935	-	-	-	9,937	-
Bond issuance	-	-	-	-	17,020,000	-	-	-
Transfers in	36,945,307	15,246,670	12,723,871	2,036,522	4,656,076	1,142,288	1,083,805	-
Transfers out	(38,816,387)	(16,925,956)	(13,169,021)	(2,036,522)	(4,656,076)	(1,342,288)	(1,083,805)	-
Total other financing sources (uses)	3,556,398	(856,793)	2,055,341	4,006,896	20,554,970	2,506,585	9,937	-
Net change in fund balances	$ (5,357,133)	$ 51,179,455	$ 26,886,661	$ 38,189,330	$ 39,122,572	$ 41,281,754	$ (976,837)	$ (6,539,875)
Debt service as a percentage of noncapital expenditures	3.1%	4.3%	% 3.8%	3.2%	1.4%	% 0.1%	0.6%	0.1%

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report in subsequent years.
Note: Fiscal period 2017 was the City's first period of operation and consisted of five months of activity.

CITY OF SOUTH FULTON, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF ALL TAXABLE PROPERTY
LAST EIGHT YEARS

Tax Year	Real	Personal	Motor Vehicle	Public Utility	Total Property: Total Taxable Assessed Value	Total Property: Estimated Actual Taxable Value	Total Direct Tax Rate	Assessed Value as a % of Actual Value
2017	$ 1,905,777,870	$ 960,655,460	$ 59,199,320	$ 144,357,012	$ 3,069,989,662	$ 7,674,974,155	7.149	40%
2018	2,408,502,730	765,227,830	-	143,445,632	3,317,176,192	8,292,940,480	11.579	40%
2019	2,718,707,870	497,655,930	4,376,100	149,500,033	3,370,239,933	8,425,599,833	11.579	40%
2020	3,058,256,040	369,378,820	4,055,560	166,813,111	3,598,503,531	8,996,258,828	12.899	40%
2021	3,422,604,840	334,206,280	3,621,500	126,432,190	3,886,864,810	9,717,162,025	12.899	40%
2022	4,834,564,800	935,284,700	3,923,990	137,799,829	5,911,573,319	14,778,933,298	12.899	40%
2023	5,926,070,645	1,243,803,000	4,140,560	149,498,915	7,323,513,120	18,309,782,800	12.399	40%
2024	6,410,566,402	1,231,168,208	6,898,310	168,079,568	7,816,712,488	19,541,781,220	12.399	40%

Source: GA Dept of Revenue - Tax Digest Consolidated Summary

CITY OF SOUTH FULTON, GEORGIA

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
DIRECT AND OVERLAPPING GOVERNMENTS
LAST EIGHT CALENDAR YEARS

(rate per $1,000 of assessed value)

	South Fulton			Fulton County			School District				Total Direct and
Tax Digest Year	Operating Millage	Debt Service	Total	Operating Millage	Debt Service Millage	Total Fulton County Millage	Operating Millage	Debt Service Millage	Total School District Millage	State	Overlapping Rates
2017	7.149	0.000	7.149	10.380	0.250	10.630	18.546	0.000	18.546	0.000	36.325
2018	11.579	0.000	11.579	10.200	0.230	10.430	17.796	0.000	17.796	0.000	39.805
2019	11.579	0.000	11.579	9.899	0.220	10.119	17.796	0.000	17.796	0.000	39.494
2020	12.899	0.000	12.899	9.899	0.220	10.119	17.796	0.000	17.796	0.000	40.814
2021	12.899	0.000	12.899	9.899	0.220	10.119	17.590	0.000	17.590	0.000	40.608
2022	12.899	0.000	12.899	8.870	0.220	9.090	17.240	0.000	17.240	0.000	39.229
2023	12.399	0.000	12.399	8.870	0.220	9.090	17.140	0.000	17.140	0.000	38.629
2024	12.399	0.000	12.399	8.870	0.220	9.090	17.080	0.000	17.080	0.000	38.569

Source: GA Dept of Revenue - Property Tax Millage Rates

CITY OF SOUTH FULTON, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND SEVEN YEARS AGO

	2024			2017		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
GEORGIA POWER COMPANY	$ 62,024,400	1	0.79%			
DEVELOPMENT AUTHORITY OF FULTON COUNTY	54,232,788	2	0.69%			
HODGES M D ENTERPRISES, INC.	45,085,640	3	0.58%			
SVC MANUFACTURING, INC.	39,966,600	4	0.51%			
C K S PACKAGING, INC.	38,851,478	5	0.50%			
REPUBLIC NATIONAL DISTRIBUTING CO., INC.	36,906,040	6	0.47%			
COLONIAL PIPELINE COMPANY	25,661,910	7	0.33%			
GEORGIA TRANSMISSION CORPORATION CORP	22,358,854	8	0.29%			
SAND BAY FEE OWNER, LLC	21,730,120	9	0.28%			
SOUTHEAST COMMERCIAL, LLC	21,415,680	10	0.27%			
COCA COLA COMPANY, THE				$ 61,845,410	1	1.86%
K P R US, LLC				36,380,330	2	1.10%
COX ENTERPRISES, INC.				29,901,710	3	0.90%
HOMER LEASE COMPANY, INC.				27,073,110	4	0.82%
NATIONAL DISTRIBUTING CO., INC.				26,017,040	5	0.78%
UNITED NATURAL FOODS, INC.				22,444,510	6	0.68%
INTERCONTINENTAL EXCHANGE HOLDINGS, INC.				15,864,840	7	0.48%
CEAI SANDTOWN VISTA LLC & ZP FUND III, LLC				13,965,000	8	0.42%
SVC MANUFACTURING, INC.				12,950,830	9	0.39%
WALTON LAKES, LLC				12,056,440	10	0.36%
	$ 368,233,510		4.71%	$ 258,499,220		7.79%

CITY OF SOUTH FULTON, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST EIGHT FISCAL YEARS

Fiscal Year Ended Sept 30	Total Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collected in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2017*	$ 14,415,354	$ -	0.0%	$ 14,280,400	$ 14,280,400	99.06%	$ 134,954
2018	28,734,768	2,534,295	8.8%	26,098,852	28,633,147	99.65%	101,621
2019	27,536,893	4,168,449	15.1%	23,242,774	27,411,223	99.54%	125,670
2020	29,459,979	806,861	2.7%	28,522,075	29,328,936	99.56%	131,043
2021	32,270,545	1,102,223	3.4%	30,812,885	31,915,108	98.90%	355,437
2022	48,178,873	1,163,871	2.4%	39,409,460	40,573,331	84.21%	7,605,542
2023	52,092,984	886,691	1.7%	42,851,779	43,738,470	83.96%	8,354,514
2024	58,319,186	1,352,865	2.3%	-	1,352,865	2.32%	56,966,321

Source: City of South Fulton Finance Department

* 2017 Taxes delayed, due date 1/15/2018

CITY OF SOUTH FULTON, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST EIGHT FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities					Percentage of Personal Income (1)	Per Capita (1)
	Financed Purchases	Revenue Bonds	Lease Liabilities	SBITA Liabilities	Total		
2017	$ -	$ -	$ -	$ -	$ -	-	$ -
2018	-	-	-	-	-	-	-
2019	2,700,842	-	-	-	2,700,842	-	93.68
2020	5,637,031	17,020,000	-	-	22,657,031	0.69%	683.76
2021	8,442,764	16,380,000	-	-	24,822,764	0.81%	801.12
2022	4,845,999	15,720,000	1,355,587	-	21,921,586	0.51%	566.67
2023	3,240,677	15,040,000	1,609,557	-	19,890,234	0.50%	550.17
2024	2,639,917	14,340,000	4,331,644	519,950	21,831,511	0.53%	597.34

Source: City's financial statements for the period and fiscal year 2017 and 2018, respectively, and Annual Comprehensive Financial Report in subsequent years.

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF SOUTH FULTON, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 20, 2024

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Overlapping Debt			
Fulton County, Georgia	$ 662,967,000	6.71 %	$ 44,485,086
Fulton County School District	7,126,996	16.77 %	1,195,197
Direct Debt			
City of South Fulton, Georgia	21,831,511	100 %	21,831,511
Total direct and overlapping debt	$ 691,925,507		$ 67,511,794

Source: Fulton County Annual Comprehensive Financial Report 2024

Assessed value data used to estimate applicable percentages provided by the State Department of Revenue.

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

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the government's boundaries and dividing it by the City's total taxable assessed value.

CITY OF SOUTH FULTON, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST EIGHT FISCAL YEARS

	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	$ 767,497,416	$ 331,717,619	$ 337,023,993	$ 359,850,353	$ 388,686,481	$ 591,157,332	$ 732,351,312	$ 781,671,249
Total net debt applicable to limit	-	-	-	-	-	-	-	-
Legal debt margin	$ 767,497,416	$ 331,717,619	$ 337,023,993	$ 359,850,353	$ 388,686,481	$ 591,157,332	$ 732,351,312	$ 781,671,249
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

	Legal Debt
Assessed value	$ 7,816,712,488
Add back: exempt real property	-
Total assessed value	7,816,712,488
Debt limit (10% of total assessed value)	781,671,249
Debt applicable to limit	
General obligation bonds	-
Legal debt margin	$ 781,671,249

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

CITY OF SOUTH FULTON, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS INFORMATION
LAST EIGHT FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2017	95,158	$ 2,429,003,108	$ 25,526	34.7	19,077	3.81 %
2018	97,277	2,683,483,322	27,586	36.3	18,828	3.70
2019	99,357	2,864,462,310	28,830	35.3	18,760	7.30
2020	99,152	3,285,500,672	33,136	34.9	21,906	5.50
2021	98,586	3,054,687,210	30,985	37.3	27,933	5.60
2022	111,151	4,299,876,435	38,685	39.6	27,605	4.30
2023	110,920	4,010,090,760	36,153	39.6	31,904	4.30
2024	111,800	4,093,429,944	36,548	35.7	27,605	

(1) Source: U.S. Bureau of Labor Statistics
(2) Source: Fulton County Board of Education
(3) Bureau of Labor Statistics July, 2025

Note: 2017 population, per capita, and personal income are estimates based on past regional trends.
Note: School enrollment is based on beginning of school year.

CITY OF SOUTH FULTON, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND SIX YEARS AGO

	2024			2018		
Employer	Employees (1)	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment (1)
UNITED PARCEL SERVICE, INC.	796	1	3.45 %			
ALL N 1 SECURITY SERVICES, INC.	688	2	2.98			
GEORGIA AQUARIUM, INC.	661	3	2.86			
ROYSTON, LLC	600	4	2.60			
PEPSICO GATORAGE DBA THE QUAKER OATS COMPANY	459	5	1.99			
GENERAL WHOLESALE COMPANY	379	6	1.64			
WALMART STORES EAST LP dba WALMART STORE #3741	336	7	1.46			
WALMART STORES EAST LP dba WALMART STORE #3401	335	8	1.45			
MILLER ZELL, INC. MILLER ZELL, INC.	293	9	1.27			
GF PIPING, GEORG FISCHER, LLC DBA GEORG FISCHER, LLC	258	10	1.12			
KROGER				233	1	5.83 %
MCDONALDS				184	2	4.61
HOME DEPOT				174	3	4.36
THE JON SMITH GROUP, LLC				115	4	2.88
ARBOR TERRACE AT CASCADE				88	5	2.20
FRANKS DETAIL, INC.				61	6	1.53
STEELCASE, INC.				54	7	1.35
COMPREHENSIVE THERAPY CONSULTANTS, INC.				51	8	1.28
C H ROBINSON COMPANY, INC.				45	9	1.13
KEDPLASMA, LLC				38	10	0.95
Totals	4,805		20.82 %	1,043		26.12 %

(1) Source: South Fulton Business Permit Renewals

CITY OF SOUTH FULTON, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST EIGHT FISCAL YEARS

Function/Program	2017	2018	2019	2020	2021	2022	2023	2024
General Government								
Legislative	-	-	-	-	17	17	17	8
Executive	3	6	8	8	8	6	6	14
City Clerk	3	3	4	3	4	4	5	14
Finance	2	9	15	14	16	13	14	16
Licensing	3	3	3	3	-	-	-	-
Purchasing	1	1	3	3	3	3	3	7
Legal	-	-	-	-	5	5	6	6
Human Resources	2	3	5	3	7	6	6	9
Communication	1	2	5	4	4	5	7	8
Risk Management	-	-	-	-	1	1	1	1
Information Technology	2	2	9	4	8	9	11	11
Development Services	7	23	23	-	-	-	-	-
General Services	-	-	-	-	7	8	12	17
Judicial								
Municipal Court	-	5	7	7	6	7	7	7
Housing and Development								
Community Development and Regulatory Affairs	7	23	23	-	20	22	22	29
Economic Development	-	1	4	2	4	4	4	5
Code Enforcement	15	17	15	32	17	21	23	24
Public Safety								
Police	161	161	178	154	188	227	258	275
Fire	173	173	178	159	186	186	192	236
Public Works								
Building and Grounds	-	-	15	12	4	10	29	32
Parks and Recreation								
Parks and Recreation	80	64	77	48	54	65	51	50
Cultural Affairs	-	-	-	-	6	9	9	12
Total	460	496	572	456	565	628	683	781

Source: City of South Fulton Human Resources Department

Notes: All full-time employees, except sworn fire and police employees, are scheduled to work 2,080 hours per year (including vacation and sick).

Fire Department employees are scheduled to work 2,750 hours per year (including sick and vacation).

Police Department employees are scheduled to work 2,184 hours per year (including sick and vacation).
Headcount number is inclusive of vacant, funded positions.

CITY OF SOUTH FULTON, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST EIGHT FISCAL YEARS

Function	2017	2018	2019	2020	2021	2022	2023	2024
General Government								
Ordinances approved	41	52	36	39	35	40	36	36
Software applications supported	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Grants managed	-	2	3	5	19	5	22	23
Police								
Calls for service	-	49,718	77,536	91,690	83,539	95,243	99,440	99,440
Part 1 crimes reported	-	4,789	4,032	3,375	2,802	2,089	2,893	2,893
Traffic citation issued	-	426	5,156	4,339	6,907	9,527	8,059	8,059
Physical arrest	-	1,011	2,031	1,809	2,536	3,353	2,871	2,871
Fire								
Incident responses	4,541	13,048	15,946	17,097	18,161	21,835	23,107	23,107
Average response time	6:54	7:02	7:03	-	10:16	8:17	10:14	10:14
Fire safety education classes	90	539	127	58	2	14	23	23
Smoke alarm installed	94	207	273	88	34	46	153	153
Inspection conducted	667	539	867	1,238	1,389	1,559	1,614	1,614
Public works								
Average days to repair pothole	N/A	8	4	3	3	3	3	3
Community Development								
New building permits issued	N/A	2,194	2,643	2,654	4,549	7,351	7,435	7,435
Parcels annexed	-	-	1	-	-	-	-	-
Culture and Recreation								
Annual program	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Various City and County departments.
Police, Fire, Public Works, Community Development Services, and
Culture and Recreation were not part of City of South Fulton for Fiscal Year 2017.

CITY OF SOUTH FULTON, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST EIGHT FISCAL YEARS

Function/Program	2017	2018	2019	2020	2021	2022	2023	2024
Police								
Police Stations	-	3	4	4	4	4	4	4
Patrol Units and Support Vehicles	-	113	139	139	173	173	173	173
Police Motorcycles	-	8	8	8	8	8	8	8
Segway	-	2	2	2	2	2	2	2
Fire (Services transferred in 2018)								
Fire Stations	-	9	9	9	9	9	9	9
Ladder Units - frontline	2	2	2	2	2	2	2	2
Ladder Units - reserved	1	-	1	1	1	1	1	1
Engines - frontline	10	9	9	9	9	9	9	9
Engines - reserved	2	1	2	2	2	2	2	2
Mini Pumper	-	-	-	-	-	-	1	1
Public Education Fire Safety Trailer	-	-	-	-	-	-	1	1
Command Vehicle	-	-	-	-	-	-	1	1
Rescue/Medical Transport	-	-	-	-	-	-	-	3
Utility Task Vehicle (UV)	-	-	-	-	-	-	-	2
Public Works								
Streets Paved - (miles)	514	518	534	534	534	534	534	608
Streets Unpaved - (miles)	25	22	20	20	20	20	20	30
General Government								
Land (acres)	-	-	-	-	50	50	50	178
Buildings								
Owned	-	27	27	27	27	27	27	3
Leased	-	5	5	5	5	5	5	5
Machinery and Equipment								
Owned	-	-	-	-	-	-	43	43
Vehicles								
Owned	-	249	249	247	247	247	442	559
Leased	-	10	26	27	31	31	31	31
Parks - active and passive								
Park Acreage (excluding Tom Lowe)	693	693	720	720	720	720	720	720
Greenway and Walking Trails (miles)*	2	2	2	2	2	2	2	2
Adaptive Athletic Fields	7	7	7	7	7	7	7	7
Athletic Fields	29	29	29	29	29	29	29	29
Swimming Pools**	2	2	2	2	2	2	2	2
Tennis Courts	47	47	47	47	47	47	47	47
Recreation Buildings	9	9	10	10	10	10	10	10
Playgrounds/ADA	14/1	14/1	14/1	14/1	14/1	14/1	14/1	14
Picnic Shelters/Restrooms	20	20	20	20	20	20	20	20
Concession Stands/Offices	5	5	5	5	5	5	5	5
Restrooms (outdoor)	22	22	22	22	22	22	22	22
Basketball Courts (outdoor)	5	5	5	5	5	5	5	5
Gymnasiums	3	3	3	3	3	3	3	3

Notes:

*Outdoor walking trails are at Sandtown, Trammell Crow, Wilkerson Mill, Cedar Grove, and Creel Parks. There is one indoor walking track at Welcome All Park. Estimated total miles are 2 for all trails/tracks.

**Total swimming pools to include one (1) lap pool (25 yards with 7 lanes, shallow end 4 ft., middle 5 ft., deep end 12 ft.) and one (1) splash pool (30 ft. x 30 ft. and 3 ft in depth).

***43 hard surface courts and 4 clay courts.

Source: Various City Departments