



CITY OF ROSWELL, GEORGIA  
**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

---

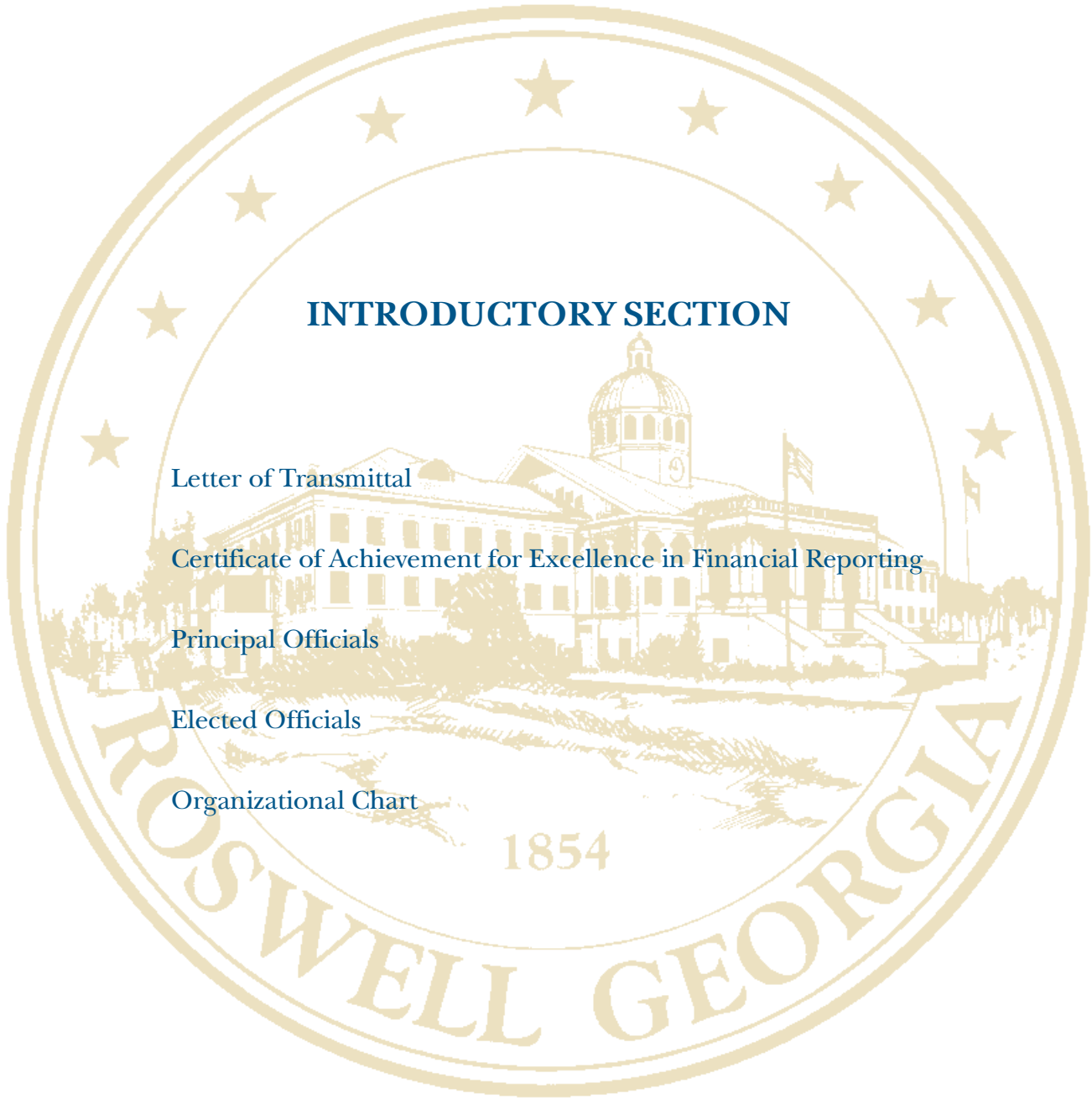
FOR THE FISCAL YEAR ENDED JUNE 30, 2023





**CITY OF ROSWELL, GEORGIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2023**

**Prepared By:**  
**The City of Roswell Finance Department**



## **INTRODUCTORY SECTION**

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

Principal Officials

Elected Officials

Organizational Chart

# CITY OF ROSWELL, GEORGIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023

### TABLE OF CONTENTS

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Table of Contents.....	i-iv
Letter of Transmittal .....	v-xii
Certificate of Achievement for Excellence in Financial Reporting.....	xiii
Principal Officials.....	xiv
Elected Officials .....	xv
Organizational Chart.....	xvi
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis.....	4-15
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position.....	16
Statement of Activities.....	17-18
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds.....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	21
Statement of Net Position – Proprietary Funds.....	22
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	23
Statement of Cash Flows – Proprietary Funds.....	24
Notes to Financial Statements.....	25-63
<b>Required Supplementary Information:</b>	
Schedule of Changes in the City's Net Pension Liability and Related Ratios .....	64
Schedule of City Contributions .....	65
General Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis.....	66
American Rescue Plan Act Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis.....	67

**CITY OF ROSWELL, GEORGIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

---

**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued)</b>	
<b>Combining and Individual Fund Statements and Schedules:</b>	
Combining Balance Sheet – Nonmajor Governmental Funds.....	68-69
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	70-71
Confiscated Assets – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	72
Emergency 911 Telephone System – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis.....	73
County/Local Grants – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	74
NSP Grants – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	75
CDBG Grants – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	76
Federal Grants Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis.....	77
Soil Erosion – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	78
Hotel/Motel Tax – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	79
Auto Rental Excise Tax – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	80
Leita Thompson – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	81
Debt Service – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	82
Scholarship Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Budgetary Basis .....	83
Schedule of Projects Constructed with Proceeds from Transportation Special Purpose Local Option Sales Tax (TSPLOST) .....	84
Schedule of Projects Constructed with Proceeds from Transportation Special Purpose Local Option Sales Tax (TSPLOST2) .....	85
Combining Statement of Net Position – Internal Service Funds .....	86
Combining Statement of Changes in Revenues, Expenses and Changes in Fund Net Position – Internal Service Funds.....	87
Combining Statement of Cash Flows – Internal Service Funds .....	88
Component Unit – Roswell Economic Development & Tourism, Inc.:	
Balance Sheet .....	89
Statement of Revenues, Expenditures, and Change in Fund Balance .....	90

# CITY OF ROSWELL, GEORGIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023

---

### TABLE OF CONTENTS

	<u>Page</u>
<b>STATISTICAL SECTION</b>	
<b>Financial Trends:</b>	
Net Position by Component .....	91-92
Changes in Net Position .....	93-96
Fund Balances of Governmental Funds .....	97-98
Changes in Fund Balances of Governmental Funds .....	99-100
General Governmental Tax Revenues by Source .....	101
<b>Revenue Capacity:</b>	
Assessed Value and Estimated Actual Value of Taxable Property .....	102
Property Tax Rates (Direct and Overlapping Governments).....	103-104
Principal Property Taxpayers .....	105
Property Tax Levies and Collections .....	106
<b>Debt Capacity:</b>	
Ratios of Outstanding Debt by Type .....	107
Ratios of Net General Bonded Debt Outstanding .....	108
Direct and Overlapping Governmental Activities Debt.....	109
Legal Debt Margin Information .....	110-111
<b>Demographic and Economic Information:</b>	
Demographic and Economic Statistics .....	112
Principal Employers.....	113
<b>Operating Information:</b>	
Full-Time Equivalent City Government Employees by Function .....	114-116
Operating Indicators by Function.....	117
Capital Asset Statistics by Function .....	118

**CITY OF ROSWELL, GEORGIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2023**

---

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
<b>COMPLIANCE SECTION</b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	119-120
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	121-122
Schedule of Expenditures of Federal Awards .....	123
Notes to Schedule of Expenditures of Federal Awards .....	124
Schedule of Findings and Questioned Costs .....	125-127



December 11, 2023

**To the Honorable Mayor, City Council  
and Citizens of the City of Roswell:**

We are pleased to present the Annual Comprehensive Financial Report of the City of Roswell, Georgia (the "City") for the fiscal year ended June 30, 2023 (FY23).

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. We believe the enclosed data is accurate in all material respects and is reported in a manner



Roswell City Hall

designed to present fairly the financial position and

results of operation of the City. All disclosures necessary to enable the reader to gain a full understanding of the City's financial activities have been included.

The management of the City is responsible for establishing and maintaining an effective internal control structure. In developing and evaluating the City's accounting system, consideration is given to the adequacy of its system of internal control. Since the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Georgia Code requires an annual audit by independent certified public accountants. The City selected the accounting firm CKH CPA's and Advisors, LLC to complete the audit and the auditor's unmodified opinion has been included in this report. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for FY23 are free of material misstatement. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors have concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City and its component units' financial statements for the fiscal year ended June 30, 2023 are fairly presented and conform to accounting principles generally accepted in the United States of

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.





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

The City receives federal financial assistance through various federal grant programs. An audit in accordance with the Uniform Guidance, 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and "Government Auditing Standards," issued by the Comptroller General of the United States, is typically performed each year. The required reports are included in the Compliance Section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Roswell's MD&A can be found immediately following the auditor's report in the financial section of this report.

## Profile of the Government

The City of Roswell, Georgia is located in northern Fulton County, 20 miles north of the City of Atlanta. Fulton County is the central and most populous county in Georgia. The City of Roswell has a land area of 42 square miles and has an unparalleled quality of life for its over 90,000 residents.

The City operates under a charter adopted in 1854 and revised on April 19, 2000, which provides for a Mayor-Council form of government with a city administrator. The Mayor is elected to a term of four years to serve on a part-time basis. An election for one-half of the Council occurs every two years. Roswell's City Council is comprised of six members who, elected at large, work together to make Roswell a better place to live, work and play. While all six Council Members are elected at large, all must reside within the City of Roswell. It is the duty of the Council Members, in general, to set policy and millage rates, approve budgets, pass ordinances, and to hear and act on requests for rezoning and annexation. Council Members also serve on City committees that give them the opportunity to learn critical details of projects and services that they will eventually vote upon in Regular Council meetings.

The City operates under a charter adopted in 1854 and revised on April 19, 2000

The charter identifies the chief officer of the City as the City Administrator, who is appointed by the City of Roswell Mayor and Council to: implement Council policies; oversee the daily activities of the City; and supervise the City's department heads. An organizational chart,

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.



depicting the current structure associated with the management of the City of Roswell is included in this introductory section.

The City of Roswell provides a full range of services to its citizens. These services include police and fire protection; public works; court system; the construction and maintenance of recreational pathways; streets and infrastructure; solid waste collection and recycling; planning and zoning; building inspections; recreation activities and cultural events; water and stormwater management; and inherent administrative and support activities. The City also operates a



web site and citizen newsletter. Wastewater treatment is provided to the city residents by a regional sewage treatment plant operated under the provisions of Fulton County.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., City of Roswell Georgia, as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units (although legally separate entities) are, in substance, part of the primary government's operations and are included as part of the primary government. There are no potential blended component units that met these criteria. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. Roswell Economic Development & Tourism, Inc. and Downtown Development Authority are reported as discretely presented component units at June 30, 2023.

The annual budget currently serves as the foundation for the City of Roswell's financial planning and control. The Mayor and Council are legally required to adopt a balanced budget no later than the close of the fiscal year. The City's fiscal year runs from July 1st through June 30th. The official level of city budget control (the level on which expenditures may not legally exceed appropriations) is set at the department level for each fund. Annual appropriated budgets are adopted for all funds, except capital project funds, which have project length budgets.

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.



## Local Economy

Roswell continues to be a prosperous municipality. Over 4,500 businesses are located in Roswell, some of the larger employers in the area are: General Motors, Wellstar North Fulton, Kimberly-Clark, and McKesson Drug Company. These employers bring tax revenue, jobs and much needed services to our City.

The City's population has been stable in the last ten years. Historically, large population growth would likely result in further sprawl with the expansion of residential neighborhoods and chain-filled shopping centers. Now, however, local municipalities are looking inward and taking stock of their resources. They are reinvesting in current properties and implementing creative new zoning practices that will improve the quality of life within.



Roswell strives for mixed use developments that provide for “live, work, play” communities. These combine restaurants, retail and office space and residential units. Examples include Southern Post and West Alley. Southern Post is located on Alpharetta Highway between Norcross and Fraser Street, this development will include 40,000 square feet of restaurant and retail space, 90,000 square

feet of loft style, open-concept office space, 128 apartments and ten townhomes with garages. The West Alley project will bring activity and economic growth to the City's Historic District. This project includes plans for a 125 room boutique hotel with meeting/banquet space, a spa, retail and office space, and parking to the Roswell Historic District.

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.



## Financial Planning

Prudent decision-making and good business actions have assisted the City in meeting resident's expectations for City services, sustaining a level of three (3) months of operating expenditures in the general fund and rolling back the property tax millage rates multiple times in recent years.



The City's Strategic Planning and Budgeting Office works with the City Administrator, departments, and elected officials each year to develop the City of Roswell's annual budget. Additionally, the Budget Office regularly reports on the City's current financial condition to Mayor and Council, City Administrator, Roswell citizens, and City employees. The Budget Office's development of the FY23 budget took into consideration a variety of requests that necessitated difficult decisions. The process focused on responding to the current service levels while maintaining the City's assets. The City uses monthly work sessions to keep the Mayor and Council informed and to solicit guidance regarding budget priorities. The City's Management Team participated in all phases of the budget and the preparation of the staff's working budget document. The departments were also asked to identify any services that could be streamlined.

Sustainability of the City relies on diversification of revenue sources. While property and sales tax revenue are the two most significant revenue sources, significant discussion is centered on how to further diversify the City's revenue base. Existing revenue sources are evaluated periodically to ensure that the underlying rates are reasonable and justifiable.

The City develops a five year forecast each year during the budget process that considers future scenarios and serves as a guide to Mayor and Council to help make financial decisions for the fiscal year. This forecast reflects the City's commitment to fiscal health and stability. The Capital Improvements Plan (CIP) is also a five year program that details anticipated expenditures as well as the approved sources of funding. The first year of the program is incorporated into the annual budget with the outlying years serving as a guide for future planning.

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.



## Financial Policies

The Roswell City Council has adopted a set of financial policies to govern the financial management of the various City funds. The City maintains seven fund types: General Fund, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service and Permanent Funds. The description of these fund types can be found in the Notes to the Financial Statements.

The practice of these policies has enabled the City to maintain an AAA uninsured bond rating during its recent 2023 General Obligation Bonds issuance. These policies cover 1) Budget Amendments for Expenditures; 2) Budget Amendments for Revenues; 3) Transfers for Expenditures; 4) Budget Transfers for Revenues; 5) Debt and 6) Investment Policy. The City of Roswell also has established a variety of procedures for 1) Deposits; 2) Deferred Inflows/Outflows of Resources; 3) of Assets; 4) Purchasing; 5) Petty Cash; 6) Acceptance of Checks; 7) Change Drawer Fund; 8) Purchasing Card; 9) Returned Checks; 10) Grants Manual; 11) Unclaimed Property; 12) Accrued Payables; 13) Travel; 14) Prepaids; 15) Equity; and 16) Signing Authority.

The City has developed financial policies to ensure that the City's financial resources are managed in a prudent manner. The City maintains the goal of a structurally balanced budget to achieve long-term financial stability for the community. Current revenue will be sufficient to support current operating expenditures plus recurring capital expenditures. Unassigned fund balances of three months operating expenditures will be maintained in the General Fund. Additional fund balance can be used for nonrecurring capital expenses. However, if projected revenue in future years is not sufficient to support projected requirements, an unassigned ending balance may be budgeted to achieve structural balance. This fiscal year's budget is also reviewed in respect to how the decisions made this year will affect the City's revenues and expenditures in the following years.

The City Administrator and the Office of Strategic Planning and Budgeting work throughout the year to monitor the City's financial activity. Each month a report is submitted to the Administration and Finance committee as an update on the financial situation of the City. In addition, the Office of Strategic Planning and Budgeting reviews and approves all check requests and requisitions for accuracy. Departments are not allowed to exceed expenditures at the department level.

Investments are made in accordance with applicable state laws and the City's investment policy. The focus of the investment policy is to minimize credit and market risks while maintaining a competitive yield on the portfolio

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.





## Major Initiatives

- **Bond Approved by Citizens**  
On November 8, 2022, the voters of Roswell approved issuing \$179.6 million in general obligation bonds for the purpose of constructing capital improvement projects related to recreation, parks, bicycle and pedestrian paths, sidewalks, public safety, and a public parking deck. Mayor and Council approved a resolution on April 24, 2023 declaring the City's intent to issue bonds in the initial amount of \$86,200,000. The bond sale occurred on May 22, 2023, to kick off the approved bond projects. In FY 2023, 2 Artificial Turf Fields were replaced with this bond issuance.
- The City was also able to reduce the property tax rate from 4.718 mills to the rollback rate of 4.463 mills, which is 5.4 percent lower than 2022 rate.
- In FY 2023, the City formed a Capital Improvement Plan (CIP) Team. The CIP Team will assist in the implementation of the bond projects.
- Best in Class Police Pay Plan – funded as part of 100 Day Plan and Strategic Plan Priorities
- Fire Department Transition to Full-time -funded year 1 of the 5-Year Conversion Plan which included hiring 21 Captains. (more info <https://stories.opengov.com/roswellga/published/zNLE68Mks> )
- Business and Occupation Taxes was reviewed and adjusted to be more in line with surrounding cities

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.



## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roswell for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Roswell has received a Certificate of Achievement for the last thirty-four consecutive years, since June 30, 1989. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Roswell for its annual budget for fiscal year 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device. This award is valid for a period of one year only. This award has been received by the City for the past eighteen fiscal years. The award results for the fiscal year ended June 30, 2024 have not yet been published by GFOA.

## Acknowledgments

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated services of the entire staff of the Finance Department. I want to especially thank the Accounting Division staff for their dedication in preparing the financial records to be reviewed by the auditors. They have my sincere appreciation for the contributions made in the preparation of this report. Appreciation is also expressed to the Mayor and Council, City Administrator and all City department heads for their continued commitment to fiscal responsibility.

Sincerely,

*Georgette L. McCray*

Georgette McCray  
Interim Finance Director

38 Hill Street, Roswell, GA 30075  
[www.roswellgov.com](http://www.roswellgov.com)

Modern Spirit. Southern Soul.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Roswell  
Georgia**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

# CITY OF ROSWELL, GEORGIA

## PRINCIPAL OFFICIALS

June 30, 2023

---

Randy Knighton	City Administrator
Richard Rhinehart	Chief Operating Officer
Sharon Izzo	Deputy City Administrator
Jeffrey Leatherman	Deputy City Administrator
Darryl Connelly	Economic Development Director
Georgette McCray	Finance Director, Interim
Joe Pennino	Fire Chief
Linda Warren	Human Resources Director
James Conroy	Police Chief
Brian Watson	Public Works/Environmental Director
Steven Malone	Recreation and Parks Director
David Davidson	City Attorney
Marlee Press	City Clerk

# City of Roswell Elected Officials

(as of June 30, 2023)



Kurt Wilson  
Mayor



Sarah Beeson  
Post 1



Mike Palermo  
Post 2



Christine Hall  
Post 3/Mayor Pro Tem



Peter Vanstrom  
Post 4

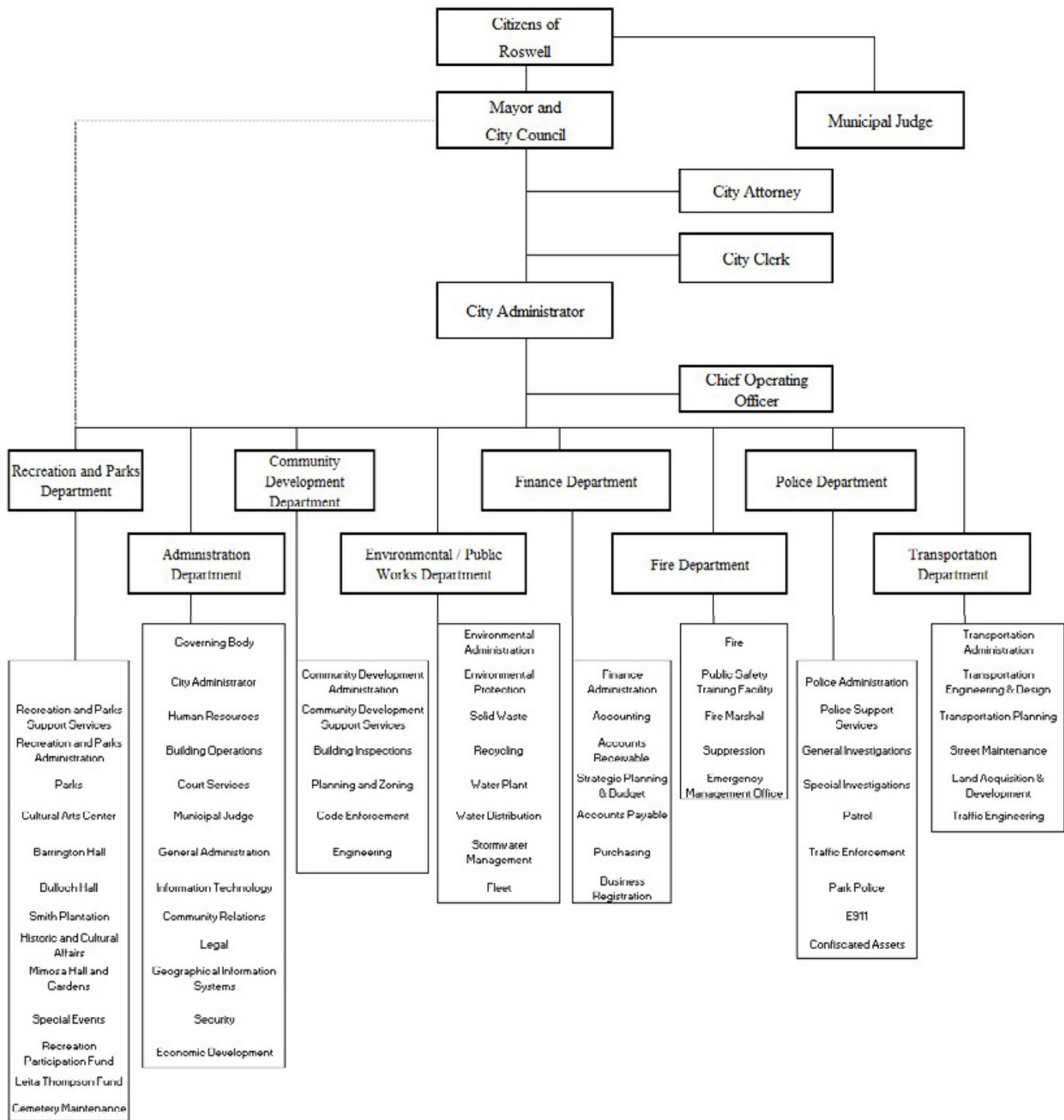


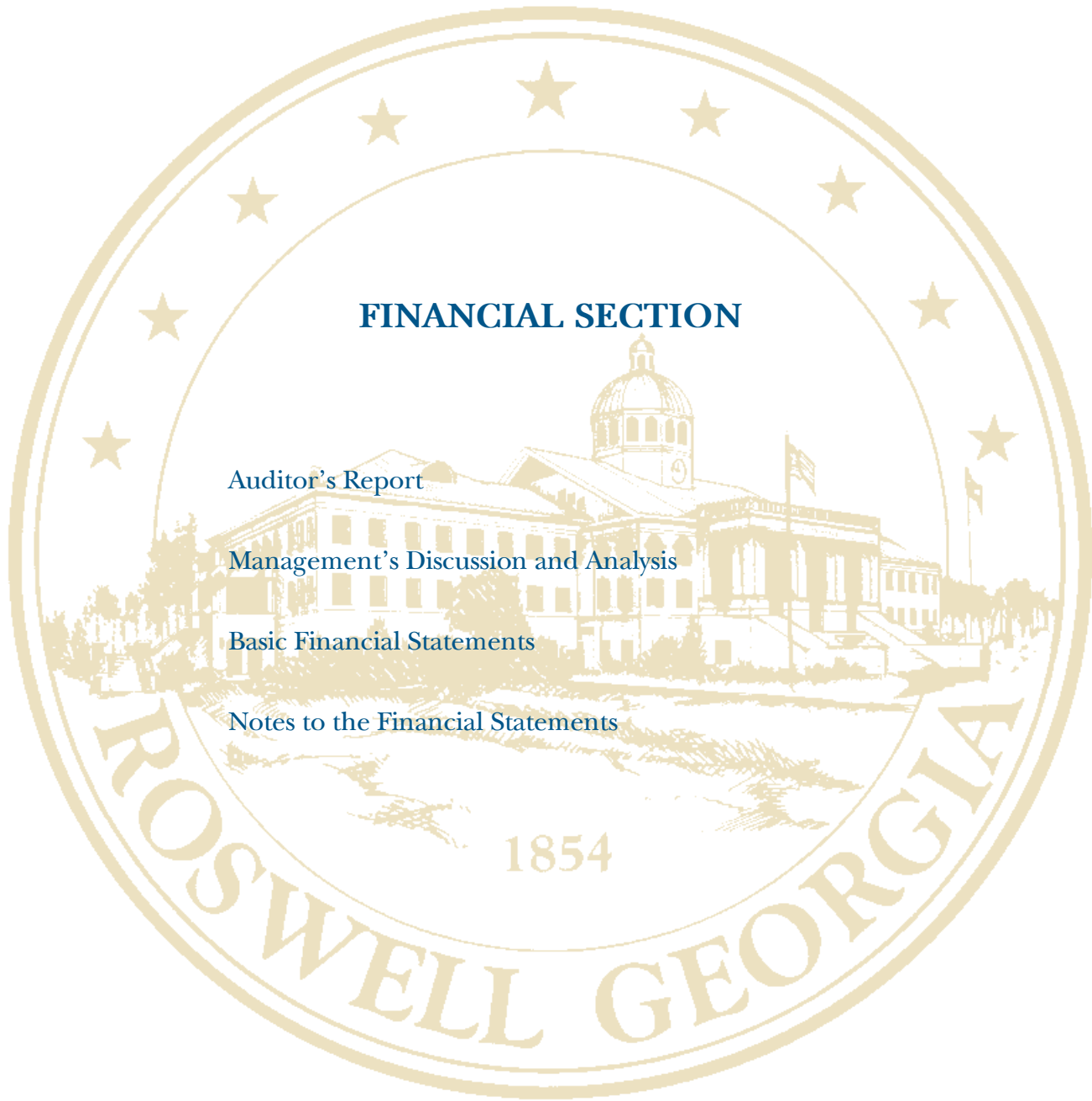
Will Morthland  
Post 5



Lee Hills  
Post 6









## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members  
of the City Council  
City of Roswell, Georgia

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Roswell, Georgia (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Roswell, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Matter – Change in Accounting Principle**

As discussed in note 7, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription based Information Technology Arrangements (SBITA's), as of July 1, 2022. This standard significantly changed the accounting for the City's SBITA's. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

---

**Global Excellence, Local Expertise.**



5 Concourse Parkway, Suite 2850, Atlanta, GA 30328

Member: AICPA, GSCPA

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 *Governmental 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, the Schedule of the Changes in the City's Net Pension Liability and Related Ratios, the Schedule of City Contributions, and the budgetary comparison schedules for the General Fund and ARPA Grant Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules, the schedules of projects constructed with proceeds from transportation special purpose local option sales tax, and the schedule of expenditure of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedules of projects constructed with proceeds from transportation special purpose local option sales



tax, and the schedule of expenditure of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 11, 2023 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'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's internal control over financial reporting and compliance.

*CKH CPAs and Advisors, LLC*

CKH CPA's and Advisors, LLC  
Atlanta, Georgia  
December 11, 2023





## Management’s Discussion and Analysis

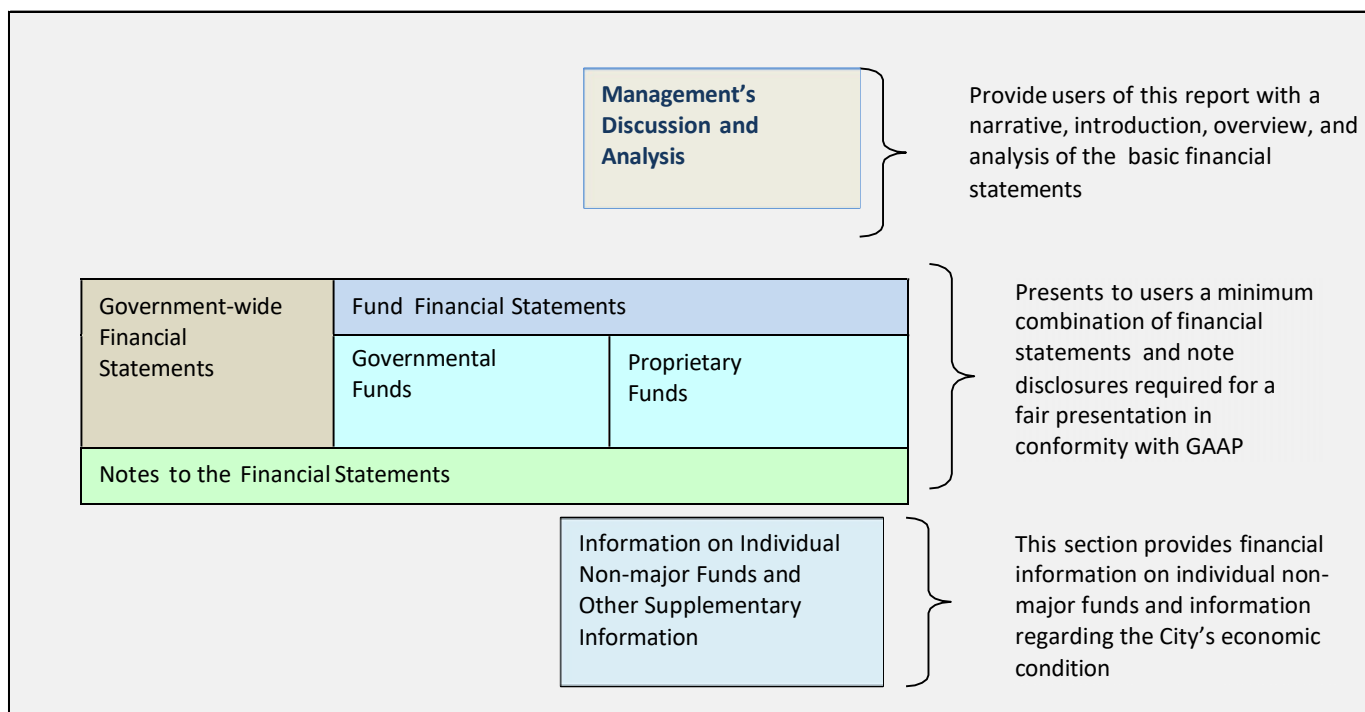
As management of Roswell, Georgia, we offer readers of Roswell’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. This discussion is intended to:

- 1) assist the reader in understanding significant financial issues;
- 2) provide an overview of the City’s financial activities;
- 3) identify changes in the City’s financial position;
- 4) identify material deviations from the original budget; and
- 5) identify individual fund issues or concerns.

We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

## Overview of the Financial Statements

This Annual Comprehensive Financial Report (ACFR) has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and under the guiding principles of the Governmental Accounting Standards Board (GASB). To help facilitate the understanding of the organization of this report we are providing the following illustration:



Management’s Discussion and Analysis document is intended to serve as an introduction to the City of Roswell’s basic financial statements. The basic financial statements include:

- 1) government-wide financial statements;
- 2) fund financial statements; and
- 3) notes to the basic financial statements.

## Government-wide Financial Statements

The City’s basic financial statements include two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to private-sector business reporting. All governmental and business-type activities are combined to arrive at a total for the Primary Government.

There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City's assets, deferred outflow of resources, liabilities and deferred inflows of resources, with the difference 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 as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the tax base or the condition of City infrastructure, in addition to the financial information provided in this report.

The *Statement of Activities*, reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

- **Governmental activities** - Most of the City's basic services are reported here, including the police, fire, community development, transportation, information services, environmental and general administration. Property taxes, sales taxes and franchise fees finance the majority of these activities.
- **Business-type activities** – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water system, environmental waste systems, stormwater and participant recreation activities are reported here.
- **Component units** – The City includes two additional separate legal entities in its report – the Roswell Economic Development & Tourism, Inc. and the Downtown Development Authority of the City of Roswell, Georgia. Although legally separate, these component units are included because management feels they are significant enough that it would be misleading to exclude them.

The government-wide financial statements are presented on pages 16 to 18 of this report.

## **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The City has two kinds of funds:

- **Governmental funds** – The majority of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is detailed in a reconciliation following the fund

financial statements. The City maintains four major and 14 non-major governmental funds. The City's major governmental funds are:

- General
- Capital Projects
- T-SPLOST
- ARPA Grant
- Bond Construction

The City's non-major governmental funds are:

- Confiscated Assets
- Emergency 911
- State Grants
- County and Local Grants
- NSP Grants
- CDBG Grants
- Federal Grants
- Soil Erosion
- Hotel/Motel Tax
- Auto Rental Excise Tax
- Leita Thompson
- Impact Fee
- Debt Service
- Scholarship Fund

The basic governmental fund financial statements are presented on pages 19 - 21 of this report.

- **Proprietary funds** – The City charges customers for certain services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business-type activities that are reported in the government-wide statements but provide more detail and additional information such as cash flows. These are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City maintains four enterprise funds:
  - Water and Sewer
  - Solid Waste
  - Stormwater
  - Participant Recreation
- **Internal service funds** – These funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units on a cost-reimbursement basis. The City has four of the fund types:
  - Workers' Compensation
  - Risk Management
  - Group Health
  - Fleet Services

The proprietary fund financial statements are presented on pages 22 - 24 of this report.

### Notes to the Basic Financial Statements

The financial statement includes notes that explain some of the information in the financial statements and provides information that is more detailed. The notes are essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 25 of this report.

## **Budgetary Presentations**

Budgetary comparison statements are included as “required supplementary information” for the general fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City’s adopted and final revised budget.

## **Supplementary Financial Information**

As discussed, the City reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented as supplementary financial information beginning on page 64.

Within this section of the City of Roswell, Georgia’s (the “City”) annual financial report, the City’s management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. The City’s financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

## **Financial Highlights**

- The City’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2023 by \$386,643,482 (net position) for the fiscal year reported. Of this amount, \$45,306,441 (unrestricted net position) may be used to meet the City’s ongoing obligations to citizens and creditors.
- Total net position is comprised of the following:
  - 1) Capital assets, net of related debt, of \$245,480,028 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets,
  - 2) Net position of \$95,857,013 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations,
  - 3) At the end of the current fiscal year, unrestricted net position increased from \$37,285,635 in fiscal year 2022 to \$45,306,441.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City’s total long-term bonds increased by \$86,755,000 during the current fiscal year. The increase in the net long-term debt was caused by the issue of two new General Obligation bonds in FY 2023.

**City of Roswell's Summary of Net Position (Table1)**

(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Percentage of Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Assets:</b>								
Current and other assets	\$ 269,865	\$ 160,493	\$ 14,649	\$ 13,755	\$ 284,514	\$ 174,248	50.55%	39.22%
Capital assets	236,222	228,838	42,058	41,231	278,280	270,069	49.45%	60.78%
<b>Total assets</b>	<b>506,087</b>	<b>389,331</b>	<b>56,707</b>	<b>54,987</b>	<b>562,794</b>	<b>444,317</b>	<b>100.00%</b>	<b>100.00%</b>
Deferred outflows of resources	22,769	5,243	2,236	852	25,004	6,095	100.00%	100.00%
<b>Liabilities</b>								
Current liabilities	20,108	25,079	4,973	4,723	25,081	29,802	13.41%	37.73%
Long-term liabilities	143,268	33,729	18,645	15,465	161,912	49,194	86.59%	62.27%
<b>Total liabilities</b>	<b>163,376</b>	<b>58,808</b>	<b>23,618</b>	<b>20,188</b>	<b>186,993</b>	<b>78,996</b>	<b>100.00%</b>	<b>100.00%</b>
Deferred inflows of resources	14,162	11,356	-	1,761	14,162	13,116	100.00%	100.00%
<b>Net position:</b>								
Net investment in capital assets	216,497	211,709	28,983	28,224	245,480	239,933	63.49%	66.96%
Restricted	95,857	81,081	-	-	95,857	81,081	24.79%	22.63%
Unrestricted	38,964	31,620	6,342	5,665	45,306	37,286	11.72%	10.41%
<b>Total net position</b>	<b>\$ 351,318</b>	<b>\$ 324,410</b>	<b>\$ 35,325</b>	<b>\$ 33,889</b>	<b>\$ 386,643</b>	<b>\$ 358,300</b>	<b>100.00%</b>	<b>100.00%</b>

**Financial Analysis of the City as a Whole**

The City's net position at fiscal year-end 2023 increased 7.91% from \$358,299,543 at June 30, 2022 to \$ 386,643,214 at June 30, 2023. (See Table 1).

The largest portion of the City's net position (63.49%) at June 30, 2023, reflects its net investments in capital assets (e.g., land, buildings, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are not planned to be used to liquidate these liabilities.

An additional portion of the City's net position (24.79%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$45,306,173 or 11.72%) may be used to meet the government's ongoing obligations to citizens and creditors.

The City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

During fiscal year 2023, both current assets (specifically cash and investments) as well as long-term debt increased significantly due to the issuance of 2023 General Obligation Bonds to start planning and construction of public safety, transportation, and recreation projects. The bonds were issued in the last half of the fiscal year. While some expenditures occurred, most of the funds were idle as planning progressed through the end of the fiscal year.

Net pension liability increased during FY23 due to an overall downturn in both the bond and equity markets with the S&P 500 (equity) dropping 19% and the S&P 500 Bond Index (bonds) dropping 15% during the pension's valuation period. This compares to the prior year when bonds were flat and the S&P 500 increased 27%.



**CITY OF ROSWELL'S CHANGES IN NET POSITION**

Summary of Changes in Net Position (Table 2)

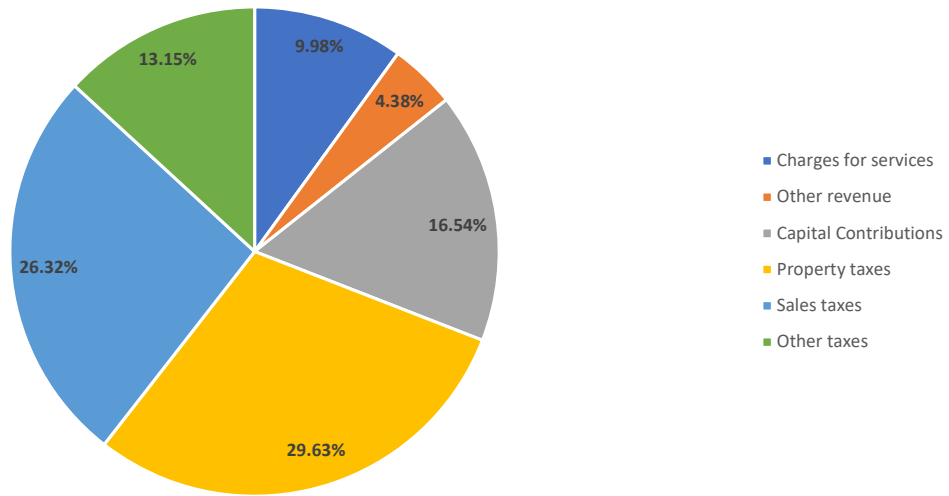
(in thousands of dollars)

	Governmental Activities		Business Activities		Total		Percentage of Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<i>Revenues:</i>								
<i>Program:</i>								
Charges for services	\$ 12,873	\$ 11,770	\$ 29,098	\$ 26,451	\$ 41,971	\$ 38,221	26.51%	26.75%
Operating grants	1,999	2,498	-	-	1,999	2,498	1.26%	1.75%
Capital Contributions	21,328	19,680	-	-	21,328	19,680	13.47%	13.78%
<i>General:</i>								
Property taxes	38,211	38,541	-	-	38,211	38,541	24.13%	26.98%
Sales taxes	33,941	33,268	-	-	33,941	33,268	21.44%	23.29%
Other taxes	16,953	12,091	-	-	16,953	12,091	10.71%	8.46%
Investment Earnings	2,692	(2,341)	256	(252)	2,948	(2,593)	1.86%	-1.82%
Other	958	1,036	34	117	992	1,153	0.63%	0.81%
<b>Total revenues</b>	<b>128,955</b>	<b>116,543</b>	<b>29,388</b>	<b>26,316</b>	<b>158,343</b>	<b>142,859</b>	<b>100.00%</b>	<b>100.00%</b>
<i>Program Expenses:</i>								
General government	18,426	13,576	-	-	18,426	13,576	14.17%	11.74%
Judicial	1,371	1,269	-	-	1,371	1,269	1.05%	1.10%
Financial services	2,923	2,902	-	-	2,923	2,902	2.25%	2.51%
Public safety	41,618	37,569	-	-	41,618	37,569	32.01%	32.49%
Planning and zoning	3,681	3,273	-	-	3,681	3,273	2.83%	2.83%
Public works	14,044	14,026	-	-	14,044	14,026	10.80%	12.13%
Culture and recreation	18,705	16,903	-	-	18,705	16,903	14.39%	14.62%
Interest	631	295	-	-	631	295	0.49%	0.26%
Water and sewer	-	-	5,143	4,949	5,143	4,949	3.96%	4.28%
Solid waste	-	-	12,914	11,643	12,914	11,643	9.93%	10.07%
Stormwater	-	-	7,648	2,565	7,648	2,565	5.88%	2.22%
Participant Recreation	-	-	2,895	6,660	2,895	6,660	2.23%	5.76%
<b>Total expenses</b>	<b>101,400</b>	<b>89,813</b>	<b>28,599</b>	<b>25,817</b>	<b>130,000</b>	<b>115,630</b>	<b>100.00%</b>	<b>100.00%</b>
Excess (deficiency)	27,555	26,730	789	499	28,344	27,229		
Transfers	(647)	(631)	647	631	-	-		
<b>Change in net position</b>	<b>26,908</b>	<b>26,099</b>	<b>1,436</b>	<b>1,130</b>	<b>28,344</b>	<b>27,229</b>		
<b>Beginning net position</b>	<b>324,410</b>	<b>298,311</b>	<b>33,889</b>	<b>32,759</b>	<b>358,300</b>	<b>331,070</b>		
<b>Ending net position</b>	<b>\$ 351,318</b>	<b>\$ 324,410</b>	<b>\$ 35,325</b>	<b>\$ 33,889</b>	<b>\$ 386,643</b>	<b>\$ 358,299</b>		

## GOVERNMENTAL REVENUES

The City's governmental activities are heavily reliant on property taxes and sales taxes to support governmental operations. Property taxes provided 29.63% and sales taxes provided 26.32% of the City's total governmental revenues. Also, note that program revenues cover 35.70% of governmental expenses. This means that the government's taxpayers and the City's other general revenues fund 58.78% of the governmental activities. As a result, the general economy and the local businesses have a major impact on the City's revenue streams.

Governmental Revenues



**GOVERNMENTAL ACTIVITIES EXPENSES**

**CITY OF ROSWELL GOVERNMENTAL ACTIVITIES (TABLE 3)**

(in thousands of dollars)

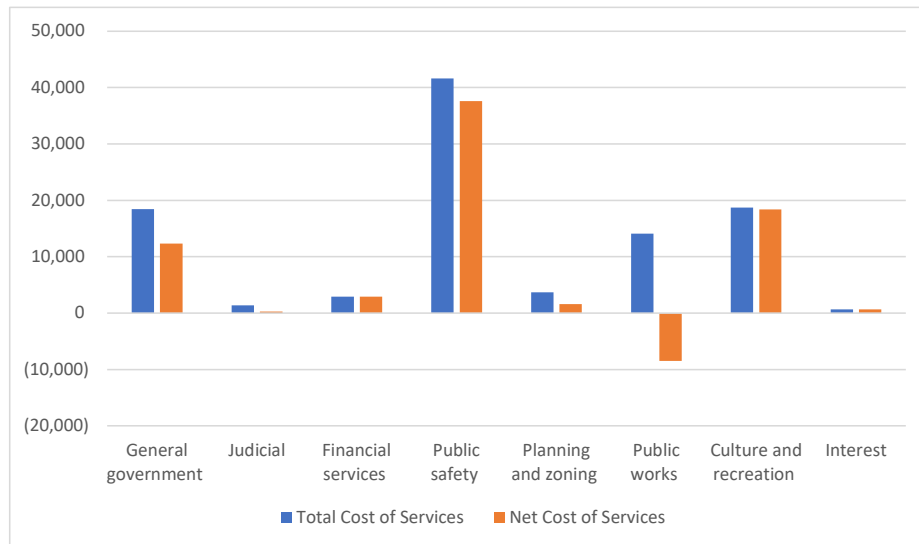
	Total Cost of Services		Percentage of Total		Net Cost of Services		Percentage of Total	
	2023	2022	2023	2022	2023	2022	2023	2022
General government	\$ 18,426	\$ 13,576	18.17%	15.12%	\$ 12,317	\$ 9,128	18.89%	16.34%
Judicial	1,371	1,269	1.35%	1.41%	237	(305)	0.36%	-0.55%
Financial services	2,923	2,902	2.88%	3.23%	2,908	2,902	4.46%	5.19%
Public safety	41,618	37,569	41.04%	41.83%	37,597	34,742	57.66%	62.19%
Planning and zoning	3,681	3,273	3.63%	3.64%	1,575	221	2.42%	0.40%
Public works	14,044	14,026	13.85%	15.62%	(8,484)	(7,916)	-13.01%	-14.17%
Culture and recreation	18,705	16,903	18.45%	18.82%	18,420	16,798	28.25%	30.07%
Interest	631	295	0.62%	0.33%	631	295	0.97%	0.53%
<b>Total</b>	<b>\$ 101,400</b>	<b>\$ 89,813</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$ 65,201</b>	<b>\$ 55,865</b>	<b>100.00%</b>	<b>100.00%</b>

Table 3 presents the cost of each of the City’s programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City’s taxpayers by each of these functions.

The most significant governmental expense for the City is providing public safety services such as fire and police protection. This comprises 41.04% of the total governmental expenses. Revenues collected from a variety of sources offset public safety expenses. Culture and recreation is the second largest City cost for government at 18.45%. The third largest City cost for government is general government at 18.17% of governmental expenses.

The cost of all governmental activities this fiscal year was \$101,400,593 compared to \$89,812,882 in fiscal year 2022.

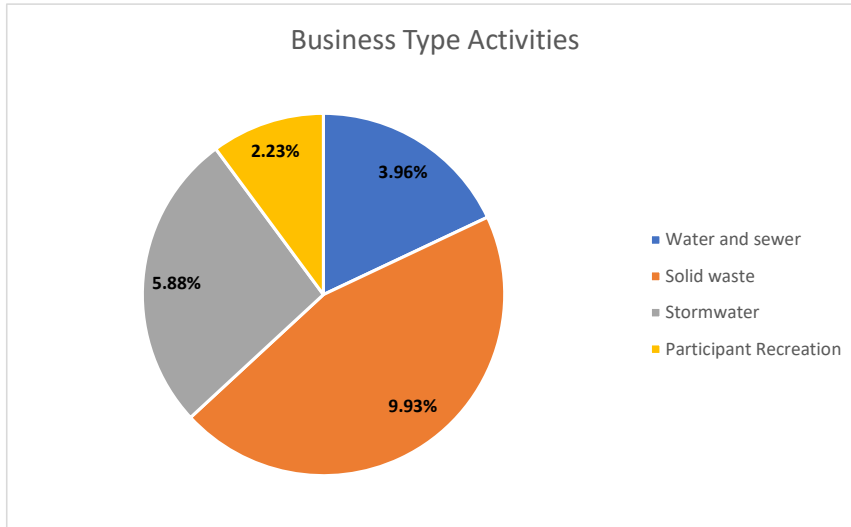
The revenue amount that paid for most of these activities came from general revenues of the City such as property taxes (\$38,211,449) and sales taxes (\$33,941,115).



## BUSINESS-TYPE ACTIVITIES

### Revenues vs. Costs

The cost of all Proprietary (Business-type) activities this fiscal year was \$28,599,007 as shown in Table 2 (Summary of Changes in Net Position). The amounts paid by the users of the systems were \$29,097,979. Within the total business-type activities of the City, these activities reported an increase in net position of \$1,436,162.



### Financial Analysis of the City's Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

#### Governmental Funds

Governmental funds reported ending fund balances of \$238,894,411. Of this year-end total, \$29,403,533 is unassigned indicating availability for continuing City service requirements. The City has adopted a 25 percent stabilization policy to retain in reserve an equivalent of 25% of the next year's budgeting general fund expenditures less the budgeted general fund capital expenditures. In accordance with the fund balance reserve policy, \$23,412,994 is included in the unassigned fund balance.

#### Major Governmental

The General Fund is the City's primary operating funds and the largest source of day-to-day service delivery. At the end of the current fiscal year, fund balance of the General Fund was \$34,287,348. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned fund balance represents 41.68% of total General Fund expenditures.

Total General Fund revenues were \$7,357,087 or 8.20% higher than fiscal year 2022, while taxes increased by \$4,658,497 (5.72%). Tax revenues were up due to a robust economy triggering higher sales and business taxes.

The Capital Projects Fund reflects an ending fund balance increase of \$21,215,769. The increase is significant and reflective of the timing of capital project acquisitions.

The T-SPLOST Fund reflects an ending fund balance of \$84,693,716, an increase of \$15,493,638 from fiscal year 2022. This increase is due to the projects in this fund still being in the early phases of construction.

The ARPA Grant Fund reflects a fund balance of \$109,876. This City reports only cash, a liability, unearned revenue, which offsets the cash balance.

The Bond Construction Fund reflects a fund balance of \$87,225,341. This City reports only cash, investments and a liability, accounts payable, which offsets the cash balance. The remaining fund balance mainly represents unspent bond proceeds.

### **Proprietary Funds**

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Operating revenues were 10.42% higher compared to those in fiscal year 2022 and operating expenses were 9.49 % more than prior year.

The Water and Sewer Fund's operating revenues are 10.18% above those in fiscal year 2022 due to an increase in rates. Operating expenses were 3.92% more than prior year.

The Solid Waste Fund's operating revenues are 4.28% above those in fiscal year 2022 due to an increase in rates. Operating expenses were 9.89% more than the prior year due mostly to higher supply costs.

The Participant Recreation Fund's operating revenues were 17.56% compared to the same time in fiscal year 2022. Operating expenses were 14.23% more than prior year. Both increases were due to program revenues returning to pre-pandemic levels and a growth in program participation.

The Stormwater Fund's operating revenues were 15.98% higher when compared to the same time in fiscal year 2022 due to a scheduled increase in rates. Operating expenses were 12.00% more than prior year. The increase in expenses was a result of increase in personnel expenses and higher supply costs.

### **Budgetary Highlights**

**General Fund** – The General Fund's final approved revenue budget for FY 2023 was \$94,230,114. The original approved revenue budget was \$92,007,880. The City collected \$2,823,253 more than the approved revenue budget due to higher than anticipated collection of taxes.

The General Fund's final approved expenditure budget for FY 2023 was \$87,070,845. The original approved expenditure budget was \$84,305,027. The City expended 96.30% of the Amended Budget amount. The General Fund actual expenditures were \$4,000,088 less than budgeted. The decrease was mainly due to Administration and Public Safety. For Administration, the variance was attributable to budgeted costs and projects still open at the end of the year; which carried forward and was reappropriated into the following fiscal year. For Public Safety, the variance was attributable to attrition and delayed onboarding of key firefighting positions as the City migrates to a full-time Fire Department.

### **Capital Assets and Debt Administration**

Capital Assets - The City's investment in capital assets, net of accumulated depreciation for governmental and business-type activities as of June 30, 2023, was \$236,222,122 and \$42,058,065 respectively. The major changes to capital assets for FY23 were due to Governmental construction in progress increased as the City continued TSPLOST and other capital projects.

For more information for governmental and business-type activities on the changes in capital assets, see Note 7.



**City of Roswell's Capital Assets (Table 4)**

(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Non-depreciable assets:</b>						
Land	\$ 54,868	\$ 54,868	\$ -	\$ -	\$ 54,868	\$ 54,868
Construction in progress	58,879	43,697	4,581	3,551	63,460	47,248
<b>Total non-depreciable assets</b>	<b>113,747</b>	<b>98,565</b>	<b>4,581</b>	<b>3,551</b>	<b>118,328</b>	<b>102,116</b>
<b>Depreciable assets:</b>						
Land improvements	43,898	43,544	-	-	43,898	43,544
Building and plant	87,355	87,261	20,459	20,459	107,815	107,719
Machinery and equipment	32,781	32,468	3,747	3,574	36,528	36,042
Vehicles	21,104	21,616	6,586	6,000	27,690	27,616
Infrastructure	159,486	158,593	28,223	27,249	187,709	185,842
<b>Total depreciable assets</b>	<b>344,624</b>	<b>343,482</b>	<b>59,016</b>	<b>57,282</b>	<b>403,639</b>	<b>400,764</b>
Less accumulated depreciation:	226,663	217,470	21,538	19,602	248,201	237,071
<b>Net book value-depreciated assets</b>	<b>117,961</b>	<b>126,012</b>	<b>37,478</b>	<b>37,680</b>	<b>155,438</b>	<b>163,692</b>
Percentage depreciated	65.77%	63.31%	36.50%	34.22%	61.49%	59.15%
<b>Lease assets:</b>						
Vehicles	5,736	5,309	-	-	5,736	5,309
Machinery and equipment	371	357	-	-	371	357
Land improvements	-	58	-	-	-	58
<b>Total lease assets</b>	<b>6,107</b>	<b>5,724</b>	<b>-</b>	<b>-</b>	<b>6,107</b>	<b>5,724</b>
Less accumulated amortization:	2,783	1,464	-	-	2,783	1,464
<b>Net book value-lease assets</b>	<b>3,324</b>	<b>4,260</b>	<b>-</b>	<b>-</b>	<b>3,324</b>	<b>4,260</b>
<b>Subscription assets:</b>						
Software	1,622	-	-	-	1,622	-
<b>Total lease assets</b>	<b>1,622</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,622</b>	<b>-</b>
Less accumulated amortization:	432	1,464	-	-	432	1,464
<b>Net book value-lease assets</b>	<b>1,190</b>	<b>4,260</b>	<b>-</b>	<b>-</b>	<b>1,190</b>	<b>4,260</b>
<b>Total Capital Assets</b>	<b>\$ 236,222</b>	<b>\$ 233,098</b>	<b>\$ 42,058</b>	<b>\$ 41,231</b>	<b>\$ 278,280</b>	<b>\$ 274,329</b>

## Long-term Debt

At the end of the fiscal year, the City had total bonded debt outstanding of \$89,206,000, all of which is backed by the full faith and credit of the City (general obligation bonds).

### City of Roswell Long-Term Debt as of June 30, 2023 and 2022

(in thousands of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Bonds	\$ 89,206	\$ 2,213	\$ -	\$ -	\$ 89,206	\$ 2,213
Claims payable	370	370	-	-	370	370
Compensated absences	4,077	3,969	653	615	4,730	4,584
Net pension liability	32,436	12,630	5,196	2,053	37,632	14,683
Notes payable	6,732	4,627	12,661	12,662	19,393	17,289
Lease liabilities	3,384	4,157	-	-	3,384	4,157
Subscription liabilities	983	-	-	-	983	-
Financed purchases payable	6,079	5,763	135	135	6,214	5,898
<b>Total</b>	<b>\$ 143,268</b>	<b>\$ 33,729</b>	<b>\$ 18,645</b>	<b>\$ 15,465</b>	<b>\$ 161,912</b>	<b>\$ 49,194</b>

For more information on long-term obligations, see Note 11 to the financial statements

#### Economic Factors and Next Year's Budgets and Rates

All of these factors were considered in preparing the City's budget for fiscal year 2024.

**Sustainability of Existing Services** – the City has maintained a philosophy of budgetary evaluation where services and associated costs should not be appropriated if they are not justified as long-term goals of the City. This philosophy is employed during the budget process with a multi-year financial outlook that provides the conduit to evaluate government priorities, realign and diversify revenue structures, and provide the data necessary for decision making to enable continued financial success.

**Cost of Government** – The operating millage rate is set annually by Mayor and City Council. As part of the financial strategic plan, the City is committed to millage rates that facilitate the provisions of City services with lowest possible tax burden for residents.

**Infrastructure Improvements** – The FY24 capital budget will focus on projects that are already in progress, have state/federal funding, and/or are essential due to safety or required by mandate. The City has a few bond projects which started in FY23 and will continue into FY24.

#### Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have, questions about this report or would like to request additional information, contact the City at 770-641-3727 or visit the City's website at [www.roswellgov.com](http://www.roswellgov.com)



**BASIC FINANCIAL STATEMENTS**

**CITY OF ROSWELL, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Primary Government			Component Units	
	Governmental	Business-type	Total	Roswell Economic	Downtown Development
	Activities	Activities		Development & Tourism, Inc.	Authority
<b>ASSETS</b>					
Cash and cash equivalents	\$ 128,548,851	\$ 5,414,368	\$ 133,963,219	\$ 953,638	\$ 507,846
Investments	126,115,915	6,129,543	132,245,458	-	-
Receivables (net of allowance for uncollectibles)	1,438,643	3,137,940	4,576,583	-	-
Taxes receivable	5,191,143	-	5,191,143	-	-
Intergovernmental receivables	17,579	-	17,579	-	-
Leases receivable	5,484,225	-	5,484,225	-	-
Interest receivable	462,190	13,063	475,253	-	-
Internal balances	77,074	(77,074)	-	-	-
Inventories	52,111	-	52,111	6,548	-
Prepaid items	2,154,692	31,230	2,185,921	17,024	-
Other assets	-	-	-	3,000	4,110
Notes receivable	322,535	-	322,535	-	-
Capital assets, nondepreciable	113,747,014	4,580,513	118,327,526	-	-
Capital assets, depreciable, net of accumulated depreciation	122,475,109	37,477,552	159,952,661	90,385	-
<b>Total assets</b>	<b>506,087,079</b>	<b>56,707,135</b>	<b>562,794,214</b>	<b>1,070,594</b>	<b>511,956</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related items	22,768,694	2,235,693	25,004,387	-	-
<b>Total deferred outflows of resources</b>	<b>22,768,694</b>	<b>2,235,693</b>	<b>25,004,387</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>					
Accounts payable	4,880,811	2,387,325	7,268,136	28,338	-
Accrued liabilities	4,099,560	195,364	4,294,924	-	-
Retainage payable	421,500	278,912	700,413	-	-
Customer deposits payable	-	976,635	976,635	-	-
Unearned revenue	10,705,896	1,134,747	11,840,643	52,250	-
Noncurrent liabilities due within one year	-	-	-	-	-
Compensated absences	2,767,161	431,649	3,198,810	-	-
Lease liabilities	1,538,409	-	1,538,409	32,534	-
Financed purchases	1,167,133	100,000	1,267,133	-	-
Note payable	654,092	688,458	1,342,550	-	-
Claims payable	150,000	-	150,000	-	-
Bonds payable	3,350,000	-	3,350,000	-	-
Subscriptions payable	604,582	-	604,582	-	-
Noncurrent liabilities due in more than one year	-	-	-	-	-
Compensated absences payable	1,309,731	221,188	1,530,919	-	-
Lease liabilities	1,845,835	-	1,845,835	-	-
Financed purchases	4,912,207	35,000	4,947,207	-	-
Note payable	6,077,722	11,972,720	18,050,442	-	-
Claims payable	220,498	-	220,498	-	-
Bonds payable	85,855,658	-	85,855,658	-	-
Subscriptions payable	378,560	-	378,560	-	-
Net pension liability	32,436,262	5,195,534	37,631,796	-	-
<b>Total liabilities</b>	<b>163,375,617</b>	<b>23,617,533</b>	<b>186,993,150</b>	<b>113,123</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related items	8,811,021	-	8,811,021	-	-
Deferred inflows of resources leases	5,351,213	-	5,351,213	-	-
<b>Total deferred inflows of resources</b>	<b>14,162,234</b>	<b>-</b>	<b>14,162,234</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>					
Net investment in capital assets	216,497,054	28,982,974	245,480,028	57,851	-
Restricted for:	-	-	-	-	-
Debt service	338,282	-	338,282	-	-
Environmental	108,176	-	108,176	-	-
Culture and recreation	2,102,485	-	2,102,485	899,621	-
Transportation	86,876,701	-	86,876,701	-	-
Public safety	4,325,121	-	4,325,121	-	-
Capital projects	1,937,147	-	1,937,147	-	-
Promotion of industry and tourism	133,705	-	133,705	-	-
Scholarship - nonexpendable	25,000	-	25,000	-	-
Scholarship - expendable	10,396	-	10,396	-	-
Unrestricted	38,963,853	6,342,320	45,306,173	-	511,956
<b>Total net position</b>	<b>\$ 351,317,920</b>	<b>\$ 35,325,294</b>	<b>\$ 386,643,214</b>	<b>\$ 957,472</b>	<b>\$ 511,956</b>

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

**CITY OF ROSWELL, GEORGIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

<b>Functions/Programs</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
<b>Governmental activities:</b>				
General government	\$ 18,425,922	\$ 6,066,810	\$ 42,000	\$ -
Judicial	1,371,461	1,134,907	-	-
Financial services	2,923,220	15,613	-	-
Public safety	41,618,383	2,891,971	917,722	212,059
Public works	14,044,396	541,534	1,038,961	20,948,136
Planning and zoning	3,680,539	2,105,128	-	-
Culture and recreation	18,705,184	117,154	-	167,671
Interest on long-term debt	631,218	-	-	-
<b>Total governmental activities</b>	<b>101,400,323</b>	<b>12,873,116</b>	<b>1,998,683</b>	<b>21,327,867</b>
<b>Business-type activities:</b>				
Water and sewer	5,142,869	5,279,355	-	-
Solid waste	12,913,612	12,498,425	-	-
Participant recreation	7,647,863	7,395,665	-	-
Stormwater	2,894,931	3,924,534	-	-
<b>Total business-type activities</b>	<b>28,599,275</b>	<b>29,097,979</b>	<b>-</b>	<b>-</b>
<b>Total primary government</b>	<b>129,999,598</b>	<b>41,971,096</b>	<b>1,998,683</b>	<b>21,327,867</b>
<b>Component units:</b>				
Roswell Economic Development & Tourism, Inc.	1,486,865	471,751	1,061,687	-
Downtown Development Authority	27,011	55,000	-	-
<b>Total component units</b>	<b>\$ 1,513,876</b>	<b>\$ 526,751</b>	<b>\$ 1,061,687</b>	<b>\$ -</b>

<b>General revenues:</b>	
Property taxes	
Sales and use taxes	
Hotel/motel taxes	
Excise taxes	
Business taxes	
Unrestricted investment earnings (loss)	
Gain on sale of capital assets	
Gain on disposal of leases	
Miscellaneous	
<b>Transfers</b>	
Total general revenues and transfers	
Change in net position	
Net position, beginning of year	
Net position, end of year	

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





**CITY OF ROSWELL, GEORGIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023**

ASSETS	Capital					Nonmajor	
	General	Projects	T-SPLOST	ARPA Grant	Bond Construction	Governmental Funds	Total
Cash and cash equivalents	\$ 10,970,584	\$ 7,754,048	\$ 31,614,451	\$ 10,833,807	\$ 53,161,644	\$ 11,346,688	\$ 125,681,221
Investments	22,321,030	14,227,994	52,465,375	-	34,128,383	454,875	123,597,657
Receivables (net of allowance for uncollectibles)	1,014,149	-	-	-	-	424,059	1,438,209
Taxes receivable	3,210,053	-	1,756,300	-	-	224,790	5,191,143
Intergovernmental receivables	-	-	-	-	-	17,579	17,579
Leases receivable	5,484,225	-	-	-	-	-	5,484,225
Interest receivable	98,121	64,592	284,837	-	-	76	447,627
Due from other funds	7,932	-	-	-	-	-	7,932
Inventories	52,111	-	-	-	-	-	52,111
Prepaid items	882,883	41,117	14,063	-	-	8,390	946,453
<b>Total assets</b>	<b>44,041,090</b>	<b>22,087,750</b>	<b>86,135,026</b>	<b>10,833,807</b>	<b>87,290,027</b>	<b>12,476,456</b>	<b>262,864,155</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	1,517,831	867,782	1,048,439	18,035	64,685	1,005,636	4,522,408
Accrued liabilities	2,011,651	-	-	-	-	52,162	2,063,813
Unearned revenue	-	-	-	10,705,896	-	-	10,705,896
Due to other funds	-	-	-	-	-	7,932	7,932
Retainage payable	-	4,200	392,870	-	-	24,430	421,500
<b>Total liabilities</b>	<b>3,529,482</b>	<b>871,982</b>	<b>1,441,309</b>	<b>10,723,931</b>	<b>64,685</b>	<b>1,090,160</b>	<b>17,721,550</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - taxes	722,770	-	-	-	-	23,934	746,704
Unavailable revenue - other	150,276	-	-	-	-	-	150,276
Deferred inflows of resources leases	5,351,213	-	-	-	-	-	5,351,213
<b>Total deferred inflows of resources</b>	<b>6,224,259</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,934</b>	<b>6,248,193</b>
<b>FUND BALANCES</b>							
Fund balances:							
Nonspendable:							
Prepaid items	882,883	41,117	14,063	-	-	8,390	946,453
Inventories	52,111	-	-	-	-	-	52,111
Permanent fund corpus	-	-	-	-	-	25,000	25,000
Restricted:							
Public safety	-	-	-	-	13,419,343	4,325,121	17,744,464
Culture and recreation	-	-	-	-	53,915,398	2,102,485	56,017,883
Environmental	-	-	-	-	-	108,176	108,176
Transportation	-	-	84,679,653	-	19,890,600	2,197,048	106,767,301
Debt service	-	-	-	-	-	338,282	338,282
Capital projects	-	-	-	-	-	1,937,147	1,937,147
Scholarship	-	-	-	-	-	10,396	10,396
Promotion of industry and tourism	-	-	-	-	-	133,705	133,705
Committed:							
Culture and recreation	751,174	-	-	-	-	176,612	927,786
Assigned:							
Use of reserves in subsequent budget	1,567,405	-	-	109,876	-	-	1,677,281
Capital projects	-	21,174,652	-	-	-	-	21,174,652
Court	459	-	-	-	-	-	459
Transportation	35,312	-	-	-	-	-	35,312
Financial services	17,822	-	-	-	-	-	17,822
General government	218,675	-	-	-	-	-	218,675
Planning and zoning	11,885	-	-	-	-	-	11,885
Public safety	1,066,986	-	-	-	-	-	1,066,986
Public works	192,126	-	-	-	-	-	192,126
Culture and recreation	86,977	-	-	-	-	-	86,977
Unassigned	29,403,533	-	-	-	-	-	29,403,533
<b>Total fund balances</b>	<b>34,287,348</b>	<b>21,215,769</b>	<b>84,693,716</b>	<b>109,876</b>	<b>87,225,341</b>	<b>11,362,361</b>	<b>238,894,411</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 44,041,089</b>	<b>\$ 22,087,751</b>	<b>\$ 86,135,025</b>	<b>\$ 10,833,807</b>	<b>\$ 87,290,026</b>	<b>\$ 12,476,456</b>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, including leased assets, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	236,222,122
Internal service funds are used by the City to charge cost to other funds. The assets and liabilities are included in the governmental activities.	4,529,648
Notes receivable and related accrued interest are not an available resource and, therefore, are not reported in the funds.	334,764
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.	896,980
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(111,109,491)
The deferred outflows of resources, deferred inflows of resources, and net pension liability related to the City's the pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(18,450,513)
Net position of governmental activities	<u>\$ 351,317,920</u>

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

**CITY OF ROSWELL, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General	Capital Projects	T-SPLOST	ARPA Grant	Bond Construction	Nonmajor Governmental Funds	Total
<b>Revenues:</b>							
Taxes	\$ 86,061,645	\$ -	\$ -	\$ -	\$ -	\$ 2,845,844	\$ 88,907,489
Licenses and permits	2,793,609	-	-	-	-	-	2,793,609
Intergovernmental	214,145	1,038,961	20,525,719	676,661	-	593,443	23,048,929
Fines and forfeitures	1,600,464	-	-	-	-	71,917	1,672,380
Charges for services	4,487,732	-	-	-	-	2,725,511	7,213,243
Impact fees	-	-	-	-	-	802,148	802,148
Investment earnings (loss)	918,499	207,355	975,037	95,727	209,396	269,693	2,675,706
Contributions	51,082	-	-	-	-	-	51,082
Miscellaneous	926,191	-	-	-	-	-	926,191
Total revenues	<u>97,053,367</u>	<u>1,246,315</u>	<u>21,500,756</u>	<u>772,388</u>	<u>209,396</u>	<u>7,308,555</u>	<u>128,090,777</u>
<b>Expenditures:</b>							
Current:							
General government	12,526,107	275,455	-	-	233,792	2,261	13,037,614
Judicial	1,371,461	-	-	-	-	-	1,371,461
Financial services	2,923,220	-	-	-	-	-	2,923,220
Public safety	36,453,069	105,572	-	-	156,040	2,998,719	39,713,399
Public works	9,104,370	654,374	-	-	-	1,439	9,760,183
Planning and zoning	3,395,387	-	-	-	-	285,152	3,680,539
Culture and recreation	14,273,624	328,167	-	18,025	632,176	782,812	16,034,803
Capital outlay	39,381	12,789,836	6,007,119	644,487	637,235	715,470	20,833,528
Debt service:							
Principal	1,966,297	1,557,299	-	-	-	1,632,277	5,155,873
Interest and fiscal charges	216,018	109,639	-	-	-	55,171	380,828
Total expenditures	<u>82,268,934</u>	<u>15,820,341</u>	<u>6,007,119</u>	<u>662,512</u>	<u>1,659,242</u>	<u>6,473,301</u>	<u>112,891,448</u>
Excess (deficiency) of revenues over expenditures	14,784,433	(14,574,025)	15,493,638	109,876	(1,449,846)	835,254	15,199,329
<b>Other financing sources (uses):</b>							
Proceeds from sale of capital assets	246,877	488,447	-	-	-	22,957	758,280
Issuance of long-term debt	27,991	5,213,801	-	-	86,200,000	-	91,441,792
Premium on long-term debt	-	-	-	-	2,475,187	-	2,475,187
Transfers in	1,324,876	12,151,103	-	-	-	567,728	14,043,707
Transfers out	(12,905,279)	(45,000)	-	-	-	(1,757,000)	(14,707,279)
Total other financing sources (uses)	<u>(11,305,536)</u>	<u>17,808,350</u>	<u>-</u>	<u>-</u>	<u>88,675,187</u>	<u>(1,166,315)</u>	<u>94,011,687</u>
Net change in fund balances	3,478,897	3,234,325	15,493,638	109,876	87,225,341	(331,061)	109,211,016
<b>Fund balances, beginning of year</b>	<u>30,808,451</u>	<u>17,981,444</u>	<u>69,200,078</u>	<u>-</u>	<u>-</u>	<u>11,693,423</u>	<u>129,683,396</u>
<b>Fund balances, end of year</b>	<u>\$ 34,287,348</u>	<u>\$ 21,215,768</u>	<u>\$ 84,693,716</u>	<u>\$ 109,876</u>	<u>\$ 87,225,341</u>	<u>\$ 11,362,362</u>	<u>\$ 238,894,411</u>

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

**CITY OF ROSWELL, GEORGIA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

---

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 109,211,016
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 in the current period.	7,393,825
The net effect of various miscellaneous transactions involving capital assets and lease assets (i.e., sales and lease modifications) is to increase net position.	
Disposal of capital assets, excluding lease assets	66,599
Disposal of lease assets	(66,988)
The payments received on notes receivable provide current financial resources to governmental funds, but have no effect on net position.	(165,434)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	198,355
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.	(89,676,822)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(561,121)
Internal service funds are used by management to charge the costs of insurance plans and workers' compensation insurance to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities.	508,347
Change in net position - governmental activities	\$ 26,907,775

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

**CITY OF ROSWELL, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Participant Recreation</u>	<u>Stormwater</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
<b>ASSETS</b>						
Current assets:						
Cash & cash equivalents	\$ 197,713	\$ 1,146,627	\$ 3,093,622	\$ 976,406	\$ 5,414,368	\$ 2,867,630
Investments	2,426,198	2,976,538	-	726,808	6,129,543	2,518,258
Receivables (net of allowance for uncollectibles)	963,236	1,784,160	-	390,544	3,137,940	435
Interest receivable	2,081	5,529	-	5,453	13,063	2,334
Due from other funds	-	-	-	-	-	660,688
Prepaid items	7,816	-	19,297	4,115	31,229	1,208,239
Total current assets	<u>3,597,044</u>	<u>5,912,854</u>	<u>3,112,919</u>	<u>2,103,326</u>	<u>14,726,143</u>	<u>7,257,584</u>
Noncurrent assets						
Capital assets:						
Capital assets, not being depreciated	518,889	3,376,906	53,849	630,869	4,580,513	-
Capital assets, being depreciated	38,490,366	7,267,637	1,716,632	11,540,931	59,015,566	253,717
Less accumulated depreciation	(14,990,196)	(3,261,545)	(888,417)	(2,397,857)	(21,538,014)	(253,717)
Total noncurrent assets	<u>24,019,059</u>	<u>7,382,998</u>	<u>882,065</u>	<u>9,773,943</u>	<u>42,058,064</u>	<u>-</u>
Total assets	<u>27,616,103</u>	<u>13,295,852</u>	<u>3,994,984</u>	<u>11,877,269</u>	<u>56,784,207</u>	<u>7,257,584</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension related items	245,040	1,193,790	457,031	339,832	2,235,693	21,208
Total deferred outflows of resources	<u>245,040</u>	<u>1,193,790</u>	<u>457,031</u>	<u>339,832</u>	<u>2,235,693</u>	<u>21,208</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	961,808	1,273,757	132,163	19,597	2,387,325	358,402
Retainage payable	-	278,912	-	-	278,912	-
Accrued expenses	38,564	63,251	76,786	16,763	195,364	1,712,748
Customer deposits payable	237,351	739,284	-	-	976,635	-
Due to other funds	-	-	-	-	-	660,688
Unearned revenue	-	-	1,134,747	-	1,134,747	-
Note payable, current	688,458	-	-	-	688,458	-
Financed purchases, current	100,000	-	-	-	100,000	-
Compensated absences, current	91,842	175,552	100,811	63,445	431,649	31,793
Total current liabilities	<u>2,118,023</u>	<u>2,530,756</u>	<u>1,444,507</u>	<u>99,805</u>	<u>6,193,091</u>	<u>2,763,631</u>
Long-term liabilities:						
Compensated absences, noncurrent	38,913	99,658	53,400	29,217	221,188	13,302
Note payable, noncurrent	9,676,500	2,296,220	-	-	11,972,720	-
Financed purchases, noncurrent	35,000	-	-	-	35,000	-
Net pension liability, noncurrent	569,449	2,774,252	1,062,096	789,737	5,195,534	49,284
Total long-term liabilities	<u>10,319,862</u>	<u>5,170,130</u>	<u>1,115,496</u>	<u>818,954</u>	<u>17,424,442</u>	<u>62,586</u>
Total liabilities	<u>12,437,884</u>	<u>7,700,887</u>	<u>2,560,003</u>	<u>918,759</u>	<u>23,617,533</u>	<u>2,826,218</u>
<b>NET POSITION</b>						
Net investment in capital assets	13,519,101	4,807,865	882,065	9,773,943	28,982,974	-
Unrestricted	1,904,158	1,980,890	1,009,947	1,524,399	6,419,394	4,452,575
Total net position	<u>\$ 15,423,259</u>	<u>\$ 6,788,755</u>	<u>\$ 1,892,012</u>	<u>\$ 11,298,342</u>	<u>35,402,368</u>	<u>\$ 4,452,575</u>
					(77,074)	
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					<u>35,325,294</u>	
Net position of business-type activities					<u>35,325,294</u>	

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

**CITY OF ROSWELL, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>OPERATING REVENUES</b>	<b>Water and Sewer</b>	<b>Solid Waste</b>	<b>Participant Recreation</b>	<b>Stormwater</b>	<b>Total</b>	<b>Governmental Activities Internal Service Funds</b>
Charges for services						
Water sales	\$ 4,053,529	\$ -	\$ -	\$ -	\$ 4,053,529	\$ -
Sewer sales	350,030	-	-	-	350,030	-
Sanitation sales	-	12,444,980	-	-	12,444,980	-
Stormwater sales	-	-	-	3,924,534	3,924,534	-
Other fees	648,025	53,445	7,395,665	-	8,097,135	15,166,936
Other operating income	227,771	-	-	-	227,771	509,707
Total operating revenues	<u>5,279,355</u>	<u>12,498,425</u>	<u>7,395,665</u>	<u>3,924,534</u>	<u>29,097,979</u>	<u>15,676,643</u>
<b>OPERATING EXPENSES</b>						
Personnel services and benefits	1,848,606	4,478,579	4,365,708	1,417,267	12,110,159	-
Purchased contract services	44,940	5,413,338	1,943,790	-	7,402,067	5,013,841
Supplies and maintenance	1,446,414	2,591,857	1,260,512	1,053,489	6,352,273	-
Utilities	149,013	23,539	-	-	172,552	-
Claims paid	-	-	-	-	-	9,929,550
Depreciation	1,331,281	406,299	77,853	423,906	2,239,339	-
Total operating expenses	<u>4,820,254</u>	<u>12,913,612</u>	<u>7,647,863</u>	<u>2,894,662</u>	<u>28,276,391</u>	<u>14,943,391</u>
Operating income (loss)	459,102	(415,187)	(252,198)	1,029,873	821,589	733,253
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment earnings (loss)	26,837	72,768	98,445	58,073	256,122	4,148
Interest expense and issuance costs	(149,477)	(88,304)	-	-	(237,781)	-
Gain (loss) on disposal of capital assets	(330,887)	33,044	-	1,180	(296,663)	-
Total nonoperating revenues (expenses)	<u>(453,526)</u>	<u>17,508</u>	<u>98,445</u>	<u>59,252</u>	<u>(278,322)</u>	<u>4,148</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	5,576	(397,680)	(153,754)	1,089,125	543,267	737,401
Transfers in	-	378	808,586	-	808,964	25,000
Transfers out	(36,030)	(66,443)	(6,953)	(52,693)	(162,120)	(8,271)
Total transfers	<u>(36,030)</u>	<u>(66,065)</u>	<u>801,633</u>	<u>(52,693)</u>	<u>646,844</u>	<u>16,729</u>
Change in net position	(30,455)	(463,745)	647,879	1,036,432	1,190,111	754,129
<b>NET POSITION, beginning of year</b>	<u>15,453,713</u>	<u>7,252,501</u>	<u>1,244,132</u>	<u>10,261,910</u>		<u>3,698,446</u>
<b>NET POSITION, end of year</b>	<u>\$ 15,423,259</u>	<u>\$ 6,788,755</u>	<u>\$ 1,892,011</u>	<u>\$ 11,298,342</u>		<u>\$ 4,452,575</u>
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					245,783	
Change in net position of business-type activities					<u>\$ 1,435,894</u>	

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

**CITY OF ROSWELL, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Water and Sewer	Solid Waste	Participant Recreation	Stormwater	Total	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers	\$ 5,241,345	\$ 12,345,196	\$ 7,616,830	\$ 3,861,952	\$ 29,065,323	\$ 1,582,273
Receipts from interfund charges					-	14,096,349
Payments to suppliers and service providers	(1,514,436)	(7,577,506)	(3,920,286)	(1,053,878)	(14,066,105)	(15,671,208)
Payments to employees	(1,908,218)	(4,542,621)	(4,666,078)	(1,325,567)	(12,442,484)	-
Net cash provided by operating activities	1,818,691	225,069	(969,533)	1,482,507	2,556,734	7,414
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of investments	-	628,334	-	-	628,334	250,000
Additions to investments	(1,796,925)	-	-	-	(1,796,925)	-
Interest received	26,837	72,768	98,446	51,866	249,916	49,979
Net cash provided by (used in) investing activities	(1,770,088)	701,102	98,446	51,866	(918,675)	299,979
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchase of capital assets	(529,988)	(1,708,581)	-	(1,183,318)	(3,421,888)	-
Principal payments on long-term debt	(678,892)	-	-	-	(678,892)	-
Proceeds from the sale of capital assets	-	58,045	-	1,181	59,225	-
Proceeds from issuance of long-term debt	-	677,933	-	-	677,933	-
Interest and fiscal charges paid	(182,890)	(118,833)	-	-	(301,723)	-
Net cash used in capital and related financing activities	(1,391,770)	(1,091,437)	-	(1,182,138)	(3,665,345)	-
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Receipts from advances to other funds	-	41,913	-	-	41,913	-
Transfers in	-	378	808,586	-	808,964	25,000
Transfers out	(36,030)	(66,443)	(6,953)	(52,693)	(162,120)	(8,271)
Net cash provided by (used in) noncapital financing activities	(36,030)	(24,152)	801,633	(52,693)	688,757	16,729
Increase (decrease) in cash	(1,379,197)	(189,418)	(69,455)	299,542	(1,338,528)	324,122
<b>Cash:</b>						
Beginning of year	1,576,909	1,336,043	3,163,077	676,596	6,752,625	2,543,508
End of year	197,712	1,146,625	3,093,622	976,138	5,414,097	2,867,630
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>						
Operating income (loss)	459,102	(415,187)	(252,198)	1,029,873	821,589	733,253
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	1,331,281	406,299	77,853	423,906	2,239,339	-
(Increase) decrease in accounts receivable	(38,010)	(153,229)	-	(62,583)	(253,822)	1,979
(Increase) decrease in prepaid expenses	20,396	611	5,752	299	27,058	(96,151)
(Increase) decrease in pension related deferred outflows of resources	(144,994)	(744,375)	(247,232)	(247,095)	(1,383,696)	(13,920)
Increase (decrease) in accounts payable	101,735	371,385	(57,882)	(688)	414,551	(73,579)
Increase (decrease) in accrued expenses	(44,214)	(100,457)	(190,330)	(33,232)	(368,232)	(65,784)
Increase (decrease) in customer deposits payable	3,800	10,600	(19,225)	-	(4,825)	-
Increase (decrease) in unearned revenue	-	-	208,965	-	208,965	-
Increase (decrease) in retainage payable	-	68,632	-	-	68,632	-
Increase (decrease) in unearned revenue	-	-	(632,429)	-	(632,429)	(493,544)
Increase (decrease) in pension related deferred inflows of resources	(206,763)	(928,793)	(433,586)	(191,658)	(1,760,800)	(15,061)
Increase (decrease) in compensated absences	7,928	18,000	14,102	(2,643)	37,387	(1,506)
Increase (decrease) in net pension liability	328,431	1,691,583	556,676	566,327	3,143,017	31,728
Net cash provided by operating activities	1,818,691	225,069	(969,533)	1,482,507	2,556,734	7,414
<b>NONCASH INVESTING ACTIVITIES</b>						
Decrease in fair value of investments	\$ (72,517)	\$ (75,515)	\$ -	\$ 843	\$ (147,189)	\$ -

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





**NOTES TO THE BASIC FINANCIAL  
STATEMENTS**

**CITY OF ROSWELL, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

---

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of City of Roswell, Georgia (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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. Reporting Entity**

The City of Roswell operates under a mayor/council form of government and provides the following services to its citizens: public safety, judicial, public works, planning and zoning, culture and recreation, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City and its component units. The component units discussed below are included in the City’s reporting entity because of the significance of their operational or financial relationship with the City. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the government.

**Discretely Presented Component Units**

The Roswell Economic Development & Tourism, Inc. (the “Bureau”) has been included as a discretely presented component unit in the accompanying financial statements. The Bureau was incorporated under the laws of the State of Georgia on April 23, 1993 for the purposes of promoting the preservation of the Historic District of Roswell and encouraging tourism and improving the quality of life in the Historic District. Due to the significant portion of hotel/motel tax received by the Bureau, management believes it would be misleading not to include the Bureau as a component unit. Separate financial statements are not prepared for the Roswell Economic Development & Tourism, Inc.

The Roswell Downtown Development Authority (the “DDA”) has been included as a discretely presented component unit in the accompanying financial statements. The DDA is a public body, corporate and politic, reactivated on January 9, 2012 under the “Downtown Development Authorities Laws,” O.C.G.A 36-42-4. The DDA was formed to improve the economy of Roswell by coordinating public and private programs that promote the redevelopment and growth of Roswell’s central business district. Seven positions are available on the DDA’s Board of Directors, and members are appointed by the City of Roswell’s Mayor and Council. A mix of professions and interests will be taken into consideration when appointing the DDA Board members. Because of its close relation with the City, management of the City believes it would be misleading to exclude the DDA from the financial reporting of the City. Separate financial statements for the Roswell Downtown Development Authority are not prepared. There are no differences between the fund level and government-wide reporting for the DDA; therefore, fund level statements have not been presented.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. Reporting Entity (Continued)

##### Related Organization

The Housing Authority of the City of Roswell is not considered a component unit of the City of Roswell and accordingly no financial information is presented for the Authority. The Housing Authority was created under O.C.G.A. 8-3-1 and is an instrumentality of the State of Georgia, whose purpose is to provide safe and sanitary housing to low and moderate income families. The Authority operates a housing development in the City of Roswell which is federally financed and under the control of the United States Department of Housing and Urban Development (HUD). The Board of Commissioners consists of five commissioners appointed by the Mayor for five year staggered terms and cannot be removed except for cause. The chairman, vice chairman and other officers are elected by the commissioners themselves. No commissioner may be an officer or employee of the City. This prohibition includes the Mayor and all Councilpersons.

#### 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 and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statement of net position will include non-current assets and non-current liabilities. Neither fiduciary funds nor fiduciary component units are included. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period 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 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, charges for services, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 **Capital Projects Fund** accounts for financial resources to be used for the acquisition and construction of major capital projects.

The **Transportation SPLOST (T-SPLOST) Fund** accounts for financial resources which are used exclusively for transportation projects per the terms of the T-SPLOST agreement.

The **ARPA Grant Fund** accounts for the American Rescue Plan Act grant activity of the City.

The **Bond Construction Fund** accounts for financial resources to be used for the acquisition and construction of major bond-financed capital projects.

The City reports the following major proprietary funds:

The **Water and Sewer Fund** accounts for the activities of the City's water system and the billing on behalf of Fulton County's sewer system as it applies to City residents, which renders those services to the residents and businesses located within the City.

The **Solid Waste Fund** accounts for the operations of the City's solid waste and sanitation program.

The **Participant Recreation Fund** accounts for the operations of activities held at the City's parks.

The **Stormwater Fund** accounts for the operations of the City's stormwater program.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** account for revenue sources that are restricted or committed to expenditure for specific purposes.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Capital Project Funds** account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of facilities and other capital assets.

The **Debt Service Fund** accounts for the accumulation of resources and payments made of principal and interest on the City's general obligation debt.

The **Permanent Fund** accounts for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

The **Internal Service Funds** account for operations that provide services to other departments or agencies of the government on a cost reimbursement basis. The City uses internal service funds to account for group health, risk management and workers' compensation.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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



## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. Budget

Annual appropriated budgets are adopted for all funds, except capital project funds, which have project length budgets. The governmental fund budgets are adopted on a budgetary basis, which includes encumbrances at year end as budgetary expenditures. Enterprise fund budgets are adopted on a budgetary basis, which includes encumbrances at year end as budgetary expenses and the inflows from the issuance of debt as financing sources and related outflows as capital expenses. All appropriations lapse at fiscal year end. Encumbered appropriations are carried forward to the subsequent year automatically with no formal action required by the City Council. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is employed by the City.

The following encumbrances were outstanding as of June 30, 2023:

<u>Fund</u>	<u>Amount</u>
General Fund	801,373
ARPA Fund	293,123
Water & Sewer Fund	341,626
Solid Waste Fund	1,163,252
Stormwater Fund	60,203
Participant Recreation Fund	195,839
Nonmajor Governmental Funds	738,342

#### E. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and 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 value). 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 market 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.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### E. Deposits and Investments (Continued)

Investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of investment earnings.

#### F. Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

#### G. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. The cost is recorded as an expenditure in the governmental funds when consumed. Inventories reported in the governmental funds are equally offset by fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of net current assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

#### H. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and right-to-use leased assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The City has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### H. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

Capital assets and right-to-use leased assets of the primary government are depreciated or amortized using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	40
Machinery and equipment	5 - 30
Vehicles	4 - 8
Right-to-use leased Vehicles	4 - 8
Right-to-use leased Equipment	5 - 7

#### I. Leases

##### *Lessee*

The City is a lessee for noncancelable vehicle and equipment leases. 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 \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be paid during the lease term. Subsequently, the lease liability is reduced by the principal portion of the 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 the shorter of the useful life of the asset or the lease term.

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.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Leases (Continued)

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liabilities.

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

#### *Lessor*

The City is a lessor for noncancellable property leases. The City recognizes leases receivable and deferred inflows of resources at both the fund level and government-wide level of reporting. The City recognizes lease receivables with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases receivable 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 as the discount rate. When the interest rate charged is not specified, the City generally uses its estimated incremental leasing 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 receivable are composed of fixed payments due to the City over the term of the lease and residual value guarantee payments that are fixed in substance.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable and deferred inflows of resources.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### J. Subscription-based Information Technology Arrangements

The City is a lessee for IT software subscriptions. The City recognizes a subscription liability and a subscription asset in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a subscription agreement, the City initially measures the subscription liability at the present value of payments expected to be paid during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the 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 the shorter of the useful life of the asset or the subscription term.

Key estimates and judgments related to subscriptions 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 IT provider as the discount rate. When the interest rate charged by the IT provider is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscription agreements.
- The subscription term includes the noncancellable period of the subscription term. Subscription payments included in the measurement of the subscription 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 subscription liability and will remeasure the subscription liabilities if certain changes occur that are expected to significantly affect the amount of the subscription liabilities.

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

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Deferred Outflows/Inflows of Resources

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 under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, other, and intergovernmental revenues as these amounts are deferred and will be recognized as inflow of resources in the period in which the amounts become available.

The City also reports as deferred inflows of resources items that arise from leases, where the City is a lessor. Lease-related amounts are recognized at the inception of leases in which the City is a lessor and are recorded in an amount equal to the corresponding lease receivable, plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflow of resources is recognized as revenue in a systemic and rational manner over the term of the lease.

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

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements as these amounts will be paid to employees upon termination or retirement subject to the stipulations and limits outlined in the personnel policies. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

#### M. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### N. 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 management 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 purpose for which amounts in those funds can be spent.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### N. Fund Equity (Continued)

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 they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

*Committed* – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action (i.e., ordinance) of the City Council. The same formal action is required to modify or rescind a fund balance commitment.

*Assigned* – Fund balances are reported as assigned when they include amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The City Council, through resolution, has delegated to the Director of Finance the authority to assign funds for a particular purpose.

*Unassigned* – Fund balances are reported as unassigned as the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds. In accordance with Council policy adopted by ordinance, the City intends to maintain a minimum unassigned fund balance in its general fund of 25% of the subsequent year's budgeted expenditures. This minimum fund balance is to protect against cash flow shortfalls. In accordance with this fund balance reserve policy, \$23,412,994 is included in the unassigned fund balance as of June 30, 2023.

**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, (3) Unassigned.



## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### N. 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 or 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.

#### O. Pensions

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

#### P. Management Estimates

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

## NOTES TO THE FINANCIAL STATEMENTS

### 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 reconciliation between *fund balance – total governmental funds 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 funds.” The details of this \$111,109,491 difference are as follows:

Bonds payable	\$ (86,755,000)
Unamortized premiums	(2,450,658)
Lease Liability	(3,384,244)
Subscription payable	(983,142)
Financed purchases payable	(6,079,340)
Notes payable	(6,731,814)
Claims payable	(370,498)
Accrued interest	(322,999)
Compensated absences	<u>(4,031,796)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (111,109,491)</u>

Another element of that reconciliation states that “Notes receivable is not an available resource and, therefore is not reported in the funds.” The details of this \$334,764 difference are as follows:

Notes receivable	\$ 322,535
Accrued interest receivable	12,229
Net adjustment to increase <i>fund balance- total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 334,764</u>

Another element of that reconciliation states that “deferred outflows of resources, deferred inflows of resources and the net pension liability are not expected to be liquidated with expendable available resources and therefore are not reported in the funds.” The details of this \$18,450,513 difference are as follows:

Net pension liability	\$ (32,386,978)
Pension related deferred outflows of resources	22,747,486
Pension related deferred inflows of resources	<u>(8,811,021)</u>
Net adjustment to reduce fund balance- total governmental funds to arrive at net position - governmental activities	<u>\$ (18,450,513)</u>

## NOTES TO THE FINANCIAL STATEMENTS

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes 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 \$7,393,825 difference are as follows:

Capital outlay	\$	20,225,852
Depreciation expense		(12,832,027)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at in net position - governmental activities		\$ 7,393,825

Another element of the reconciliation states that “The payments received on notes receivable provide current financial resources to governmental funds, but have no effect on net position.” The details of this \$165,434 difference are as follows:

Payments on notes receivable	\$	(150,818)
Accrued interest receivable		(14,616)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at in net position - governmental activities		\$ (165,434)

Another element of the reconciliation states that “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.” The details of this \$89,676,822 difference are as follows:

Principal payment on bonds	\$	1,630,000
Issuance of bonds		(88,674,538)
Issuance of notes payable		(2,728,622)
Issuance of financed purchases		(1,550,000)
Issuance of leases		(963,170)
Issuance of subscription payable		(1,622,291)
Issuance of notes payable		623,793
Principal payment on notes payable		1,233,076
Principal payment on financed purchases		1,735,781
Principal payment on lease liabilities		639,148
Principal payment on subscription payable		639,148
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position - governmental activities		\$ (89,676,822)

**NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL (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 states 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 governmental funds.” The details of this \$561,121 difference are as follows:

Compensated absences	\$ (109,850)
Amortization of premium on bonds	52,243
Accrued interest	(250,390)
Pension expense	<u>(253,124)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position - governmental activities	<u>\$ (561,121)</u>

**NOTE 3. LEGAL COMPLIANCE – BUDGETS**

**Budgets and Budgetary Accounting**

1. Prior to July 1, the City Administrator, with approval of the Mayor, submits the proposed budget to the City Council. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the City.
3. The budget is then legally enacted through passage of a resolution by the City Council at a public meeting.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be amended by formal action of the City Council in a regular meeting.

Budgeted amounts are as originally adopted, or as amended by the City Council. The supplementary budgetary appropriations made are reflected in the final budget amounts.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS

#### Primary Government

**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.

**Custodial credit risk.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments and the Georgia Fund 1) to be collateralized 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 June 30, 2023, the financial institutions holding all of the City's deposits are participants 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 June 30, 2023, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

At June 30, 2023, the City had the following investments that are included in the custodial credit risk discussion above related to deposits:

<u>Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity (years)</u>
Money market mutual fund	\$ 25,279	N/A	0.08
Certificates of deposit	14,869,682	N/A	1.40
Municipal Bonds	437,944	AA	3.45
US Treasury Notes/Bonds	20,415,116	AAA	2.23
Federal Farm Credit Bank	17,715,870	AA+	2.40
Federal Home Loan Bank	21,520,910	AA+	2.26
Federal Home Loan Mortgage Corp	11,434,110	AA+	2.12
FRESB Multifamily Mortgage Pass-Through Certificates	11,723,444	AA+	4.97
Georgia Fund One	91,197,634	AAAf	0.08
	<u>\$ 189,339,989</u>		

**Interest rate risk.** Interest rate risk is the risk that a government may face should changes in interest rates affect the fair value of its investments. To reduce interest rate risk, the City limits the maturity of any investment to five years. An investment held to maturity will be paid at par value. The City intends to hold all investments to maturity.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Primary Government (Continued)**

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 City has the following recurring fair value measurements as of June 30, 2023:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Fair Value</u>
Money Markey Mutual Funds	\$ 25,279	\$ -	\$ 25,279
Municipal Bonds	-	437,944	437,944
Federal Home Loan Mortgage Corp	-	11,434,110	11,434,110
Federal Farm Credit Bank	-	17,715,870	17,715,870
Federal Home Loan Bank	-	21,520,910	21,520,910
FRESB Multifamily Mortgage Pass-Through Certificates	-	11,723,444	11,723,444
US Treasury Notes/Bonds	20,415,116	-	20,415,116
Total investments measured at fair value	<u>\$ 20,440,395</u>	<u>\$ 62,832,277</u>	<u>\$ 83,272,672</u>
Investments not subject to level disclosure:			
Certificates of deposit			14,869,682
Georgia Fund 1			91,197,634
Total investments			<u>\$ 189,339,989</u>

The Money Market Mutual Fund and U.S. Treasury Bonds/Notes classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for that investment. The investment in the Municipal Bonds, Federal Home Loan Mortgage Corp, Federal Home Loan Bank, Federal Farm Credit Bank and the Federal National Mortgage Association classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 5. RECEIVABLES**

**Primary Government**

Receivables at June 30, 2023, for the City's individual major funds and nonmajor funds in the aggregate are as follows:

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>TSPLOST Fund</b>	<b>Nonmajor Governmental Funds</b>
<i>Receivables:</i>				
Taxes	\$ 3,464,673	\$ -	\$ 1,756,300	\$ 224,790
Intergovernmental	-	-	-	17,579
Leases	5,484,225	-	-	-
Accounts	1,014,149	-	-	424,059
Gross receivables	9,963,047	-	1,756,300	666,427
Less allowance for uncollectibles	(254,619)	-	-	-
Net receivable	<u>\$ 9,708,428</u>	<u>\$ -</u>	<u>\$ 1,756,300</u>	<u>\$ 666,427</u>

	<b>Water &amp; Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Stormwater Fund</b>	<b>Governmental Activities Internal Service Funds</b>
<i>Receivables:</i>				
Accounts	\$ 1,165,305	\$ 2,231,107	\$ 488,378	\$ 435
Gross receivables	1,165,305	2,231,107	488,378	435
Less allowance for uncollectibles	(202,069)	(446,947)	(97,834)	-
Net receivables	<u>\$ 963,236</u>	<u>\$ 1,784,160</u>	<u>\$ 390,544</u>	<u>\$ 435</u>

Property taxes for the 2023 fiscal year were levied in September 2022, with property values assessed as of January 1, 2022. Bills are payable on or before December 1, 2022, after which the applicable property is subject to lien and penalties and interest are assessed. Property taxes attached as an enforceable lien on property as of January 1, 2023.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6. LEASES RECEIVABLE

Lease Receivable – Governmental Activities: The City has entered into lease agreements with various third parties whereby the City leases properties for the placement of radio and telecommunication equipment. The total amount of deferred inflows of resources, including lease revenue and interest revenue, recognized during the fiscal year ended June 30, 2023 was \$314,261. At June 30, 2023, the City's receivable for lease payments was \$5,484,225. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the initial lease terms that end on various dates through the year 2049.

The future payments to be received, including principal and interest, on these leases receivable through maturity are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 254,169	\$ 32,092	\$ 286,261
2025	260,952	30,551	291,503
2026	267,936	28,966	296,902
2027	275,126	27,337	302,463
2028	282,528	25,662	308,191
2029 - 2033	1,480,079	101,941	1,582,020
2034 - 2038	1,676,521	53,531	1,730,052
2039 - 2043	610,798	14,115	624,913
2044 - 2048	344,899	4,601	349,500
2049	31,217	34	31,251
Total	<u>\$ 5,484,225</u>	<u>\$ 318,830</u>	<u>\$ 5,803,055</u>



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 7. CAPITAL ASSETS

#### Primary Government

Capital asset activity of governmental activities for the year ended June 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
<i>Capital assets, not being depreciated:</i>					
Land and improvements	\$ 54,867,860	\$ -	\$ -	\$ -	\$ 54,867,860
Construction in progress	43,697,369	17,564,519	-	(2,382,734)	58,879,154
Total capital assets, not being depreciated	<u>98,565,229</u>	<u>17,564,519</u>	<u>-</u>	<u>(2,382,734)</u>	<u>113,747,014</u>
<i>Capital assets, being depreciated:</i>					
Land improvements	43,543,887	-	(32,623)	387,110	43,898,374
Leased land improvements	58,410	-	(58,410)	-	-
Buildings and improvements	87,260,540	-	(59,714)	154,623	87,355,448
Machinery and equipment	32,468,424	-	(16,377)	328,457	32,780,504
Leased machinery and equipment	356,843	27,991	(13,769)	-	371,065
Vehicles	21,616,405	-	(1,131,932)	619,449	21,103,922
Leased vehicles	5,309,179	935,179	(508,491)	-	5,735,867
Subscription software	-	1,622,291	-	-	1,622,291
Infrastructure	158,592,576	-	-	893,096	159,485,672
Total capital assets, being depreciated	<u>349,206,264</u>	<u>2,585,461</u>	<u>(1,821,316)</u>	<u>2,382,734</u>	<u>352,353,143</u>
<i>Less accumulated depreciation for:</i>					
Land improvements	23,697,738	1,629,523	(32,624)	-	25,294,637
Leased Land improvements	49,574	8,836	(58,410)	-	-
Buildings and improvements	53,546,400	2,302,734	-	-	55,849,134
Machinery and equipment	22,206,983	2,394,000	(16,377)	-	24,584,606
Leased Machinery and equipment	105,146	139,377	(13,769)	-	230,754
Vehicles	15,165,724	296,050	(1,325,233)	-	14,136,540
Leased Vehicles	1,309,489	1,684,166	(441,502)	-	2,552,153
Subscription Software	-	432,050	-	-	432,050
Infrastructure	102,852,869	3,945,292	-	-	106,798,161
Total accumulated depreciation	<u>218,933,923</u>	<u>12,832,027</u>	<u>(1,887,915)</u>	<u>-</u>	<u>229,878,035</u>
Total capital assets, being depreciated, net	<u>130,272,341</u>	<u>(10,246,566)</u>	<u>66,599</u>	<u>2,382,734</u>	<u>122,475,108</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 228,837,570</u>	<u>\$ 7,317,953</u>	<u>\$ 66,599</u>	<u>\$ -</u>	<u>\$ 236,222,122</u>

During the fiscal year ended June 30, 2023, the City implemented Governmental Accounting Standards Statement No. 96 Subscription-based Information Technology Arrangements (SBITA's).

Internal service funds predominately serve governmental funds, and accordingly capital assets for them are included as part of the above totals for governmental activities. At year end, a net amount of \$253,717 of internal service fund capital asset cost and accumulated depreciation is included in total capital assets, net, as reported in the statement of net position for governmental activities.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 7. CAPITAL ASSETS (CONTINUED)**

**Primary Government (Continued)**

Capital asset activity of business-type activities for the year ended June 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type Activities:</b>					
Capital assets, not being depreciated					
Construction in progress	\$ 3,551,123	\$ 3,415,984	\$ -	\$ (2,386,594)	\$ 4,580,513
Total capital assets, not being depreciated	<u>3,551,123</u>	<u>3,415,984</u>	<u>-</u>	<u>(2,386,594)</u>	<u>4,580,513</u>
Capital assets, being depreciated:					
Buildings and improvements	20,458,779	309	-	-	20,459,088
Machinery and equipment	3,573,972	-	-	173,405	3,747,377
Vehicles	5,999,638	4,095	(423,828)	1,006,000	6,585,905
Infrastructure	27,249,410	1,500	(234,903)	1,207,189	28,223,196
Total capital assets, being depreciated	<u>57,281,799</u>	<u>5,904</u>	<u>(658,731)</u>	<u>2,386,594</u>	<u>59,015,566</u>
Less accumulated depreciation for:					
Buildings and improvements	5,278,157	780,660	-	-	6,058,817
Machinery and equipment	1,878,339	166,776	-	-	2,045,115
Vehicles	3,139,023	445,529	(302,843)	-	3,281,710
Infrastructure	9,305,999	846,374	-	-	10,152,373
Total accumulated depreciation	<u>19,601,518</u>	<u>2,239,339</u>	<u>(302,843)</u>	<u>-</u>	<u>21,538,015</u>
Total capital assets, being depreciated, net	<u>37,680,281</u>	<u>(2,233,435)</u>	<u>(355,889)</u>	<u>2,386,594</u>	<u>37,477,552</u>
Business-type activities capital assets, net	<u>\$ 41,231,404</u>	<u>\$ 1,182,550</u>	<u>\$ (355,889)</u>	<u>\$ -</u>	<u>\$ 42,058,065</u>

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

<b>Governmental activities:</b>	
General government	\$ 1,923,995
Public safety	3,480,105
Public works	4,528,460
Culture and recreation	2,899,467
Total depreciation expense - governmental activities	<u>\$ 12,832,027</u>
<b>Business-type activities:</b>	
Water and Sewer Fund	\$ 1,331,281
Solid Waste Fund	406,299
Participant Recreation Fund	77,853
Stormwater Fund	423,906
Total depreciation expense - business-type activities	<u>\$ 2,239,339</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 8. LEASED ASSETS

A summary of leased asset activity for the year ended June 30, 2023, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
<i>Lease assets:</i>				
Vehicles	\$ 5,309,179	\$ 935,179	\$ (508,491)	\$ 5,735,867
Equipment	356,843	27,991	(13,769)	371,065
Land improvements	58,410	-	(58,410)	-
Total	<u>5,724,432</u>	<u>963,170</u>	<u>(580,670)</u>	<u>6,106,932</u>
<i>Less accumulated amortization:</i>				
Vehicles	(1,309,489)	(1,684,166)	441,503	(2,552,152)
Equipment	(105,146)	(139,377)	13,769	(230,754)
Land improvements	(49,574)	(8,836)	58,410	-
Total	<u>(1,464,209)</u>	<u>(1,832,378)</u>	<u>513,682</u>	<u>(2,782,906)</u>
Total lease assets, net	<u>\$ 4,260,223</u>	<u>\$ (869,208)</u>	<u>\$ (66,988)</u>	<u>\$ 3,324,027</u>

### NOTE 9. SUBSCRIPTION-BASED ASSETS

A summary of subscription-based asset activity for the year ended June 30, 2023, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
<i>Subscription assets:</i>				
Software	\$ -	\$ 1,622,291	\$ -	\$ 1,622,291
Total	<u>-</u>	<u>1,622,291</u>	<u>-</u>	<u>1,622,291</u>
<i>Less accumulated amortization:</i>				
Software	-	(432,050)	-	(432,050)
Total	<u>-</u>	<u>(432,050)</u>	<u>-</u>	<u>(432,050)</u>
Total subscription assets, net	<u>\$ -</u>	<u>\$ 1,190,241</u>	<u>\$ -</u>	<u>\$ 1,190,241</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 10. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of June 30, 2023, is as follows:

Due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 7,932
Group Health	Risk Management	660,688
		<u>\$ 668,620</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2023 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Stormwater Fund	\$ 35,605
General Fund	Nonmajor Governmental Funds	1,275,000
General Fund	Water and Sewer Fund	4,130
General Fund	Solid Waste Fund	1,593
General Fund	Participant Recreation Fund	6,953
General Fund	Internal Service Funds	1,593
Solid Waste Fund	General Fund	378
Capital Projects Fund	General Fund	11,548,587
Capital Projects Fund	Stormwater Fund	17,088
Capital Projects Fund	Solid Waste Fund	64,850
Capital Projects Fund	Water and Sewer Fund	31,900
Capital Projects Fund	Nonmajor Governmental Funds	482,000
Capital Projects Fund	Internal Service Funds	6,678
Internal Service Funds	General Fund	25,000
Nonmajor Governmental Funds	General Fund	522,728
Nonmajor Governmental Funds	Capital Projects Fund	45,000
Participant Recreation Fund	General Fund	808,586
		<u>\$ 14,877,669</u>

Transfers between funds are for the use of unrestricted revenue to finance various capital improvement projects accounted for in other funds. Transfers between funds are also used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and to reimburse the General Fund for certain shared costs.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11. LONG-TERM DEBT

#### Primary Government

The following is a summary of long-term debt activity for the year ended June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions*</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable	\$ 2,185,000	\$ 86,200,000	\$ (1,630,000)	\$ 86,755,000	\$ 3,350,000
Plus: Premiums	28,363	2,474,538	(52,243)	2,450,658	-
Total bonds payable	2,213,363	88,674,538	(1,682,243)	89,205,658	3,350,000
Lease liabilities	4,156,855	963,170	(1,735,781)	3,384,244	1,538,409
Subscriptions payable	-	1,622,291	(639,148)	983,142	604,582
Financed purchases payable	5,762,416	1,550,000	(1,233,076)	6,079,340	1,167,133
Note payable	4,626,985	2,728,622	(623,793)	6,731,814	654,092
Compensated absences	3,968,549	108,343	-	4,076,892	2,767,161
Claims payable	370,498	-	-	370,498	150,000
Net pension liability	12,630,329	23,602,622	(3,796,689)	32,436,262	-
Governmental activities long-term liabilities	<u>\$ 33,728,995</u>	<u>\$ 119,249,586</u>	<u>\$ (9,710,730)</u>	<u>\$ 143,267,850</u>	<u>\$ 10,231,377</u>
<b>Business-type Activities:</b>					
Note payable	12,662,138	677,933	(678,893)	12,661,178	688,458
Financed purchases payable	135,000	-	-	135,000	100,000
Compensated absences	615,450	37,387	-	652,837	431,649
Net pension liability	2,052,517	3,752,083	(609,066)	5,195,534	-
Business-type activities long-term liabilities	<u>\$ 15,465,105</u>	<u>\$ 4,467,403</u>	<u>\$ (1,287,959)</u>	<u>\$ 18,644,549</u>	<u>\$ 1,220,107</u>

Included in the reductions to the City's lease liability for the fiscal year ended June 30, 2023, are disposals of leased assets and the associated lease liabilities totaling \$235,839.

\*The addition noted for the compensated absences reflects the net change for the period.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 11. LONG-TERM DEBT (CONTINUED)**

**Primary Government (Continued)**

For governmental and business activities, compensated absences are liquidated in the funds from which the employees' salaries are paid, which include the General Fund, Nonmajor Governmental Funds, Water & Sewer Fund, Solid Waste Fund, Participant Recreation Fund, Stormwater Fund, and Internal Service Funds, as applicable. The change in compensated absences for governmental activities and business-type activities is the net change in these liabilities. For governmental activities, claims and judgments will be liquidated in the Impact Fees Fund but are not expected to be liquidated within the next year. The net pension liability is liquidated by the General Fund, Risk Management and Fleet Services funds for governmental activities. For business-type activities, the net pension liability will be liquidated by all enterprise funds.

**Governmental Activities**

**General Obligation Bonds, Series 2014.** During fiscal year 2014, the City issued \$4,940,000 of general obligation bonds for the purpose of (i) funding infrastructure improvement projects, (ii) financing the acquisition, design and development of real and personal property for recreational fields and park facilities, (iii) financing the acquisition, design and development of a fire station, and (iv) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 2.0%-3.0% per annum and mature February 1, 2024.

The City's debt service requirements to maturity on the general obligation bonds are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 555,000	\$ 16,650	\$ 571,650

**General Obligation Bonds, 2023 A Series.** During fiscal year 2023, the City issued \$66,200,000 of general obligation bonds for the purpose of (i) funding infrastructure improvement projects, (ii) financing public safety capital projects, (iii) financing recreation, park, bicycle and pedestrian path and sidewalk capital projects, and (iv) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 4.0%-5.0% per annum and mature February 1, 2053.

The City's debt service requirements to maturity on the general obligation bonds are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,485,000	\$ 1,886,006	\$ 4,371,006
2025	2,685,000	2,789,750	5,474,750
2026	1,095,000	2,655,500	3,750,500
2027	1,150,000	2,600,750	3,750,750
2028	1,205,000	2,543,250	3,748,250
2029-2033	6,995,000	11,749,750	18,744,750
2034-2038	8,925,000	9,817,000	18,742,000
2039-2043	11,255,000	7,489,400	18,744,400
2044-2048	13,715,000	5,027,000	18,742,000
2049-2053	16,690,000	2,055,200	18,745,200
Total	<u>\$ 66,200,000</u>	<u>\$ 48,613,606</u>	<u>\$ 114,813,606</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11. LONG-TERM DEBT (CONTINUED)

#### Primary Government (Continued)

**General Obligation Bonds, 2023 B Series.** During fiscal year 2023, the City issued \$20,000,000 of general obligation bonds for the purpose of (i) financing the public parking deck for the City and (ii) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 4.5%-6.0% per annum and mature February 1, 2053.

The City's debt service requirements to maturity on the general obligation bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 310,000	\$ 680,083	\$ 990,083
2025	335,000	1,032,173	1,367,173
2026	355,000	1,012,073	1,367,073
2027	370,000	990,773	1,360,773
2028	390,000	968,573	1,358,573
2029-2033	2,265,000	4,467,563	6,732,563
2034-2038	2,880,000	3,818,773	6,698,773
2039-2043	3,540,000	3,052,938	6,592,938
2044-2048	4,310,000	2,073,225	6,383,225
2049-2053	5,245,000	847,875	6,092,875
Total	<u>\$ 20,000,000</u>	<u>\$ 18,944,047</u>	<u>\$ 38,944,047</u>

**Notes Payable from Direct Borrowings.** The City has also incurred debt to the Georgia Environmental Finance Authority to finance the costs of acquisition of a land conservation project as approved by the Georgia Land Conservation Council. Two agreements for the land conservation projects were originally executed for \$2,739,421 and \$969,193, with interest rates of 0.5%. The agreements are paid each month beginning April 1, 2018 through September 1, 2028 and June 1, 2018 through November 1, 2028.

During 2023, the City executed an agreement with the Georgia Transportation Infrastructure Bank (GTIB) by and through the State Road and Tollway Authority (SRTA) to assist with Roswell Road Resurfacing projects. The agreement for the construction of the resurfacing projects has been executed for \$5,000,000 with an interest rate of 1.22%. The agreement is paid each month beginning October 1, 2022 through September 30, 2037.

The debt service requirements to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 654,092	\$ 60,717	\$ 714,809
2025	685,296	59,924	745,220
2026	690,996	54,224	745,220
2027	696,753	48,467	745,220
2028	702,566	42,653	745,219
2029-2033	1,791,422	144,874	1,936,296
2034-2038	1,510,690	40,271	1,550,961
Total	<u>\$ 6,731,814</u>	<u>\$ 451,130</u>	<u>\$ 7,182,944</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11. LONG-TERM DEBT (CONTINUED)

#### Primary Government (Continued)

**Financed Purchases From Direct Borrowings.** The City has entered into a purchase agreement to finance the acquisition of six public safety vehicles and equipment for use in the City's IT department. The financed purchases are for periods of six to eleven years, at interest rates ranging from 1.80% to 3.41% annually. In 2021, the City entered into a purchase agreement to finance equipment used in an IT switch replacement project. The financed purchase is for four years at an interest rate of 1.76%. In 2022, the City entered into a purchase agreement to finance the acquisition of a public safety vehicle and police laptops. The financed purchases are for fifteen and four years with interest rates of 3.20% and 1.34%.

As of June 30, 2023 the future payments for the financed purchases from direct borrowings are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 1,167,133	167,964	\$ 1,335,097
2025	977,675	142,801	1,120,476
2026	722,003	121,644	843,647
2027	477,394	104,858	582,252
2028	409,271	91,842	501,113
2029-2033	962,175	335,136	1,297,311
2034-2038	863,007	178,915	1,041,922
2039-2043	500,682	58,023	558,705
Total	<u>\$ 6,079,340</u>	<u>\$ 1,201,183</u>	<u>\$ 7,280,523</u>

**Lease Liabilities.** For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

The City has entered into agreements with a third party to lease vehicles for various departmental use and terminating at various dates through June 30, 2029. As the leases do not contain a specified interest rate, the City has used the imputed rate for some vehicles with rates ranging from 9.57% to 11.60%. For other vehicles, the City used its incremental borrowing rate for similar assets of 2.0% as the discount rate for the leases. Monthly payments range from \$339 to \$917 over the various terms of the individual leases. At June 30, 2023, the outstanding balance on the City's lease liabilities for vehicles was \$3,238,229.

The City also has a noncancelable lease agreement with a third party related to copiers, terminating on June 30, 2024. Monthly payments total \$10,099 through the life of the lease. As the lease does not contain a specified interest rate, the City has used its incremental borrowing rate of 2.0% for similar assets as the discount rate for the lease. At June 30, 2023, the outstanding balance on the City's lease liability for these copiers was \$119,885.

The City also has a noncancelable lease agreement with a third party for equipment used for lawn maintenance, terminating on March 31, 2027, requiring payments of \$806 each month through the term of the lease. As the lease does not contain a specified interest rate, the City has used its incremental borrowing rate of 2.26% for similar assets as the discount rate for the lease. At June 30, 2023, the outstanding balance on the City's lease liability for this equipment was \$26,130.



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11. LONG-TERM DEBT (CONTINUED)

#### Primary Government (Continued)

Debt service to maturity on the City's outstanding leases is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,538,409	\$ 114,070	\$ 1,652,478
2025	1,055,127	72,041	1,127,168
2026	514,378	38,406	552,785
2027	233,913	13,176	247,088
2028	42,418	1,587	44,004
Total	<u>\$ 3,384,244</u>	<u>\$ 239,279</u>	<u>\$ 3,623,524</u>

**Subscriptions payable.** For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

The City entered into various subscription agreements with third parties. The monthly payments for the subscription agreements start from \$3,213 per month, and the annual payments range from \$5,923 to \$386,512 over the various terms of the subscription agreements. As the agreements do not contain a specified interest rate, the City has used its incremental borrowing rate ranging from 0.353% to 3.107% for similar assets as the discount rate for the agreements. As at June 30, 2023, the outstanding balance of the City's subscription agreements was \$983,142.

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 604,582	\$ 21,465	\$ 626,047
2025	189,277	8,414	197,691
2026	94,355	4,042	98,397
2027	94,928	1,936	96,864
Total	<u>\$ 983,142</u>	<u>\$ 35,857</u>	<u>\$ 1,018,999</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11. LONG-TERM DEBT (CONTINUED)

#### Primary Government (Continued)

##### Business-Type Activities

**Notes Payable from Direct Borrowings.** The City has also incurred debt to the Georgia Environmental Finance Authority for construction of various water and sewer system projects. The agreement for construction of water and sewer system projects was originally executed for \$14,456,590, with an interest rate of 1.40%. The agreement is paid each month beginning October 1, 2016 through March 1, 2037.

The debt service requirements to maturity are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 688,458	\$ 136,014	\$ 824,472
2025	698,158	131,003	829,161
2026	707,995	121,165	829,160
2027	717,971	111,190	829,161
2028	728,088	101,073	829,161
2028-2032	3,797,243	348,561	4,145,804
2033-2037	5,323,264	81,910	5,405,174
Total	<u>\$ 12,661,178</u>	<u>\$ 1,030,916</u>	<u>\$ 13,692,094</u>

In April 2021, the City executed an agreement with the Georgia Environmental Finance Authority for the construction of a new Solid Waste transfer station. The agreement for construction of the transfer station has been executed for \$3,000,000 with an interest rate of 0.63%. As of June 30, 2023, the City had made draws totaling \$667,933 on the note payable to GEFA. Currently there is no amortization on the debt as the project is in the construction phase, thus the entire payable is reported as due in more than one year.

**Financed Purchases from Direct Borrowings.** In 2022, the City entered into an agreement to finance the acquisition of a new I-Hydrant system for \$235,000 at an interest rate of 0.0%.

The debt service requirements to maturity are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	<u>\$ 135,000</u>	<u>\$ -</u>	<u>\$ 135,000</u>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12. PENSION PLAN

#### Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Roswell Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by state law, benefit provisions for participants in GMEBS are established and amended by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. All employees, excluding elected officials who are immediately eligible, who work forty hours per week are eligible to participate after one year. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 2% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Elected officials are entitled to \$30 for each year of service after reaching normal retirement age.

*Plan Membership.* At January 1, 2023, the date of the most recent actuarial valuation, there were 902 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	397
Terminated vested participants not yet receiving benefits	306
Active employees - vested	199
Total	902

*Contributions.* The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2023, the actuarially determined contribution rate was 36.12% of covered payroll. The City makes all contributions to the Plan. For 2023, the City's contribution to the Plan was \$5,005,623.

#### Net Pension Liability of the City

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

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

Inflation	2.25%
Salary increases	2.25%
Investment rate of return	7.38%

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12. PENSION PLAN (CONTINUED)

Mortality rates for the January 1, 2023 valuation were based on the sex-distinct Pre-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

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

Cost of living adjustments were assumed to be 0.00%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 are summarized in the table below.

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.40%
International equity	20%	6.80%
Global fixed income	5%	0.46%
Domestic fixed income	20%	0.40%
Real estate	10%	3.90%
Cash	0%	
Total	100%	

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

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12. PENSION PLAN (CONTINUED)

#### Net Pension Liability of the City (Continued)

*Discount rate.* The discount rate used to measure the total pension liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability of the City.* The changes in the components of the net pension liability of the City for the fiscal year ended June 30, 2023 were as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at 6/30/22</b>	\$ 128,525,683	\$ 113,842,837	\$ 14,682,846
<b>Changes for the year:</b>			
Service cost	800,382	-	800,382
Interest	9,247,848	-	9,247,848
Differences between expected and actual experience	(798,910)	-	(798,910)
Contributions—employer	-	4,692,207	(4,692,207)
Net investment income (loss)	-	(18,262,606)	18,262,606
Benefit payments, including refunds of employee	(7,863,044)	(7,863,044)	-
Administrative expense	-	(129,231)	129,231
<b>Net changes</b>	<b>1,386,276</b>	<b>(21,562,674)</b>	<b>22,948,950</b>
<b>Balances at 6/30/23</b>	<b>\$ 129,911,959</b>	<b>\$ 92,280,163</b>	<b>\$ 37,631,796</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12. PENSION PLAN (CONTINUED)

#### Net Pension Liability of the City (Continued)

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.38 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38 percent) or 1-percentage-point higher (8.38 percent) than the current rate:

	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
City's net pension liability	\$ 51,870,803	\$ 37,631,796	\$ 25,545,855

*Changes in the Net Pension Liability of the City.* Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2021 and the current sharing pattern of costs between employer and employee.

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

For the fiscal year ended June 30, 2023, the City recognized pension expense of \$5,947,685. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 399,455
Net difference between projected and actual earnings on pension plan investments	11,781,833	-
City contributions subsequent to the measurement date	4,411,533	-
Total	\$ 16,193,366	\$ 399,455

## NOTES TO THE FINANCIAL STATEMENTS

---

### NOTE 12. PENSION PLAN (CONTINUED)

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

City contributions subsequent to the measurement date of \$11,382,378 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2024	\$ 2,157,571
2025	1,766,756
2026	2,150,686
2027	5,307,365
Total	<u>\$ 11,382,378</u>

### NOTE 13. DEFINED CONTRIBUTION PLAN

#### Primary Government

The City of Roswell's Internal Revenue Code Section 457 Plan (the "Plan") is a deferred compensation plan and qualifies as a defined contribution pension plan. The Plan is administered by ICMA Retirement Corporation and Vantage Trust for all full time employees. The Plan is funded through employee contributions. At June 30, 2023, there were 690 plan members. Employees are not required to contribute to the Plan. Employees may contribute a portion of their gross salary up to the maximum amount allowed by the IRS. The Plan allows employees to increase, decrease, stop and restart deferrals as often as they wish without penalties or fees. Plan provisions and contribution requirements are established and may be amended by the City's Mayor and Council. For the fiscal year ended June 30, 2023, employees contributed \$2,419,090.

The City adopted a second deferred compensation plan for employees hired after March 1, 2011. The Plan is administered by ICMA Retirement Corporation and Vantage Trust for all full time employees. The Plan is funded through employer contributions. The Plan is administered in two accounts. The first account includes contributions from the City equal to 10% of each employee's compensation each pay period with an additional match up to 5% of contributions made by eligible employees (those not under the Defined Benefit Plan.) The second account holds funds for up to an additional 1% of compensation is paid to all employees as a 50% match of contributions over the first 5% for a combined maximum additional contribution from the City of 6% to eligible employees. Plan provisions and contribution requirements are established and may be amended by the City's Mayor and Council. At June 30, 2023, there were 616 participants in the first account and 483 in the second (with overlapping participation). The combined City's contributions were \$3,869,479.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 14. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents.

**Health Insurance**

The City has established a self-funded trust for the administration and funding of the City's health insurance and medical expenses. This trust is the source of funding for claims or expense reimbursement of employees for losses due to death, disability, dental or medical expenses and other expenses relating to maintenance of the fund by the appointed trustee. Claim liabilities do not include non-incremental claims adjustment expenses. Health insurance claims are reported in accrued liabilities.

The following describes the activity in the health care plan, including changes to the estimate for claims incurred but not reported, for the past two fiscal years.

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2023	\$ 1,143,311	\$ 7,445,678	\$ 7,544,312	\$ 1,044,677
2022	1,586,124	8,141,206	8,584,019	1,143,311

**Workers' Compensation**

The City is self-insured for workers' compensation claims. Individual limits for City payments are \$600,000 per claim. After these limits are met, private insurance covers the claims. The City has entered into a contract with a third party administrator to administer the claims. The City has established the Workers' Compensation Fund to record this activity. Claim liabilities do not include non-incremental claims adjustment expenses. Workers' Compensation claims are reported in accrued liabilities. The following describes the activity related to these claims based on actual claims presented after year-end and historical experience for the past two fiscal years.

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2023	\$ 535,669	\$ 996,387	\$ 882,306	\$ 649,750
2022	637,955	392,876	495,162	535,669

**General Liability**

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



## NOTES TO THE FINANCIAL STATEMENTS

---

### NOTE 14. RISK MANAGEMENT (CONTINUED)

#### General Liability (Continued)

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 fund.

The fund is to defend and protect the members of the funds against liability or loss as prescribed in the member government contract. 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.

Settled claims have not exceeded coverage in the past three years and there have been no significant reductions in coverage.

### NOTE 15. COMMITMENTS AND CONTINGENCIES

#### Litigation

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

#### Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, City management believes such disallowances, if any, will not be significant.

### NOTE 16. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by Fulton County. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and various municipalities 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 Street, NE, STE 100, Atlanta, Georgia 30303.

The cities of Alpharetta, Milton, Roswell, and Sandy Springs have created the North Fulton Regional Radio System Authority (the "Authority"), which was established by Georgia House Bill 526. The Authority provides an interoperable, high quality, and reliable and uninterrupted communication signal for public safety and public services within the area in which the Authority has operational capability. The Authority's Board membership includes the City Manager or City Administrator, or his or her designee, from each participating city. The Authority was created by the cities contributing a pre-determined capital amount necessary to fund the construction and equipping of the radio system. In accordance with GASB 14: The Financial Reporting Entity, the Authority was determined to be a joint venture; however, the City does not have an equity interest in the joint venture. Of the estimated \$16 million required to initially capitalize the Authority, the City of Roswell is responsible for approximately \$5.1 million pursuant to the intergovernmental agreement between the cities. Separate financial statements may be obtained from the City of Sandy Springs, who has been contracted by the Authority to serve as the accountants, at 1 Galambos Way, Sandy Springs, Georgia 30328.

## NOTES TO THE FINANCIAL STATEMENTS

---

### **NOTE 17. HOTEL/MOTEL TAX**

The City has levied an 8% lodging tax. The Official Code of Georgia Annotated (O.C.G.A.) §48-13- 51 requires that all lodging taxes levied of 3% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended June 30, 2023, the City collected \$1,735,127 in revenues. Of this amount, \$1,937,078 or 112% was expended or transferred out to other funds for use of the promotion of tourism, conventions or trade shows in accordance with O.C.G.A. §48-13-51.

### **NOTE 18. AUTO RENTAL EXCISE TAX**

The City has levied an excise tax on the rental of motor vehicles. The Official Code of Georgia Annotated §48-13-93 requires that all motor vehicle excise taxes be expended or obligated contractually, in accordance with the City's ordinance, for the promotion of trade, industry, commerce and tourism for capital projects related to sports, conventions, recreational facilities or public safety facilities or for maintenance of such facilities. During the year ended June 30, 2023, the City collected \$388,965 in motor vehicle excise taxes revenues. 109% of current collections were transferred out for these purposes, and the remaining fund balance was restricted for use for these purposes.

### **NOTE 19. ENHANCED 9-1-1 CHARGES**

The City collects and expends charges for enhanced 9-1-1 (e911) in accordance with the Official Code of Georgia Annotated (O.C.G.A.) §46-5-134. During the year ended June 30, 2023, the City collected \$2,660,225 for e911 charges. Of this amount, \$2,838,275 or 107% was expended with O.C.G.A. §46-5-134.



**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF ROSWELL, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**RETIREMENT PLAN**

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total pension liability</b>					
Service cost	\$ 800,382	\$ 848,366	\$ 859,638	\$ 820,275	\$ 975,524
Interest on total pension liability	9,247,848	8,767,161	8,392,323	7,740,449	7,338,986
Differences between expected and actual experience	(798,910)	4,569,866	2,806,985	3,858,142	3,006,088
Benefit payments, including refunds of member contributions	(7,863,044)	(7,376,210)	(6,554,026)	(6,166,311)	(5,458,699)
Other changes					
<b>Net change in total pension liability</b>	<u>1,386,276</u>	<u>6,809,183</u>	<u>5,504,920</u>	<u>10,742,707</u>	<u>5,861,899</u>
<b>Total pension liability - beginning</b>	<u>128,525,683</u>	<u>121,716,500</u>	<u>116,211,580</u>	<u>105,468,873</u>	<u>99,606,974</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 129,911,959</u>	<u>\$ 128,525,683</u>	<u>\$ 121,716,500</u>	<u>\$ 116,211,580</u>	<u>\$ 105,468,873</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 4,692,207	\$ 4,861,029	\$ 4,476,736	\$ 3,531,899	\$ 3,785,338
Net investment income (loss)	(18,262,606)	22,609,306	8,311,242	2,543,661	8,052,173
Benefit payments, including refunds of member contributions	(7,863,044)	(7,376,210)	(6,554,026)	(6,166,311)	(5,458,699)
Administrative expenses	(129,231)	(127,184)	(124,699)	(119,980)	(126,004)
<b>Net change in plan fiduciary net position</b>	<u>(21,562,674)</u>	<u>19,966,941</u>	<u>6,109,253</u>	<u>(210,731)</u>	<u>6,252,808</u>
<b>Plan fiduciary net position - beginning</b>	<u>113,842,837</u>	<u>93,875,896</u>	<u>87,766,643</u>	<u>87,977,374</u>	<u>81,724,566</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 92,280,163</u>	<u>\$ 113,842,837</u>	<u>\$ 93,875,896</u>	<u>\$ 87,766,643</u>	<u>\$ 87,977,374</u>
<b>City's net pension liability - ending (a) - (b)</b>	<u>\$ 37,631,796</u>	<u>\$ 14,682,846</u>	<u>\$ 27,840,604</u>	<u>\$ 28,444,937</u>	<u>\$ 17,491,499</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	71.03%	88.58%	77.13%	75.52%	83.42%
<b>Covered payroll</b>	\$ 13,704,814	\$ 15,368,919	\$ 16,375,818	\$ 17,280,787	\$ 19,211,727
<b>City's net pension liability as a percentage of covered payroll</b>	274.59%	95.54%	170.01%	164.60%	91.05%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
<b>Total pension liability</b>					
Service cost	\$ 1,062,294	\$ 1,046,059	\$ 1,197,926	\$ 1,386,893	
Interest on total pension liability	7,118,540	6,658,326	6,234,683	5,934,816	
Differences between expected and actual experience	119,069	2,593,636	1,847,491	84,829	
Changes of assumptions	1,775,845	-	-	(268,682)	
Benefit payments, including refunds of member contributions	(4,641,812)	(4,077,740)	(3,570,600)	(2,966,601)	
Other changes	-	-	10	-	
<b>Net change in total pension liability</b>	<u>5,433,936</u>	<u>6,220,281</u>	<u>5,719,928</u>	<u>4,171,255</u>	
<b>Total pension liability - beginning</b>	<u>94,173,038</u>	<u>87,952,757</u>	<u>82,232,829</u>	<u>78,061,574</u>	
<b>Total pension liability - ending (a)</b>	<u>\$ 99,606,974</u>	<u>\$ 94,173,038</u>	<u>\$ 87,952,757</u>	<u>\$ 82,232,829</u>	
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 3,525,020	\$ 3,379,204	\$ 3,546,156	\$ 3,852,643	
Net investment income	10,782,546	7,274,457	749,476	6,609,886	
Benefit payments, including refunds of member contributions	(4,641,812)	(4,077,740)	(3,570,600)	(2,966,601)	
Administrative expenses	(134,003)	(82,191)	(94,972)	(75,519)	
<b>Net change in plan fiduciary net position</b>	<u>9,531,751</u>	<u>6,493,730</u>	<u>630,060</u>	<u>7,420,409</u>	
<b>Plan fiduciary net position - beginning</b>	<u>72,192,815</u>	<u>65,699,085</u>	<u>65,069,025</u>	<u>57,648,616</u>	
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 81,724,566</u>	<u>\$ 72,192,815</u>	<u>\$ 65,699,085</u>	<u>\$ 65,069,025</u>	
<b>City's net pension liability - ending (a) - (b)</b>	<u>\$ 17,882,408</u>	<u>\$ 21,980,223</u>	<u>\$ 22,253,672</u>	<u>\$ 17,163,804</u>	
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	82.05%	76.66%	74.70%	79.13%	
<b>Covered payroll</b>	\$ 20,021,387	\$ 21,429,383	\$ 23,275,599	\$ 23,744,082	
<b>City's net pension liability as a percentage of covered payroll</b>	89.32%	102.57%	95.61%	72.29%	

Notes to the Schedule: The schedule will present 10 years of information once it is accumulated.

**CITY OF ROSWELL, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**RETIREMENT PLAN**  
**SCHEDULE OF CITY CONTRIBUTIONS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 5,293,840	\$ 5,079,867	\$ 4,788,083	\$ 3,935,658	\$ 3,834,608
Contributions in relation to the actuarially determined contribution	<u>5,293,840</u>	<u>5,079,867</u>	<u>4,788,083</u>	<u>3,935,658</u>	<u>3,834,608</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 13,704,814	\$ 15,368,919	\$ 16,120,377	\$ 16,460,965	\$ 17,554,061
Contributions as a percentage of covered payroll	38.63%	33.05%	29.70%	23.91%	21.84%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Actuarially determined contribution	\$ 3,768,914	\$ 3,441,189	\$ 3,358,543	\$ 3,608,694	
Contributions in relation to the actuarially determined contribution	<u>3,768,914</u>	<u>3,441,189</u>	<u>3,358,543</u>	<u>3,608,694</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll	\$ 19,764,282	\$ 20,107,088	\$ 21,870,148	\$ 23,744,082	
Contributions as a percentage of covered payroll	19.07%	17.11%	15.36%	15.20%	

**Notes to the schedule:**

The schedule will present 10 years of information once it is accumulated

**CITY OF ROSWELL, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 82,523,026	\$ 84,198,026	\$ 86,061,645	\$ 1,863,619
Licenses and permits	2,737,000	2,737,000	2,793,609	56,609
Intergovernmental	226,741	226,741	214,145	(12,596)
Fines and forfeitures	1,063,000	1,110,234	1,600,464	490,230
Charges for services	4,519,113	4,519,113	4,487,732	(31,381)
Investment earnings (loss)	500,000	1,000,000	918,499	(81,501)
Contributions	20,000	20,000	51,082	31,082
Miscellaneous	419,000	419,000	926,191	507,191
Total revenues	<u>92,007,880</u>	<u>94,230,114</u>	<u>97,053,367</u>	<u>2,823,253</u>
<b>Expenditures:</b>				
Current:				
Administration	12,796,891	14,278,367	12,801,985	1,476,382
Judicial	1,417,923	1,412,619	1,371,920	40,700
Financial services	3,084,353	3,084,357	2,923,220	161,137
Public safety	37,788,267	38,327,538	36,663,950	1,663,588
Public works	9,532,361	9,585,287	9,296,496	288,791
Planning and zoning	3,484,245	4,096,355	3,470,270	626,085
Recreation and parks	14,763,970	14,733,059	14,360,601	372,458
Debt service:				
Principal	1,399,048	1,467,764	1,966,297	(498,533)
Interest and fiscal charges	37,969	85,500	216,018	(130,519)
Total expenditures	<u>84,305,027</u>	<u>87,070,845</u>	<u>83,070,756</u>	<u>4,000,089</u>
Excess of revenues over expenditures	7,702,853	7,159,269	13,982,610	6,823,341
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	50,000	160,920	246,877	85,957
Issuance of long-term debt	-	-	27,991	27,991
Transfers in	1,508,551	1,526,047	1,324,876	(201,171)
Transfers out	(10,743,742)	(13,106,711)	(12,905,279)	201,432
Total other financing sources (uses)	(9,185,191)	(11,419,744)	(11,305,536)	114,208
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (1,482,338)</u>	<u>\$ (4,260,475)</u>	\$ 2,677,075	<u>\$ 6,937,549</u>
<b>Less outstanding encumbrances, June 30</b>			<u>801,823</u>	
<b>Net change in fund balances (GAAP basis)</b>			3,478,897	
<b>Fund balances, beginning</b>			<u>30,808,450</u>	
<b>Fund balances, end of year</b>			<u><u>34,287,347</u></u>	

**CITY OF ROSWELL, GEORGIA**  
**ARPA GRANT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 23,000	\$ 676,661	\$ 653,661
Investment earnings (loss)	-	-	95,727	95,727
Total revenues	<u>-</u>	<u>23,000</u>	<u>772,388</u>	<u>749,388</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Planning and zoning	-	-	-	-
Culture and recreation	8,934,100	8,942,925	955,635	7,987,290
Capital outlay	-	-	-	-
Total expenditures	<u>8,934,100</u>	<u>8,942,925</u>	<u>955,635</u>	<u>7,987,290</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (8,934,100)</u>	<u>\$ (8,919,925)</u>	(183,247)	<u>\$ 8,736,678</u>
<b>Less outstanding encumbrances, June 30</b>			<u>293,123</u>	
<b>Net change in fund balances (GAAP basis)</b>			<u>109,876</u>	
<b>Fund balances, beginning</b>				
<b>Fund balances, end of year</b>			<u>\$ 109,876</u>	

## 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** - to account for monies forfeited by criminals that are prosecuted for narcotics or vice activity.

**Emergency 911 Telephone System** - to account for the monthly 911 charge to help fund the cost of providing emergency 911 services. The E911 charges are restricted in purpose by state law.

**State Grants** - to account for grant monies received from various state agencies.

**County/Local Grants** - to account for grant monies received from various local agencies.

**NSP Grants** - to account for Neighborhood Stabilization Program grant monies received from various federal agencies.

**CDBG Grants** - to account for CDBG grant monies received from various federal agencies.

**Federal Grants** - to account for grant monies received from various federal agencies.

**Soil Erosion** - to account for fees received from developers for the promotion of soil erosion prevention.

**Hotel/Motel Tax** - to account for the collection of hotel/motel taxes within the City which are restricted for the promotion of tourism and development of trails. These funds support the Historic Roswell Convention & Visitors Bureau and Roswell's trail system.

**Leita Thompson** - to account for revenues collected in association with the Leitalift Foundation agreement for donated park land and its assets.

**Auto Rental Excise Tax Fund** – To account for the rental motor vehicle excise tax collected as allowed by Georgia law.

### Capital Projects Funds

Capital projects funds are used to account for financial resources for the acquisition, construction, and improvements of the City's capital assets other than those financed by enterprise funds.

**Impact Fees Fund** accounts for the collection of impact fees to pay for system improvements for fire, recreation and parks and transportation facilities as projected in the Roswell Comprehensive Land Use Plan.

### Debt Service Fund

The debt service fund is used to account for accumulation of resources and payments made of principal and interest on the City's general obligation debt.

**Debt Service Fund** accounts for the accumulation of resources and payments made of principal and interest on the City's general obligation debt.

### Permanent Fund

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

**Scholarship Fund** - to account for funds designated for qualified scholarship participants.



**CITY OF ROSWELL, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	Special Revenue Funds						
	Confiscated Assets	Emergency 911 Telephone System	State Grants	County/Local Grants	NSP Grants	CDBG Grants	Federal Grants
<b>ASSETS</b>							
Cash & cash equivalents	\$ 1,223,353	\$ 392,685	\$ 147,413	\$ 32,141	\$ 185,488	\$ 121,353	\$ 1,736,474
Investments	-	-	-	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	414,696	1,188	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-	17,579
Prepaid items	-	8,390	-	-	-	-	-
<b>Total assets</b>	<b>1,223,353</b>	<b>815,771</b>	<b>148,600</b>	<b>32,141</b>	<b>185,488</b>	<b>121,353</b>	<b>1,754,053</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	142,515	3,988	22,990	-	-	67,549	2,394
Retainage payable	-	-	-	-	-	8,976	-
Due to other funds	7,932	-	-	-	-	-	-
Accrued liabilities	1,036	46,818	-	-	-	658	-
<b>Total liabilities</b>	<b>151,483</b>	<b>50,806</b>	<b>22,990</b>	<b>-</b>	<b>-</b>	<b>77,182</b>	<b>2,394</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - taxes	-	-	-	-	-	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>							
Nonspendable:							
Prepaid items	-	8,390	-	-	-	-	-
Permanent fund corpus	-	-	-	-	-	-	-
Restricted:							
Public safety	1,071,870	756,575	-	-	-	-	-
Culture and recreation	-	-	-	32,141	-	-	-
Environmental	-	-	-	-	-	44,171	-
Transportation	-	-	125,610	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital projects	-	-	-	-	185,488	-	1,751,659
Scholarship	-	-	-	-	-	-	-
Promotion of industry and tourism	-	-	-	-	-	-	-
Committed:							
Culture and recreation	-	-	-	-	-	-	-
Environmental	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>1,071,870</b>	<b>764,965</b>	<b>125,610</b>	<b>32,141</b>	<b>185,488</b>	<b>44,171</b>	<b>1,751,659</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,223,353</b>	<b>\$ 815,771</b>	<b>\$ 148,600</b>	<b>\$ 32,141</b>	<b>\$ 185,488</b>	<b>\$ 121,353</b>	<b>\$ 1,754,053</b>

Special Revenue Funds				Capital Projects Fund	Debt Service	Permanent Fund	Total
Soil Erosion	Hotel/Motel Tax	Auto Rental Excise Tax	Leita Thompson	Impact Fees	Debt Service	Scholarship Fund	Nonmajor Governmental Funds
\$ 269,717	\$ 563,455	\$ 91,101	\$ 180,281	\$ 6,129,756	\$ 238,074	\$ 35,396	\$ 11,346,688
219,698	-	-	-	-	235,178	-	454,875
-	-	-	8,021	-	155	-	424,059
-	160,533	42,604	-	-	21,653	-	224,790
41	-	-	-	-	35	-	76
-	-	-	-	-	-	-	17,579
-	-	-	-	-	-	-	8,390
<u>489,456</u>	<u>723,988</u>	<u>133,705</u>	<u>188,302</u>	<u>6,129,756</u>	<u>495,095</u>	<u>35,396</u>	<u>12,476,456</u>
425,451	65,597	-	8,039	134,234	132,879	-	1,005,635
-	-	-	-	15,455	-	-	24,430
-	-	-	-	-	-	-	7,932
-	-	-	3,650	-	-	-	52,162
<u>425,451</u>	<u>65,597</u>	<u>-</u>	<u>11,689</u>	<u>149,689</u>	<u>132,879</u>	<u>-</u>	<u>1,090,160</u>
-	-	-	-	-	23,934	-	23,934
-	-	-	-	-	-	-	-
-	-	-	-	-	23,934	-	23,934
-	-	-	-	-	-	-	8,390
-	-	-	-	-	-	25,000	25,000
-	-	-	-	2,496,676	-	-	4,325,121
-	658,391	-	-	1,411,953	-	-	2,102,485
64,005	-	-	-	-	-	-	108,176
-	-	-	-	2,071,438	-	-	2,197,048
-	-	-	-	-	338,282	-	338,282
-	-	-	-	-	-	-	1,937,147
-	-	-	-	-	-	10,396	10,396
-	-	133,705	-	-	-	-	133,705
-	-	-	176,613	-	-	-	176,613
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>64,005</u>	<u>658,391</u>	<u>133,705</u>	<u>176,613</u>	<u>5,980,067</u>	<u>338,282</u>	<u>35,396</u>	<u>11,362,362</u>
<u>\$ 489,456</u>	<u>\$ 723,988</u>	<u>\$ 133,705</u>	<u>\$ 188,302</u>	<u>\$ 6,129,756</u>	<u>\$ 495,095</u>	<u>\$ 35,396</u>	<u>\$ 12,476,456</u>

**CITY OF ROSWELL, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds						
	Confiscated	Emergency 911	State Grants	County/Local	NSP Grants	CDBG Grants	
<b>Revenues:</b>							
Taxes	\$ -	\$ 1,435	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,188	15,600	10,128	532,452	34,075
Fines and forfeitures	71,917	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-
Charges for services	-	2,660,225	-	-	-	-	-
Investment earnings (loss)	28,460	27,543	-	-	4,149	-	-
<b>Total revenues</b>	<b>100,377</b>	<b>2,689,203</b>	<b>1,188</b>	<b>15,600</b>	<b>14,277</b>	<b>532,452</b>	<b>34,075</b>
<b>Expenditures:</b>							
Current:							
General government	-	-	-	-	928	-	1,333
Public safety	63,049	2,835,927	1,860	200	-	-	87,033
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	18,357	-	-	-
Planning and zoning	-	-	-	-	-	285,152	-
Capital outlay	67,943	-	75,360	-	-	203,130	-
Debt service:	-	-	-	-	-	-	-
Principal	-	2,277	-	-	-	-	-
Interest and fiscal charges	-	72	-	-	-	-	-
<b>Total expenditures</b>	<b>130,992</b>	<b>2,838,276</b>	<b>77,220</b>	<b>18,557</b>	<b>928</b>	<b>488,281</b>	<b>88,366</b>
Excess (deficiency) of revenues over expenditures	(30,615)	(149,073)	(76,033)	(2,957)	13,349	44,171	(54,290)
<b>Other financing sources (uses):</b>							
Transfers in	-	480,796	45,000	2,757	-	-	39,177
Transfers out	-	-	-	-	-	-	(100,000)
Proceeds from sale of capital assets	22,957	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>22,957</b>	<b>480,796</b>	<b>45,000</b>	<b>2,757</b>	<b>-</b>	<b>-</b>	<b>(60,823)</b>
Net change in fund balances	(7,658)	331,723	(31,033)	(200)	13,349	44,171	(115,114)
<b>Fund balances (deficit), beginning of year</b>	<b>1,079,528</b>	<b>433,242</b>	<b>156,643</b>	<b>32,341</b>	<b>172,140</b>	<b>-</b>	<b>1,866,772</b>
<b>Fund balances, end of year</b>	<b>\$ 1,071,870</b>	<b>\$ 764,965</b>	<b>\$ 125,610</b>	<b>\$ 32,141</b>	<b>\$ 185,488</b>	<b>\$ 44,171</b>	<b>\$ 1,751,659</b>

Soil Erosion	Special Revenue Funds			Capital Projects	Debt Service	Permanent Fund	Total
	Hotel/Motel Tax	Auto Rental	Leita Thompson	Fund Impact Fees	Debt Service	Scholarship	
\$ -	\$ 1,735,127	\$ 388,965	\$ -	\$ -	\$ 720,316	\$ -	\$ 2,845,844
-	-	-	-	-	-	-	593,443
-	-	-	-	-	-	-	71,917
-	-	-	-	802,148	-	-	802,148
4,274	-	-	61,012	-	-	-	2,725,511
(2,303)	20,079	-	-	153,136	38,606	23	269,694
<u>1,971</u>	<u>1,755,206</u>	<u>388,965</u>	<u>61,012</u>	<u>955,284</u>	<u>758,922</u>	<u>23</u>	<u>7,308,556</u>
-	-	-	-	-	-	-	2,261
-	-	-	-	10,650	-	-	2,998,719
-	-	-	-	1,439	-	-	1,439
-	705,078	-	59,378	-	-	-	782,813
-	-	-	-	-	-	-	285,152
-	-	-	-	369,036	-	-	715,468
-	-	-	-	-	-	-	-
-	-	-	-	-	1,630,000	-	1,632,277
-	-	-	-	-	55,100	-	55,172
-	<u>705,078</u>	<u>-</u>	<u>59,378</u>	<u>381,125</u>	<u>1,685,100</u>	<u>-</u>	<u>6,473,301</u>
1,971	1,050,128	388,965	1,634	574,159	(926,178)	23	835,255
-	-	-	-	-	-	-	567,730
-	(1,232,000)	(425,000)	-	-	-	-	(1,757,000)
-	-	-	-	-	-	-	22,957
-	<u>(1,232,000)</u>	<u>(425,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,166,313)</u>
1,971	(181,872)	(36,035)	1,634	574,159	(926,178)	23	(331,058)
62,034	840,262	169,739	174,979	5,405,907	1,264,460	35,373	11,693,420
<u>\$ 64,005</u>	<u>\$ 658,391</u>	<u>\$ 133,705</u>	<u>\$ 176,613</u>	<u>\$ 5,980,067</u>	<u>\$ 338,282</u>	<u>\$ 35,396</u>	<u>\$ 11,362,362</u>

**CITY OF ROSWELL, GEORGIA**  
**CONFISCATED ASSETS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 25,000	\$ 25,000	\$ 71,917	\$ 46,917
Investment earnings (loss)	-	-	28,460	28,460
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>100,377</u>	<u>75,377</u>
<b>Expenditures:</b>				
Current:				
Public safety	25,000	836,113	63,049	773,064
Capital outlay	-	-	67,943	(67,943)
Total expenditures	<u>25,000</u>	<u>836,113</u>	<u>130,992</u>	<u>705,121</u>
Deficiency of revenues over expenditures	-	(811,113)	(30,615)	780,498
<b>Other financing sources:</b>				
Proceeds from sale of capital assets	-	-	22,957	22,957
Total other financing sources	<u>-</u>	<u>-</u>	<u>22,957</u>	<u>22,957</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ -</u>	<u>\$ (811,113)</u>	(7,658)	<u>\$ 803,455</u>
<b>Less outstanding encumbrances, June 30</b>			-	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ (7,658)</u>	

**CITY OF ROSWELL, GEORGIA**  
**EMERGENCY 911 TELEPHONE SYSTEM**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES- BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ 1,435	\$ 1,435
Charges for services	2,512,572	2,512,572	2,660,225	147,653
Investment earnings (loss)	-	-	27,543	27,543
Total revenues	<u>2,512,572</u>	<u>2,512,572</u>	<u>2,689,203</u>	<u>176,631</u>
<b>Expenditures:</b>				
Current:				
Public safety	3,121,005	3,154,264	2,836,179	318,085
Principal	-	2,277	2,277	-
Interest and fiscal charges	-	71	71	-
Total expenditures	<u>3,121,005</u>	<u>3,156,612</u>	<u>2,838,527</u>	<u>318,085</u>
Deficiency of revenues over expenditures	(608,433)	(644,040)	(149,323)	494,717
<b>Other financing sources:</b>				
Transfers in	480,795	480,795	480,795	-
Total other financing sources	<u>480,795</u>	<u>480,795</u>	<u>480,795</u>	<u>-</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>(127,638)</u>	<u>(163,245)</u>	331,472	<u>494,717</u>
<b>Less outstanding encumbrances, June 30</b>			<u>252</u>	
<b>Net change in fund balances (GAAP basis)</b>			<u>331,724</u>	

**CITY OF ROSWELL, GEORGIA  
COUNTY/LOCAL GRANTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 15,600	\$ 15,600	\$ -
Total revenues	-	15,600	15,600	-
<b>Expenditures:</b>				
Current:				
Culture and recreation	-	-	18,356	(18,356)
Public safety	-	18,556	200	18,356
Total expenditures	-	18,556	18,556	-
Deficiency of revenues over expenditures	-	(2,956)	(2,956)	-
<b>Other financing sources:</b>				
Transfers in	-	2,756	2,757	1
Total other financing sources	-	2,756	2,757	1
<b>Net change in fund balances (budgetary basis)</b>	<b>\$ -</b>	<b>\$ (200)</b>	<b>(199)</b>	<b>\$ 1</b>
<b>Less outstanding encumbrances, June 30</b>			-	
<b>Net change in fund balances (GAAP basis)</b>			<b>\$ (199)</b>	

**CITY OF ROSWELL, GEORGIA**  
**NSP GRANTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 10,128	\$ 10,128	\$ -
Investment earnings (loss)	-	-	4,149	4,149
Total revenues	-	10,128	14,277	4,149
<b>Expenditures:</b>				
Current:				
General government	-	928	928	-
Total expenditures	-	928	928	-
Excess of revenues over expenditures	-	9,200	13,349	4,149
<b>Net change in fund balances (budgetary basis)</b>	<b>\$ -</b>	<b>\$ 9,200</b>	<b>13,349</b>	<b>\$ 4,149</b>
<b>Less outstanding encumbrances, June 30</b>			<b>-</b>	
<b>Net change in fund balances (GAAP basis)</b>			<b>\$ 13,349</b>	



**CITY OF ROSWELL, GEORGIA**  
**CDBG GRANTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 416,954	\$ 1,535,320	\$ 532,452	\$ (1,002,868)
Total revenues	<u>416,954</u>	<u>1,535,320</u>	<u>532,452</u>	<u>(1,002,868)</u>
<b>Expenditures:</b>				
Current:				
Planning and zoning	53,883	476,703	353,422	123,281
Capital outlay	-	1,087,484	203,131	884,353
Total expenditures	<u>53,883</u>	<u>1,564,187</u>	<u>556,552</u>	<u>1,007,634</u>
Deficiency of revenues over expenditures	363,071	(28,866)	(24,100)	4,766
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ 363,071</u>	<u>\$ (28,866)</u>	(24,100)	<u>\$ 4,766</u>
<b>Less outstanding encumbrances, June 30</b>			<u>68,270</u>	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ 44,170</u>	

**CITY OF ROSWELL, GEORGIA**  
**FEDERAL GRANTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 1,000,000	\$ 1,377,796	\$ 34,075	\$ (1,343,721)
Total revenues	<u>1,000,000</u>	<u>1,377,796</u>	<u>34,075</u>	<u>(1,343,721)</u>
<b>Expenditures:</b>				
Current:				
General government	1,946	935,473	2,383	933,090
Culture and recreation	-	-	-	-
Capital outlay	1,000,000	1,014,178	-	1,014,178
Total expenditures	<u>1,001,946</u>	<u>1,949,650</u>	<u>128,568</u>	<u>1,821,082</u>
Deficiency of revenues over expenditures	(1,946)	(571,854)	(94,493)	477,361
<b>Other financing sources:</b>				
Transfers in	-	39,177	39,177	-
Transfers out	-	(100,000)	(100,000)	-
Total other financing sources	<u>-</u>	<u>(60,823)</u>	<u>(60,823)</u>	<u>-</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (1,946)</u>	<u>\$ (632,678)</u>	(155,316)	<u>\$ 477,361</u>
Less outstanding encumbrances, June 30			<u>40,203</u>	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ (115,114)</u>	

**CITY OF ROSWELL, GEORGIA**  
**SOIL EROSION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 10,000	\$ 10,000	\$ 4,274	\$ (5,726)
Investment earnings (loss)	-	-	(2,304)	(2,304)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>1,970</u>	<u>(8,030)</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	1,971	<u>\$ (8,030)</u>
<b>Less outstanding encumbrances, June 30</b>			-	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ 1,971</u>	

**CITY OF ROSWELL, GEORGIA**  
**HOTEL/MOTEL TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,530,000	\$ 1,850,000	\$ 1,735,127	\$ (114,873)
Investment earnings (loss)	-	-	20,079	20,079
Total revenues	<u>1,530,000</u>	<u>1,850,000</u>	<u>1,755,206</u>	<u>(94,794)</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	618,700	815,575	705,078	110,497
Total expenditures	<u>618,700</u>	<u>815,575</u>	<u>705,078</u>	<u>110,497</u>
Deficiency of revenues over expenditures	911,300	1,034,425	1,050,128	15,703
<b>Other financing uses:</b>				
Transfers out	<u>(1,232,000)</u>	<u>(1,232,000)</u>	<u>(1,232,000)</u>	-
Total other financing uses	<u>(1,232,000)</u>	<u>(1,232,000)</u>	<u>(1,232,000)</u>	-
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (320,700)</u>	<u>\$ (197,575)</u>	(181,872)	<u>\$ 15,703</u>
<b>Less outstanding encumbrances, June 30</b>			<u>-</u>	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ (181,872)</u>	

**CITY OF ROSWELL, GEORGIA**  
**AUTO RENTAL EXCISE TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 315,000	\$ 315,000	\$ 388,965	\$ 73,965
Total revenues	<u>315,000</u>	<u>315,000</u>	<u>388,965</u>	<u>73,965</u>
<b>Other financing uses:</b>				
Transfers out	(425,000)	(425,000)	(425,000)	-
Total other financing uses	<u>(425,000)</u>	<u>(425,000)</u>	<u>(425,000)</u>	<u>-</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (110,000)</u>	<u>\$ (110,000)</u>	(36,035)	<u>\$ 73,965</u>
<b>Less outstanding encumbrances, June 30</b>			-	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ (36,035)</u>	

**CITY OF ROSWELL, GEORGIA**  
**LEITA THOMPSON**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 61,452	\$ 61,452	\$ 61,012	\$ (440)
Total revenues	<u>61,452</u>	<u>61,452</u>	<u>61,012</u>	<u>(440)</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	67,019	67,019	59,828	7,191
Total expenditures	<u>67,019</u>	<u>67,019</u>	<u>59,828</u>	<u>7,191</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (5,567)</u>	<u>\$ (5,567)</u>	1,184	<u>\$ 6,751</u>
<b>Less outstanding encumbrances, June 30</b>			<u>450</u>	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ 1,634</u>	

**CITY OF ROSWELL, GEORGIA  
DEBT SERVICE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 582,357	\$ 582,357	\$ 720,316	\$ 137,959
Investment earnings (loss)	-	-	38,606	38,606
Total revenues	<u>582,357</u>	<u>582,357</u>	<u>758,922</u>	<u>176,565</u>
<b>Expenditures:</b>				
Debt service:				
Principal	1,630,000	1,630,000	1,630,000	-
Interest and fiscal charges	55,100	55,600	55,100	500
Total expenditures	<u>1,685,100</u>	<u>1,685,600</u>	<u>1,685,100</u>	<u>500</u>
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (1,102,743)</u>	<u>\$ (1,103,243)</u>	(926,178)	<u>\$ 177,065</u>
<b>Less outstanding encumbrances, June 30</b>				
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ (926,178)</u>	

**CITY OF ROSWELL, GEORGIA  
SCHOLARSHIP FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Investment earnings (loss)	\$ -	\$ -	\$ 23	\$ 23
Total revenues	-	-	23	23
<b>Expenditures:</b>				
Current:				
Culture and recreation	50	50	-	50
Total expenditures	50	50	-	50
<b>Net change in fund balances (budgetary basis)</b>	<u>\$ (50)</u>	<u>\$ (50)</u>	23	<u>\$ 73</u>
<b>Less outstanding encumbrances, June 30</b>			_____	
<b>Net change in fund balances (GAAP basis)</b>			<u>\$ 23</u>	



**CITY OF ROSWELL, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM**  
**TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
<b>TSPLOST TIER 1</b>						
Big Creek Parkway Phase 1 and 2	(1) \$ 69,000,000	\$ 42,450,412	\$ 5,212,695	\$ 606,173 (1)	\$ 5,818,868	13.71%
Holcomb Bridge Interchange	-	16,265,000	4,754,816	-	4,754,816	29.23%
Historic Gateway	-	3,000,000	179,584	89,972	269,556	8.99%
Rucker Road Reconstruction	-	2,246,327	2,061,418	-	2,061,418	91.77%
Oxbo/SR9 Intersection	7,000,000	14,739,000	9,852,257	4,708,891	14,561,148	98.79%
Old Holcomb Bridge Road Bridge Replacement	(1) 3,086,390	3,086,390	243,621	44,072 (1)	287,693	9.32%
<b>TSPLOST TIER 2</b>						
Sidewalk Repair and Complete Streets Program	7,000,000	7,000,000	-	-	-	0.00%
Safety Improvements and Maintenance	6,956,422	6,956,422	-	-	-	0.00%
<b>TSPLOST TIER 3</b>						
Intersection and Corridor Improvements including Nesbit Ferry Road , Old Alabama Road and Myrtle Street Extension	14,011,490	14,011,490	-	-	-	0.00%
<b>TOTAL TSPLOST</b>	<u>\$ 107,054,302</u>	<u>\$ 109,755,041</u>	<u>\$ 22,304,391</u>	<u>\$ 5,449,108</u>	<u>\$ 27,753,499</u>	

(1) - Big Creek Parkway Phase 1 and 2 and Old Holcomb Bridge Road Bridge Replacement projects are being coordinated and conducted simultaneously by the City. Therefore, actual expenditures for these coordinated projects are being allocated to the individual projects based on the percentage of completion based on the current estimated costs

**CITY OF ROSWELL, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM**  
**TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX (TSPLOST2)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

PROJECT	ESTIMATED COST		PRIOR	EXPENDITURES		PROJECT COMPLETION
	ORIGINAL	CURRENT		CURRENT	TOTAL	
<b>TSPLOST TIER 1</b>						
Pedestrian and Bike Improvements	\$ 18,327,016	\$ 18,327,016	\$ -	\$ 397,986	\$ 397,986	2.17%
Operations and Safety	50,554,298	50,554,298	-	160,024	160,024	0.32%
Norcross Street Bridge Replacement	4,507,070	4,507,070	-	-	-	0.00%
<b>TSPLOST TIER 2</b>						
Intersection Improvements	3,550,891	3,550,891	-	-	-	0.00%
Bike/Ped Master Plan/Creek way Trails Implementation such as Hog Wallow Creek Trail	3,877,000	3,877,000	-	-	-	0.00%
Big Creek Greenway Boardwalk Repairs	5,523,000	5,523,000	-	-	-	0.00%
<b>TSPLOST TIER 3</b>						
Bridge Replacement	3,500,000	3,500,000	-	-	-	0.00%
Operations and Safety	5,500,000	5,500,000	-	-	-	0.00%
Bike/Ped Master Plan Implementation	3,950,891	3,950,891	-	-	-	0.00%
<b>TOTAL TSPLOST</b>	<b>\$ 99,290,166</b>	<b>\$ 99,290,166</b>	<b>\$ -</b>	<b>\$ 558,010</b>	<b>\$ 558,010</b>	

## INTERNAL SERVICE FUNDS

---

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Group Health Fund** – to account for charges to other funds and for the payment of employee’s health insurance and the payment of claims

**Risk Management Fund** – to account for charges to other funds and for the payment of general liability and property insurance and the payment of claims.

**Workers’ Compensation Fund** – to account for charges to other funds and for the payment of the workers’ compensation insurance and claims.

**Fleet Services Fund** – to account for charges to other funds and to account for the costs of operating the fleet maintenance function.

**CITY OF ROSWELL, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2023**

	Group Health Fund	Risk Management Fund	Workers' Compensation Fund	Fleet Services Fund	Total
<b>ASSETS</b>					
Current assets:					
Cash & cash equivalents	\$ 1,135,042	\$ 155,827	\$ 934,962	\$ 641,800	\$ 2,867,630
Investments	2,518,258	-	-	-	2,518,258
Receivables (net of allowance for uncollectibles)	435	-	-	-	435
Interest receivable	2,334	-	-	-	2,334
Due from other funds	660,688	-	-	-	660,688
Prepaid items	23,079	1,054,510	128,000	2,650	1,208,239
Total current assets	<u>4,339,836</u>	<u>1,210,337</u>	<u>1,062,962</u>	<u>644,450</u>	<u>7,257,584</u>
Noncurrent assets					
Capital assets:					
Capital assets, being depreciated	-	253,717	-	-	253,717
Less accumulated depreciation	-	(253,717)	-	-	(253,717)
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>4,339,836</u>	<u>1,210,337</u>	<u>1,062,962</u>	<u>644,450</u>	<u>7,257,584</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related items	21,208	-	-	-	21,208
Total deferred outflows of resources	<u>21,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,208</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	46,725	14,669	55,029	241,979	358,402
Accrued expenses	1,047,245	2,939	650,541	12,023	1,712,748
Due to other funds	-	660,688	-	-	660,688
Compensated absences, current	8,014	4,409	3,522	15,847	31,793
Total current liabilities	<u>1,101,985</u>	<u>682,705</u>	<u>709,092</u>	<u>269,849</u>	<u>2,763,631</u>
Long-term liabilities:					
Compensated absences, noncurrent	3,673	1,970	2,312	5,348	13,302
Net pension liability	49,284	-	-	-	49,284
Total long-term liabilities	<u>52,957</u>	<u>1,970</u>	<u>2,312</u>	<u>5,348</u>	<u>62,586</u>
Total liabilities	<u>1,154,941</u>	<u>684,675</u>	<u>711,404</u>	<u>275,197</u>	<u>2,826,218</u>
<b>NET POSITION</b>					
Unrestricted	3,206,102	525,662	351,558	369,253	4,452,575
Total net position	<u>\$ 3,206,102</u>	<u>\$ 525,662</u>	<u>\$ 351,558</u>	<u>\$ 369,253</u>	<u>\$ 4,452,575</u>

**CITY OF ROSWELL, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Group Health Fund	Risk Management Fund	Workers' Compensation Fund	Fleet Services Fund	Total
<b>OPERATING REVENUES</b>					
Charges for services	\$ 10,592,020	\$ 1,410,000	\$ 850,000	\$ 2,314,916	\$ 15,166,936
Miscellaneous	495,756	-	-	13,951	509,707
Total operating revenues	<u>11,087,777</u>	<u>1,410,000</u>	<u>850,000</u>	<u>2,328,867</u>	<u>15,676,643</u>
<b>OPERATING EXPENSES</b>					
General and administrative	2,326,181	260,671	254,031	2,172,958	5,013,841
Depreciation	-	-	-	-	-
Claims paid	7,462,900	1,470,263	996,387	-	9,929,550
Total operating expenses	<u>9,789,081</u>	<u>1,730,933</u>	<u>1,250,418</u>	<u>2,172,958</u>	<u>14,943,391</u>
Operating income (loss)	1,298,696	(320,933)	(400,418)	155,908	733,253
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings (loss)	(6,792)	9,767	1,173	-	4,148
Total nonoperating revenues (expenses)	<u>(6,792)</u>	<u>9,767</u>	<u>1,173</u>	<u>-</u>	<u>4,148</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	1,291,904	(311,167)	(399,245)	155,908	737,401
Transfers in	25,000	-	-	-	25,000
Transfers out	-	-	-	(8,271)	(8,271)
Total transfers	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>(8,271)</u>	<u>16,729</u>
Change in net position	1,316,904	(311,167)	(399,245)	147,637	754,129
<b>NET POSITION, beginning of year</b>	<u>1,889,198</u>	<u>836,829</u>	<u>750,803</u>	<u>221,616</u>	<u>3,698,446</u>
<b>NET POSITION, end of year</b>	<u>\$ 3,206,102</u>	<u>\$ 525,662</u>	<u>\$ 351,558</u>	<u>\$ 369,253</u>	<u>\$ 4,452,575</u>

**CITY OF ROSWELL, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Group Health Fund	Risk Management Fund	Workers' Compensation Fund	Fleet Services Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 1,580,371	\$ 1,902	\$ -	\$ -	\$ 1,582,273
Receipts from interfund charges	9,507,482	1,410,000	850,000	2,328,867	14,096,349
Payments to suppliers and service providers	(10,026,620)	(2,327,689)	(1,110,083)	(2,206,816)	(15,671,208)
Net cash provided by operating activities	1,061,233	(915,787)	(260,083)	122,050	7,414
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of investments	-	250,000	-	-	250,000
Interest received	38,314	10,493	1,173	-	49,979
Net cash provided by investing activities	38,314	260,493	1,173	-	299,979
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Receipts from (payments to) to other funds	(660,688)	660,688	-	-	-
Transfers in	25,000	-	-	-	25,000
Transfers out	-	-	-	(8,271)	(8,271)
Net cash provided by (used in) noncapital financing activities	(635,688)	660,688	-	(8,271)	16,729
Increase in cash	463,859	5,394	(258,910)	113,779	324,122
<b>Cash:</b>					
Beginning of year	671,183	150,433	1,193,871	528,021	2,543,508
End of year	\$ 1,135,042	\$ 155,827	\$ 934,961	\$ 641,800	\$ 2,867,630
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>					
Operating income	1,298,696	(320,933)	(400,418)	155,908	733,253
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
(Increase) decrease in accounts receivable	77	1,902	-	-	1,979
(Increase) decrease in prepaids	1,211	(98,064)	166	536	(96,151)
Increase (decrease) in pension related deferred outflows of resources	(13,920)	-	-	-	(13,920)
Increase (decrease) in accounts payable	(96,340)	(1,744)	29,831	(5,327)	(73,579)
Increase (decrease) in accrued liabilities	(147,877)	(4,203)	110,574	(24,278)	(65,784)
Increase (decrease) in pension related deferred inflows of resources	(15,061)	-	-	-	(15,061)
Increase (decrease) in compensated absences	2,720	798	(235)	(4,788)	(1,506)
Increase (decrease) in due to other funds	-	(493,543)	-	(1)	(493,544)
Increase (decrease) in net pension liability	31,728	-	-	-	31,728
Net cash provided by operating activities	\$ 1,061,233	\$ (915,787)	\$ (260,083)	\$ 122,050	\$ 7,414
<b>NONCASH INVESTING ACTIVITIES</b>					
Decrease in fair value of investments	\$ (47,452)	\$ (725)	\$ -	\$ -	\$ -

## **COMPONENT UNIT**

---

**CITY OF ROSWELL, GEORGIA**  
**BALANCE SHEET**  
**COMPONENT UNIT - ROSWELL ECONOMIC**  
**DEVELOPMENT & TOURISM, INC.**  
**JUNE 30, 2023**

**ASSETS**

Cash and cash equivalents	\$	953,638
Receivables		-
Inventories		6,548
Prepaid items		17,024
Other assets		3,000
Total assets		980,210

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accounts payable		28,338
Unearned revenue		52,250
Total liabilities		80,588

**FUND BALANCES**

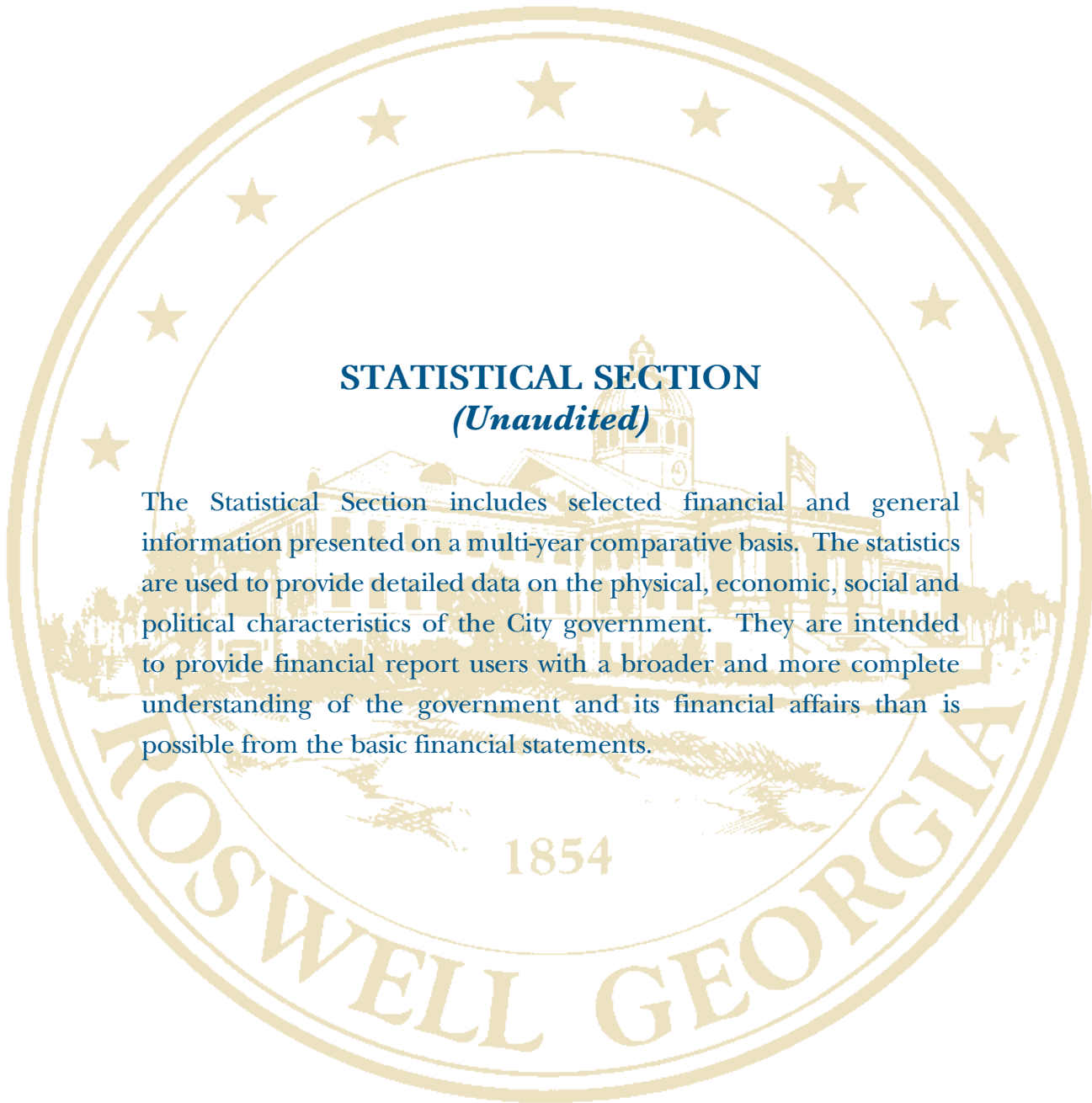
Nonspendable:		
Inventory		6,548
Prepaid items		17,024
Restricted:		
Tourism		293,198
Economic development		582,852
Total fund balances		899,622
Total liabilities and fund balances	\$	980,211



**CITY OF ROSWELL, GEORGIA  
STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGE IN FUND BALANCE  
COMPONENT UNIT - ROSWELL ECONOMIC  
DEVELOPMENT & TOURISM, INC.  
FOR THE YEAR ENDED JUNE 30, 2023**

---

<b>Revenues:</b>	
Intergovernmental	\$ 1,061,687
Charges for services	471,736
Total revenue	1,533,423
 <b>Expenditures:</b>	
Current:	
Economic development	1,464,231
Total expenditures	1,464,231
Net change in fund balances	69,192
 <b>Fund balance, beginning of year</b>	 830,430
 <b>Fund balance, end of year</b>	 \$ 899,622



**STATISTICAL SECTION**  
*(Unaudited)*

The Statistical Section includes selected financial and general information presented on a multi-year comparative basis. The statistics are used to provide detailed data on the physical, economic, social and political characteristics of the City government. They are intended to provide financial report users with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements.

# STATISTICAL SECTION

---

This part of City of Roswell'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 government's overall financial health.

	<u>Page</u>
<b>Financial Trends .....</b>	<b>91-101</b>
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
<b>Revenue Capacity .....</b>	<b>102-106</b>
These schedules contain information to help the reader assess the government's most significant local revenue source, property tax.	
<b>Debt Capacity .....</b>	<b>107-111</b>
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
<b>Demographic and Economic Information .....</b>	<b>112 and 113</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
<b>Operating Information .....</b>	<b>114-118</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

**CITY OF ROSWELL, GEORGIA**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 166,282	\$ 173,845	\$ 177,409	\$ 181,858
Restricted	27,264	20,074	14,606	14,398
Unrestricted	<u>35,192</u>	<u>22,277</u>	<u>29,760</u>	<u>28,795</u>
Total governmental activities net position	<u><u>228,738</u></u>	<u><u>216,196</u></u>	<u><u>221,775</u></u>	<u><u>225,051</u></u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	20,108	22,295	22,747	23,213
Unrestricted	<u>15,277</u>	<u>11,739</u>	<u>11,188</u>	<u>12,218</u>
Total business-type activities net position	<u><u>35,385</u></u>	<u><u>34,034</u></u>	<u><u>33,935</u></u>	<u><u>35,431</u></u>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	186,390	196,140	200,156	205,070
Restricted	27,264	20,074	14,606	14,398
Unrestricted	<u>50,469</u>	<u>34,016</u>	<u>40,948</u>	<u>41,013</u>
Total primary government net position	<u><u>\$ 264,123</u></u>	<u><u>\$ 250,230</u></u>	<u><u>\$ 255,710</u></u>	<u><u>\$ 260,481</u></u>

---

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 191,695	\$ 194,739	\$ 197,434	\$ 200,701	\$ 211,709	\$ 216,497
22,034	39,627	53,843	66,772	81,081	95,857
28,911	35,626	29,085	30,839	31,620	38,964
<u>242,640</u>	<u>269,992</u>	<u>280,362</u>	<u>298,312</u>	<u>324,410</u>	<u>351,318</u>
23,712	24,991	25,916	26,436	28,224	28,983
11,079	7,686	6,493	6,323	5,666	6,342
<u>34,791</u>	<u>32,677</u>	<u>32,409</u>	<u>32,759</u>	<u>33,890</u>	<u>35,325</u>
215,407	219,730	223,350	227,137	239,933	245,480
22,034	39,627	53,843	66,772	81,081	95,857
39,990	43,312	35,577	37,162	37,286	45,306
<u>\$ 277,431</u>	<u>\$ 302,669</u>	<u>\$ 312,770</u>	<u>\$ 331,071</u>	<u>\$ 358,300</u>	<u>\$ 386,643</u>

**CITY OF ROSWELL, GEORGIA**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>EXPENSES</b>				
Governmental activities:				
General government	\$ 9,448	\$ 9,033	\$ 10,991	\$ 12,568
Judicial	1,265	1,155	978	1,160
Financial services	1,994	3,079	2,227	2,822
Public safety	25,881	26,043	27,540	31,044
Public works	11,433	16,115	16,307	12,562
Planning and zoning	3,260	3,625	3,467	3,356
Culture and recreation	12,767	13,732	13,104	14,354
Interest and paying agent fees	525	363	188	238
Total governmental activities expenses	<u>66,573</u>	<u>73,145</u>	<u>74,802</u>	<u>78,104</u>
Business-type activities:				
Water and sewer	3,091	3,122	3,705	3,896
Solid waste	9,064	8,868	9,838	9,768
Participant recreation	4,788	5,277	5,331	5,248
Stormwater	1,628	1,631	2,050	2,277
Total business-type activities expenses	<u>18,571</u>	<u>18,898</u>	<u>20,924</u>	<u>21,189</u>
Total primary government expenses	<u>\$ 85,144</u>	<u>\$ 92,043</u>	<u>\$ 95,726</u>	<u>\$ 99,293</u>
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Charges for services:				
General government	\$ 3,066	\$ 2,968	\$ 3,581	\$ 3,458
Judicial	1,702	1,921	1,519	1,545
Financial services	-	-	-	-
Public safety	2,032	2,305	2,145	2,762
Public works	697	488	952	1,355
Planning and zoning	1,454	1,721	2,050	1,757
Culture and recreation	103	96	85	85
Total charges for services	<u>9,054</u>	<u>9,499</u>	<u>10,332</u>	<u>10,962</u>
Operating grants and contributions (1)	811	1,266	1,385	1,246
Capital grants and contributions (1)	1,710	1,248	1,340	3,905
Total governmental activities program revenues	<u>11,575</u>	<u>12,013</u>	<u>13,057</u>	<u>16,113</u>
Business-type activities:				
Charges for services:				
Water and sewer	3,250	3,671	3,717	4,740
Solid waste	8,636	8,673	8,149	9,363
Participant recreation	4,576	4,812	5,231	5,254
Stormwater	3,046	3,064	3,057	3,174
Operating grants and contributions (1)	-	-	-	-
Capital grants and contributions (1)	-	-	-	-
Total business-type activities program revenues	<u>19,508</u>	<u>20,220</u>	<u>20,154</u>	<u>22,531</u>
Total primary government program revenues	<u>\$ 31,083</u>	<u>\$ 32,233</u>	<u>\$ 33,211</u>	<u>\$ 38,644</u>

	2018	2019	2020	2021	2022	2023
\$	12,792	\$ 13,423	\$ 14,791	\$ 15,373	\$ 13,576	\$ 18,426
	1,140	1,116	1,248	1,306	1,269	1,371
	3,160	2,387	2,832	3,471	2,902	2,923
	31,406	32,629	37,077	37,976	37,569	41,618
	13,943	13,870	16,736	16,629	14,026	14,044
	3,299	3,318	2,876	3,271	3,273	3,681
	14,836	15,367	18,321	16,614	16,902	18,705
	301	336	364	356	295	631
	<u>80,877</u>	<u>82,446</u>	<u>94,245</u>	<u>94,996</u>	<u>89,812</u>	<u>101,400</u>
	4,136	4,535	4,277	4,676	4,950	5,143
	10,393	11,618	11,422	11,563	11,643	12,914
	5,469	6,153	5,326	5,581	6,660	7,648
	2,247	2,471	2,478	2,371	2,565	2,895
	<u>22,245</u>	<u>24,777</u>	<u>23,503</u>	<u>24,191</u>	<u>25,818</u>	<u>28,599</u>
\$	<u>103,122</u>	<u>\$ 107,223</u>	<u>\$ 117,748</u>	<u>\$ 119,187</u>	<u>\$ 115,630</u>	<u>\$ 130,000</u>
\$	3,425	\$ 3,798	\$ 3,842	\$ 4,589	\$ 4,444	\$ 6,067
	1,600	1,447	860	1,090	1,574	1,135
	-	-	-	-	-	16
	2,391	2,634	2,912	2,538	2,491	2,892
	520	777	1,347	1,160	924	542
	1,416	1,872	2,081	2,538	2,276	2,105
	96	92	115	74	61	117
	<u>9,448</u>	<u>10,620</u>	<u>11,157</u>	<u>11,989</u>	<u>11,770</u>	<u>12,873</u>
	2,180	2,077	2,077	6,115	2,498	1,999
	18,313	21,408	21,408	18,483	19,680	21,328
	<u>29,941</u>	<u>34,105</u>	<u>34,642</u>	<u>36,587</u>	<u>33,948</u>	<u>36,200</u>
	3,976	4,073	4,332	4,356	4,791	5,279
	9,134	9,992	11,034	11,363	11,985	12,498
	5,314	5,355	4,480	4,431	6,291	7,396
	3,111	3,095	3,196	3,279	3,384	3,925
	-	-	-	7	-	-
	-	-	-	86	-	-
	<u>21,535</u>	<u>22,515</u>	<u>23,042</u>	<u>23,522</u>	<u>26,451</u>	<u>29,098</u>
\$	<u>51,476</u>	<u>\$ 56,620</u>	<u>\$ 57,684</u>	<u>\$ 60,109</u>	<u>\$ 60,399</u>	<u>\$ 65,298</u>

**CITY OF ROSWELL, GEORGIA**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2014	2015	2016	2017
Net (expense)/revenue				
Governmental activities	\$ (54,998)	\$ (61,132)	\$ (61,745)	\$ (61,990)
Business-type activities	937	1,322	(770)	1,342
Total primary government net expense	<u>(54,061)</u>	<u>(59,810)</u>	<u>(62,515)</u>	<u>(60,648)</u>
<b>GENERAL REVENUES AND OTHER</b>				
<b>CHANGES IN NET POSITION</b>				
Governmental activities:				
Taxes				
Property taxes	31,239	31,578	32,774	33,165
Sales taxes	22,835	23,965	24,304	24,368
Hotel/Motel taxes	875	993	1,068	1,134
Excise taxes (2)	-	-	-	-
Business taxes	5,578	5,603	6,217	6,666
Total taxes	<u>60,527</u>	<u>62,139</u>	<u>64,363</u>	<u>65,332</u>
Investment earnings	587	651	973	51
Gain on sale of capital assets	-	60	2,155	-
Gain on disposal of leases	-	-	-	-
Miscellaneous	119	467	264	76
Transfers	(362)	(48)	(431)	(194)
Total governmental activities	<u>60,871</u>	<u>63,269</u>	<u>67,324</u>	<u>65,265</u>
Business-type activities:				
Investment earnings	160	62	150	(40)
Gain on sale of capital assets	28	-	90	-
Miscellaneous	-	-	-	-
Transfers	362	48	431	194
Total business-type activities	<u>550</u>	<u>110</u>	<u>671</u>	<u>154</u>
Total primary government	<u>61,421</u>	<u>63,379</u>	<u>67,995</u>	<u>65,419</u>
<b>CHANGE IN NET POSITION</b>				
Governmental activities	5,873	2,137	5,579	3,275
Business-type activities	1,487	1,432	(99)	1,496
Total primary government	<u>\$ 7,360</u>	<u>\$ 3,569</u>	<u>\$ 5,480</u>	<u>\$ 4,771</u>

(1) Operating grants and contributions and capital grants and contributions vary widely depending on the grants available from federal, state and local sources. Variances from 2013 to 2020 reflect the changes in grants awarded to the City.

(2) The City began collecting motor rental vehicle excise taxes in 2019.



2018	2019	2020	2021	2022	2023
\$ (50,936)	\$ (48,340)	\$ (64,359)	\$ (58,408)	\$ (55,865)	\$ (65,201)
(709)	(2,263)	(462)	(669)	634	499
<u>(51,645)</u>	<u>(50,603)</u>	<u>(64,821)</u>	<u>(59,077)</u>	<u>(55,231)</u>	<u>(64,702)</u>
33,370	35,746	36,401	37,796	38,541	38,211
25,827	27,357	26,029	27,688	33,269	33,941
1,045	1,097	1,007	962	1,575	1,735
-	296	263	318	346	390
<u>7,738</u>	<u>8,174</u>	<u>8,612</u>	<u>9,110</u>	<u>10,170</u>	<u>14,828</u>
67,979	72,670	72,312	75,874	83,901	89,106
16	2,280	2,125	245	(2,341)	2,692
463	235	-	-	492	825
-	-	-	-	70	-
124	389	203	1,171	474	133
<u>(56)</u>	<u>118</u>	<u>89</u>	<u>(933)</u>	<u>(632)</u>	<u>(647)</u>
<u>68,526</u>	<u>75,693</u>	<u>74,727</u>	<u>76,358</u>	<u>81,964</u>	<u>92,108</u>
(11)	256	251	17	(252)	256
-	12	32	70	117	34
25	-	-	-	-	-
<u>56</u>	<u>(118)</u>	<u>(89)</u>	<u>933</u>	<u>632</u>	<u>-</u>
<u>70</u>	<u>149</u>	<u>194</u>	<u>1,020</u>	<u>497</u>	<u>290</u>
<u>68,596</u>	<u>75,842</u>	<u>74,921</u>	<u>77,377</u>	<u>82,460</u>	<u>92,399</u>
17,589	27,353	10,369	17,950	26,099	26,908
(640)	(2,114)	(268)	351	1,131	1,436
<u>\$ 16,950</u>	<u>\$ 25,239</u>	<u>\$ 10,101</u>	<u>\$ 18,300</u>	<u>\$ 27,229</u>	<u>\$ 28,344</u>

**CITY OF ROSWELL, GEORGIA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund				
Nonspendable	\$ 812	\$ 377	\$ 352	\$ 372
Restricted	52	20	1	1
Committed	16,596	15,436	16,426	17,200
Assigned	2,507	3,271	3,475	1,522
Unassigned	3,034	5,445	5,407	3,976
Total general fund	<u>23,001</u>	<u>24,549</u>	<u>25,661</u>	<u>23,071</u>
All other governmental funds				
Nonspendable	343	114	51	40
Restricted	27,029	19,839	14,526	14,329
Committed	434	422	482	382
Assigned	17,748	16,405	17,446	17,395
Unassigned	(874)	(553)	(1,409)	(521)
Total all other governmental funds	<u>44,680</u>	<u>36,227</u>	<u>31,096</u>	<u>31,625</u>
Total all funds	<u>\$ 67,681</u>	<u>\$ 60,776</u>	<u>\$ 56,757</u>	<u>\$ 54,696</u>

2018	2019	2020	2021	2022	2023
\$ 449	\$ 468	\$ 498	\$ 782	\$ 517	\$ 935
-	-	-	-	-	-
18,087	860	823	603	639	-
1,413	6,504	3,112	2,873	3,342	3,198
5,181	24,239	25,179	28,097	26,310	30,155
25,130	32,071	29,612	32,355	30,808	34,287
54	98	73	56	59	89
21,958	38,249	53,341	66,258	80,652	183,057
348	157	181	210	199	177
16,354	15,168	15,340	17,676	17,970	21,285
(559)	-	(78)	(9)	(5)	-
38,155	53,672	68,857	84,191	98,875	204,607
\$ 63,285	\$ 85,743	\$ 98,469	\$ 116,546	\$ 129,683	\$ 238,894

**CITY OF ROSWELL, GEORGIA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2014	2015	2016	2017
<b>REVENUES</b>				
Taxes	\$ 60,544	\$ 61,970	\$ 64,700	\$ 65,319
Licenses and permits	2,201	2,465	2,784	2,484
Intergovernmental	2,293	2,707	1,875	5,981
Fines and forfeitures	1,840	2,227	1,814	2,251
Charges for services	4,357	4,141	4,864	4,825
Impact fees	669	455	911	1,388
Investment earnings (1)	587	651	926	54
Contributions	59	26	95	33
Miscellaneous	223	513	349	276
<b>Total revenues</b>	<b>72,773</b>	<b>75,155</b>	<b>78,319</b>	<b>82,612</b>
<b>EXPENDITURES</b>				
General government	8,609	9,030	9,793	10,514
Judicial	1,167	976	1,021	1,123
Financial services	2,156	2,187	2,278	2,543
Public safety	24,224	24,192	25,646	27,843
Public works	8,235	8,514	9,178	8,436
Planning and zoning	3,129	3,088	3,460	3,194
Culture and recreation	10,514	10,899	11,236	11,797
Capital outlay	14,609	17,640	23,031	17,533
Principal on long-term debt	1,139	5,528	1,596	2,006
Interest and paying agent fees	422	409	285	327
<b>Total expenditures</b>	<b>74,204</b>	<b>82,463</b>	<b>87,524</b>	<b>85,316</b>
Excess (deficiency) of revenues over expenditures	(1,431)	(7,308)	(9,205)	(2,704)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Assets	94	110	1,465	223
Transfers in	9,044	9,242	12,459	12,934
Transfers out	(8,998)	(8,950)	(12,731)	(13,297)
Proceeds from bond issuance	4,940	-	-	-
Premium on bonds issued	351	-	-	-
Financed purchases (2)	1,640	-	544	785
Leases issued (3)	-	-	-	-
SBITA contracts issued (4)	-	-	-	-
Notes issued	-	-	-	-
Installment sales agreement	-	-	3,449	-
<b>Total other financing sources (uses)</b>	<b>7,071</b>	<b>402</b>	<b>5,186</b>	<b>644</b>
<b>Net change in fund balances</b>	<b>\$ 5,640</b>	<b>\$ (6,906)</b>	<b>\$ (4,019)</b>	<b>\$ (2,060)</b>
Debt service as a percentage of noncapital expenditures	2.6%	8.7%	2.8%	3.4%

(1) The differences in interest earnings are due to changes in market conditions.

(2) The City implemented GASB Statement No. 88 in 2019.

(3) The City implemented GASB Statement No.87 in 2022.

(4) The City implemented GASB Statement No.96 in 2023.

	2018	2019	2020	2021	2022	2023
\$	67,951	\$ 72,719	\$ 71,779	\$ 76,159	\$ 83,977	\$ 88,907
	2,146	2,609	2,840	3,385	3,072	2,794
	20,386	22,226	19,500	24,165	22,856	23,049
	2,020	1,712	1,453	1,237	1,629	1,672
	4,716	5,477	5,537	6,251	6,197	7,213
	494	1,381	1,307	1,124	897	802
	20	2,285	2,130	250	(2,336)	2,676
	87	504	229	44	360	51
	340	608	373	1,309	619	926
	<u>98,161</u>	<u>109,520</u>	<u>105,147</u>	<u>113,925</u>	<u>117,271</u>	<u>128,091</u>
	11,118	11,849	11,770	12,471	12,261	13,038
	1,132	1,125	1,185	1,248	1,306	1,371
	2,485	2,643	2,768	3,003	3,290	2,923
	28,506	29,538	32,372	33,546	35,440	39,713
	9,398	8,395	8,151	8,268	9,107	9,760
	3,048	3,332	2,624	3,093	3,452	3,681
	12,271	13,079	13,394	12,939	14,895	16,035
	27,917	17,438	19,089	19,257	22,401	20,834
	2,308	2,870	3,595	3,850	8,183	5,156
	366	398	455	398	350	381
	<u>98,550</u>	<u>90,668</u>	<u>95,404</u>	<u>98,072</u>	<u>110,684</u>	<u>112,891</u>
	(390)	18,852	9,743	15,853	6,587	15,199
	1,075	284	1,030	346	544	758
	11,584	7,635	12,469	14,159	11,917	14,044
	(11,568)	(7,494)	(12,405)	(15,106)	(12,558)	(14,707)
	-	-	-	-	-	86,200
	-	-	-	-	-	2,474
	4,179	2,782	1,890	2,824	2,217	1,550
	-	-	-	-	2,159	963
	-	-	-	-	-	1,622
	-	-	-	-	2,272	2,729
	3,709	-	-	-	-	-
	<u>8,978</u>	<u>3,605</u>	<u>2,984</u>	<u>2,223</u>	<u>6,550</u>	<u>95,633</u>
\$	<u>8,588</u>	<u>22,457</u>	<u>12,727</u>	<u>18,076</u>	<u>13,137</u>	<u>110,832</u>
	3.8%	4.4%	5.0%	5.2%	9.8%	6.0%

**CITY OF ROSWELL, GEORGIA**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

Fiscal Year	Property Taxes	Sales Taxes	Business Tax	Total
2014	\$ 31,257	\$ 23,709	\$ 5,578	\$ 60,544
2015	31,409	24,958	5,603	61,970
2016	33,111	25,373	6,217	64,701
2017	33,151	25,502	6,666	65,319
2018	33,341	26,872	7,738	67,951
2019	35,795	28,750	8,174	72,719
2020	35,869	27,298	8,612	71,779
2021	38,081	28,968	9,110	76,159
2022	38,617	35,189	10,170	83,976
2023	38,013	33,941	14,828	86,782

**CITY OF ROSWELL, GEORGIA**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Privately Owned Public Utilities</b>	<b>Personal and Business (2)</b>	<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value (1)</b>
2014	\$ 4,151,916	\$ 36,208	\$ 530,367	\$ 298,980	\$ 4,419,511	5.455	\$ 11,048,778	40.00%
2015	4,228,118	36,838	472,718	307,403	4,430,271	5.455	11,075,678	40.00%
2016	4,595,712	42,318	381,639	308,863	4,710,806	5.455	11,777,015	40.00%
2017	4,696,074	41,425	321,261	313,711	4,745,049	5.455	11,862,623	40.00%
2018	4,855,631	42,540	272,923	364,090	4,807,004	5.455	12,017,510	40.00%
2019	5,770,414	40,013	244,398	386,443	5,668,382	4.955	14,170,955	40.00%
2020	6,219,291	47,082	252,542	400,608	6,118,307	4.955	15,295,768	40.00%
2021	6,276,398	48,898	242,183	361,669	6,205,810	4.955	15,514,525	40.00%
2022	6,671,389	51,885	244,262	401,461	6,566,075	4.718	16,415,188	40.00%
2023	7,476,734	54,857	237,875	413,169	7,356,297	4.463	18,390,743	40.00%

Source: Georgia Department of Revenue and Fulton County Tax Assessor's Department

(1) Assessed values are established by the County Assessment Board on January 1, of each year at 40% of actual value, as required by State law.

(2) Personal and business property includes commercial, industrial and non profit real property, and motor vehicles.

**CITY OF ROSWELL, GEORGIA**  
**PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS)**  
**Last Ten Fiscal Years**  
**(Mills - rate per \$1,000 of taxable assessed value)**

Fiscal Year	Tax Year	City of Roswell					Overlapping Rates Fulton County		
		General Millage	Option Sales Tax	Total M&O	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage
2014	2013	9.153	(4.689)	4.059	0.991	5.455	10.211	-	10.281
2015	2014	9.292	(4.828)	4.464	0.991	5.455	11.781	-	10.211
2016	2015	9.864	(4.809)	4.464	0.400	5.455	10.500	-	11.781
2017	2016	9.864	(4.839)	5.055	0.400	5.455	10.450	-	10.500
2018	2017	9.963	(4.758)	5.055	0.250	5.425	10.380	0.250	10.450
2019	2018	8.954	(4.249)	5.205	0.250	5.455	10.200	0.230	10.630
2020	2019	8.924	(4.219)	4.705	0.250	4.955	9.899	0.220	10.430
2021	2020	8.660	(3.955)	4.705	0.250	4.955	9.776	0.220	9.996
2022	2021	8.587	(3.969)	4.618	0.100	4.718	9.330	0.210	9.540
2023	2022	9.083	(4.720)	4.363	0.100	4.463	8.870	0.200	9.070

Source: State Department of Revenue

Note: The City's basic property tax rate may be increased by majority vote of the City's Mayor and Council. Rates for debt service are set based on yearly requirements.

Overlapping rates are those of local and county governments that apply to property owners within the City.



<b>Overlapping Rates</b>				
<b>School District</b>			<b>State</b>	<b>Total</b>
<b>Operating Millage</b>	<b>Debt Service Millage</b>	<b>Total School Millage</b>	<b>Total State Millage</b>	<b>Direct &amp; Overlapping Rates</b>
18.502	-	18.502	0.150	34.388
18.502	-	18.502	0.100	34.268
18.502	-	18.502	0.050	35.788
18.483	-	18.502	-	34.457
18.546	-	18.483	-	34.358
17.796	-	18.546	-	34.631
17.796	-	17.796	-	33.181
17.796	-	17.796	-	32.870
17.590	-	17.590	-	31.848
17.240	-	17.240	1.000	31.773

**CITY OF ROSWELL, GEORGIA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(amounts expressed in thousands)**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
WRPV XIV Roswell Village LLC	\$ 46,218	1	0.63%			
Calibre Creek Apartment Partner	39,658	2	0.54%	\$ 28,551	4	0.65%
SE Georgia Property Owner LLC	31,081	3	0.42%			
BR Roswell LLC	29,835	4	0.41%			
SMRE Roswell SPE LLC	26,636	5	0.36%			
29SC Lake House LP	26,000	6	0.35%			
OHBR LLC	24,077	7	0.33%			
SREIT Grand Oaks LLC	23,457	8	0.32%			
VR Champions Parkway Holdings	23,319	9	0.32%			
Sun Belt Office I LLC	23,318	10	0.32%			
Fulton County Board of Education				67,273	1	1.52%
City of Roswell				56,951	2	1.29%
Orion Roswell Associates				30,788	3	0.70%
Kimberly-Clark Corp				23,356	5	0.53%
Mansell Office, LLC				19,320	6	0.44%
Northmeadow Investors LLC				17,910	7	0.41%
Amireit				17,023	8	0.39%
Fulton County Board of Education				16,144	9	0.37%
Fulton County				15,940	10	0.36%
<b>Totals</b>	<b>\$ 293,599</b>		<b>3.99%</b>	<b>\$ 293,256</b>		<b>6.64%</b>

Source: Financial Services Division within the City Finance Department.

**CITY OF ROSWELL, GEORGIA**  
**PROPERTY TAX LEVIES AND COLLECTION**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within Fiscal year of the Levy			Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy	Amount		Percentage of Levy	
2014	\$ 22,245	\$ 21,849	98.22%	\$ 384	\$ 22,233	99.94%	
2015	22,323	21,868	97.96%	432	22,300	99.90%	
2016	24,202	23,704	97.94%	469	24,173	99.88%	
2017	24,789	24,393	98.40%	367	24,760	99.88%	
2018	25,507	24,992	97.98%	473	25,465	99.84%	
2019	27,253	26,563	97.47%	629	27,192	99.78%	
2020	26,503	25,667	96.85%	756	26,423	99.70%	
2021	27,162	26,573	97.83%	488	27,061	99.63%	
2022	26,793	26,419	98.60%	206	26,625	99.37%	
2023	26,840	26,417	98.42%	-	26,417	98.42%	

Source: Financial Services Division within the City Finance Department.

Note:

Taxes levied have been adjusted to include subsequent bills. If an assessment is in appeal at the time of the billing, the City bills 85% of the taxable amount. When the appeal is settled, the City then sends a bill for the increased amount.

**CITY OF ROSWELL, GEORGIA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	Governmental Activities						Type Activities		Total Primary Government	Percentage of Personal Income (2)	Debt Per Capita (2)
	General Obligation Bonds (1)	Leases (1)	Software (1)	Financed Purchases (1)	Notes Payable (1)	Notes Total	Notes Payable (1)	Total			
2014	\$ 18,359	\$ 1,445	\$ -	\$ -	\$ -	\$ 19,804	\$ 213	\$ 213	\$ 20,017	0.52%	\$ 213
2015	12,872	1,282	-	-	-	14,154	7,818	7,818	21,972	0.54%	234
2016	11,409	1,605	-	3,449	-	16,463	14,457	14,457	30,920	0.72%	327
2017	9,932	2,096	-	3,132	-	15,160	13,984	13,984	29,144	0.76%	308
2018	8,426	2,992	-	5,607	3,634	20,659	13,347	13,347	34,006	0.78%	359
2019	6,915	944	-	9,778	3,271	20,908	12,700	12,700	33,608	0.66%	355
2020	5,363	2,393	-	8,473	2,906	19,135	12,045	12,045	31,180	0.55%	329
2021	3,807	3,295	-	8,248	2,723	18,073	11,872	11,872	29,945	0.51%	315
2022	2,213	4,157	-	5,762	4,627	16,759	12,797	12,797	29,557	0.59%	312
2023	89,206	3,384	937	6,079	6,732	106,338	12,796	12,796	119,134	2.31%	1,287

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

Sources: (1) City Finance Department

(2) See the Schedule of Demographic and Economic Statistics for population data

**CITY OF ROSWELL, GEORGIA**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2014	\$ 18,359	\$ 4,121	\$ 14,237	0.13%	\$ 151
2015	12,872	2,520	10,352	0.09%	110
2016	11,409	2,711	8,698	0.07%	92
2017	9,932	2,978	6,953	0.06%	74
2018	8,426	2,547	5,878	0.05%	62
2019	6,915	2,500	4,414	0.03%	47
2020	5,363	2,392	2,971	0.02%	31
2021	3,807	2,312	1,495	0.01%	16
2022	2,213	1,285	928	0.01%	10
2023	89,206	337	88,869	0.48%	960

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

**CITY OF ROSWELL, GEORGIA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2023**  
**(amounts expressed in thousands)**

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Debt repaid with property taxes (1)			
Fulton County	\$ 224,544	7.71%	\$ 17,307
Fulton County Board of Education	-	14.47%	-
Total direct and overlapping debt	<u>\$ 224,544</u>		<u>\$ 17,307</u>
City of Roswell direct debt			
Bonds payable	\$ 89,206	100.00%	\$ 89,206
Capital leases payable	3,384	100.00%	3,384
Financed purchases payable	6,079	100.00%	6,079
Notes payable	<u>6,732</u>	100.00%	<u>6,732</u>
Total direct debt	105,401		105,401
Total direct and overlapping debt	<u>\$ 329,945</u>		<u>\$ 122,708</u>

Sources: 2022 Assessed value data used to establish estimate applicable percentages are located in the Fulton County 2023 Tax Notices and City of Roswell Finance Department records. Debt outstanding data provided by each government unit.

Notes: Overlapping government are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Roswell. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden of 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.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

**CITY OF ROSWELL, GEORGIA**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

	2014	2015	2016	2017
Debt limit (10% of total assessed value)	\$ 473,651	\$ 473,767	\$ 501,956	\$ 505,865
Total net debt applicable to limit	14,238	10,380	10,222	9,357
Legal debt margin	<u>\$ 459,413</u>	<u>\$ 463,387</u>	<u>\$ 491,734</u>	<u>\$ 496,508</u>
Total net debt applicable to the limit as a percentage of debt limit	3.01%	2.19%	2.04%	1.85%

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 general obligation bonds.

	2018	2019	2020	2021	2022	2023
\$	519,002	\$ 605,470	\$ 651,887	\$ 656,729	\$ 656,608	\$ 737,110
	8,288	4,433	3,245	1,495	928	88,869
\$	510,714	\$ 601,037	\$ 648,642	\$ 655,234	\$ 655,680	\$ 648,241
	1.60%	0.73%	0.50%	0.23%	0.14%	12.06%

Assessed Value	\$ 6,250,167
Add back: exempt real property	1,120,928
Total assessed value	<u>7,371,095</u>
Debt limit (10% of total assessed value)	737,110
Debt applicable to limit:	
General obligation bonds	89,231
Less: Amount set aside for repayment of general obligation debt	<u>(362)</u>
Total net debt applicable to limit	<u>88,869</u>
Legal debt margin	<u>\$ 648,241</u>



**CITY OF ROSWELL, GEORGIA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Fiscal Years**

Calendar Year	Population	Personal Income (in thousands) (1)	Per Capita Personal Income (1)	Median Age	School Enrollment (2)	Unemployment Rate (3)
2014	94,034	\$ 3,846,273	\$ 40,903	36.80	14,869	8.16 %
2015	94,089	4,036,418	42,900	37.90	14,791	8.30
2016	94,501	4,308,962	45,597	38.80	24,413	7.10
2017	94,598	3,851,179	40,711	36.00	22,615	6.00
2018	94,786	4,353,331	45,928	38.50	25,096	5.80
2019	94,650	5,130,219	54,202	40.60	22,867	4.80
2020	94,763	5,658,204	59,709	39.30	23,345	4.80
2021	94,959	5,834,334	61,441	38.60	22,505	2.80
2022	94,884	5,046,595	53,187	39.50	17,553	2.20
2023	92,532	5,148,295	55,638	37.50	18,043	2.70

Sources: U.S. Census Bureau for the population, personal income, median age, per capita income and unemployment rate. Statistics are for the City of Roswell except for the unemployment rate which is for the state of Georgia.

(1) 2021 Personal income and per capita income are estimates based on the Fulton County increase from the U.S. Department of Commerce-Bureau of Economic Analysis.

(2) The school enrollment for 2012 to 2015 public schools enrollment and provided by the Fulton County Board of Education; 2016 to 2023 is U.S. Census Bureau school-age children estimates.

(3) The unemployment rate for 2023 is from the Georgia Department of Labor, Civilian Labor Force Estimates.

**CITY OF ROSWELL, GEORGIA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Employer	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
General Motors (Innovation Center)	1,300	1	2.43%	700	4	1.37%
Wellstar/N Fulton Reg'l Hospital	1,050	2	1.96%	820	3	1.61%
Kimberly-Clark Corporation	972	3	1.82%	1,312	1	2.57%
City of Roswell	664	4	1.24%	556	5	1.09%
McKesson Corporation	660	5	1.23%			
Yardi Systems	621	6	1.16%			
UPS	508	7	0.95%			
NTG	391	8	0.73%			
OTR Solutions	300	9	0.56%			
LGE Community Credit Union	282	10	0.53%			
Wal-mart Stores East LP				296	6	0.58%
Verizon Wireless				910	2	1.78%
Roswell Nursing & Rehabilitation				277	7	0.54%
Verizon Wireless				267	8	0.52%
Promethean Inc				207	9	0.41%
Applerouth Tutoring Services				185	10	0.36%
Total	6,748		12.61%	5,530		10.83%

Source: City of Roswell Economic & Community Development Department.

**CITY OF ROSWELL, GEORGIA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**Last Ten Fiscal Years**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Administration - General Fund</b>										
Building Operations	9.00	9.00	9.00	9.00	8.00	8.00	8.00	8.00	8.00	8.00
City Administrator	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
City Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Community Relations	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00
Court Services	4.00	4.00	4.00	5.00	5.00	6.00	7.00	7.00	7.00	7.00
General Administration	2.50	1.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	4.50
Information Technology	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00
Governing Body	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	4.00	5.00	5.00	5.00	5.00	5.00	4.80	4.80	4.80	4.80
Legal	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Geographic Information Services	-	-	-	-	-	-	2.00	2.00	2.00	2.00
City Sponsored Special Events	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
Economic Development	-	-	-	-	-	-	-	1.00	1.00	1.00
Security	-	-	-	1.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Total Administration - General Fund</b>	<b>43.50</b>	<b>46.50</b>	<b>47.50</b>	<b>49.50</b>	<b>50.50</b>	<b>51.50</b>	<b>54.30</b>	<b>55.30</b>	<b>55.30</b>	<b>56.30</b>
<b>Community Development - General Fund</b>										
Building Inspections	1.00	-	-	-	-	-	7.00	8.00	8.00	7.00
Business Registration	-	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Code Enforcement	3.00	-	-	-	-	-	4.00	4.00	4.00	5.00
Com Dev Support Services	3.00	3.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00	7.00
Community Develop Admin	-	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Economic Development	-	-	-	-	-	-	-	-	-	-
Engineering	7.00	9.00	8.00	8.00	8.00	9.00	10.00	10.00	10.00	10.00
Geographic Information Services	4.00	4.00	4.00	4.00	4.00	4.00	-	-	-	-
Planning and Zoning	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00
<b>Total Community Development - General Fund</b>	<b>25.00</b>	<b>27.00</b>	<b>27.00</b>	<b>27.00</b>	<b>28.00</b>	<b>29.00</b>	<b>38.00</b>	<b>39.00</b>	<b>39.00</b>	<b>40.00</b>
<b>Environmental / Public Works - General Fund</b>										
Environmental/PW Administration	2.00	-	-	-	-	-	-	-	-	-
Environmental Protection	3.00	-	-	-	-	-	-	-	-	-
<b>Total Environmental / Public Works - General F</b>	<b>5.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Finance - General Fund</b>										
Accounting	4.00	4.00	5.00	5.00	7.00	7.00	6.00	6.00	6.00	6.00
Cash Disbursements	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	3.50
Cash Receipting	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.50
Finance Administration	3.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Financial Services	7.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
Purchasing	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Business Registration	3.00	3.00	3.00	-	-	-	-	-	-	-
Strategic Planning & Budget	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Treasury	1.00	-	-	-	-	-	-	-	-	-
<b>Total Finance - General Fund</b>	<b>30.00</b>	<b>30.00</b>	<b>31.00</b>	<b>28.00</b>	<b>30.00</b>	<b>30.00</b>	<b>31.00</b>	<b>31.00</b>	<b>32.00</b>	<b>32.00</b>
<b>Fire - General Fund</b>										
Fire Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire Marshal	9.00	9.00	9.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00
Fire Suppression	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00	29.00
Public Safety Training Facility	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total Fire - General Fund</b>	<b>19.00</b>	<b>19.00</b>	<b>19.00</b>	<b>19.00</b>	<b>19.00</b>	<b>21.00</b>	<b>21.00</b>	<b>21.00</b>	<b>21.00</b>	<b>42.00</b>

Source: City Budget Office

Continued

**CITY OF ROSWELL, GEORGIA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**Last Ten Fiscal Years**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Police - General Fund</b>										
General Investigations	21.00	26.00	20.00	20.00	25.00	25.00	19.00	17.00	17.00	20.00
Jail / Detention	18.00	18.00	18.00	18.00	-	-	-	-	-	-
Patrol	83.00	84.00	94.00	94.00	79.00	79.00	94.00	94.00	94.00	97.00
Park Police	-	-	-	-	-	-	-	-	-	5.00
Police - Admin Services	7.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Police - Office of Professional Standards	-	-	7.00	7.00	11.00	12.00	9.00	12.00	12.00	12.00
Police - Support Services	38.00	29.00	20.00	20.00	23.00	25.00	29.00	27.00	27.00	25.00
Special Investigations	6.00	14.00	16.00	16.00	17.00	17.00	11.00	13.00	13.00	13.00
Traffic Enforcement Unit	13.00	12.00	13.00	13.00	15.00	16.00	12.00	13.00	13.00	12.00
<b>Total Police - General Fund</b>	<b>186.00</b>	<b>186.00</b>	<b>191.00</b>	<b>191.00</b>	<b>173.00</b>	<b>177.00</b>	<b>177.00</b>	<b>179.00</b>	<b>179.00</b>	<b>187.00</b>
<b>Recreation and Parks - General Fund</b>										
Barrington Hall	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Bulloch Hall	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cultural Arts	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
Historic & Cultural Affairs	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Municipal Complex Grounds	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Parks	53.00	53.00	51.00	51.00	52.00	53.00	53.00	53.00	53.00	56.00
Park Police	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-
Recreation and Parks - Administration	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
Recreation and Parks Support Services	21.00	21.00	21.77	21.77	21.27	21.27	21.27	21.80	21.80	20.90
City Sponsored Special Events	-	-	-	-	-	-	-	-	-	3.00
Smith Plantation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total Recreation and Parks - General Fund</b>	<b>89.00</b>	<b>89.00</b>	<b>88.77</b>	<b>88.77</b>	<b>89.27</b>	<b>92.27</b>	<b>92.27</b>	<b>92.80</b>	<b>92.80</b>	<b>92.90</b>
<b>Transportation - General Fund</b>										
Transportation Engineering & Design	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00
Transportation Planning	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Land Acquisition and Development	3.00	3.00	3.00	3.00	3.00	3.00	-	-	-	-
Street Maintenance	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
Traffic Engineering	18.00	18.00	18.00	18.00	18.00	19.00	19.00	19.00	19.00	19.00
Transportation Administration	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00
<b>Total Transportation - General Fund</b>	<b>64.00</b>	<b>64.00</b>	<b>64.00</b>	<b>64.00</b>	<b>64.00</b>	<b>65.00</b>	<b>65.00</b>	<b>65.00</b>	<b>65.00</b>	<b>65.00</b>
<b>Total General Fund</b>	<b>461.50</b>	<b>461.50</b>	<b>468.27</b>	<b>467.27</b>	<b>453.77</b>	<b>465.77</b>	<b>478.57</b>	<b>483.10</b>	<b>484.10</b>	<b>515.20</b>
<b>E-911 Fund</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>	<b>26.00</b>	<b>26.00</b>	<b>27.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>	<b>29.00</b>
<b>Water and Sewer Fund</b>										
Water Administration	2.05	2.25	1.70	2.03	2.43	2.43	2.43	2.23	2.23	2.23
Water Distribution	8.50	8.50	8.75	8.75	8.50	8.50	8.50	9.85	9.85	9.85
Water Plant	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<b>Total Water and Sewer Fund</b>	<b>17.55</b>	<b>17.75</b>	<b>17.45</b>	<b>17.78</b>	<b>17.93</b>	<b>17.93</b>	<b>17.93</b>	<b>19.08</b>	<b>19.08</b>	<b>19.08</b>
<b>Stormwater Utility Fund</b>	<b>12.00</b>	<b>13.20</b>	<b>13.20</b>	<b>13.53</b>	<b>14.48</b>	<b>14.48</b>	<b>14.48</b>	<b>13.98</b>	<b>13.98</b>	<b>13.98</b>

Continued

**CITY OF ROSWELL, GEORGIA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Function/Program</b>										
<b>Solid Waste and Recycling Fund</b>										
Solid Waste and Recycling Admin.	4.35	7.05	7.25	7.25	8.24	8.24	8.24	7.94	7.94	7.94
Solid Waste Public Education	0.55	-	-	-	-	-	-	-	-	-
Residential Collection	34.00	34.00	34.00	34.00	34.00	34.00	31.00	32.00	32.00	32.00
Commercial Collection	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00	7.00
Solid Waste Disposal	-	-	-	-	-	-	-	-	1.00	-
Recycling Center	6.25	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	8.00
<b>Total Solid Waste and Recycling Fund</b>	<b>53.15</b>	<b>55.05</b>	<b>55.25</b>	<b>55.25</b>	<b>56.24</b>	<b>56.24</b>	<b>54.24</b>	<b>53.94</b>	<b>54.94</b>	<b>54.94</b>
<b>Fleet Services Fund</b>	<b>7.30</b>	<b>8.00</b>	<b>8.10</b>	<b>8.43</b>	<b>7.35</b>	<b>7.35</b>	<b>8.35</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>
<b>Participant Recreation Fund</b>										
Recreation Participation Administration	1.00	4.71	4.39	4.39	4.26	4.26	4.26	5.02	5.02	5.01
Recreation Participation Fund	-	-	-	-	-	-	-	-	-	-
Recreation Participation - General Programs	1.30	0.58	0.12	0.12	0.05	0.05	0.05	0.29	0.29	0.29
Recreation Participation - Athletics	4.20	3.06	4.14	4.14	4.17	4.17	4.17	3.89	3.89	3.90
Recreation Participation - Tennis	1.00	0.58	0.58	0.58	1.00	1.00	1.00	1.03	1.03	1.03
Recreation Participation - Swim/Sprayground	-	0.04	-	-	-	-	-	0.10	0.10	0.10
Recreation Participation - Gym/Phys Fitness	4.10	1.64	1.64	1.64	2.14	2.14	2.14	3.05	3.05	3.05
Recreation Participation - Dance, Drama, Music	2.00	1.16	1.31	1.31	1.31	1.31	1.31	1.31	1.31	2.31
Recreation Participation - Arts and Crafts	0.20	0.11	0.11	0.11	0.11	0.11	0.11	0.13	0.13	0.13
Recreation Participation - Adult Rec Center	-	1.25	3.25	3.25	3.55	2.55	2.55	1.55	1.55	0.89
Recreation Participation - City Events	-	3.09	2.16	2.16	1.61	1.61	1.61	-	-	0.50
Recreation Participation - ERRP	1.10	0.63	0.83	0.83	0.83	0.83	0.83	0.89	0.89	1.55
Recreation Participation - Rentals	2.10	0.15	0.70	0.70	0.70	0.70	0.70	0.59	0.59	-
Recreation Participation - Adult Rec Center Pool	2.10	0.15	0.70	-	-	-	-	0.35	0.35	0.35
<b>Total Participant Recreation Fund</b>	<b>19.10</b>	<b>17.15</b>	<b>19.93</b>	<b>19.23</b>	<b>19.73</b>	<b>18.73</b>	<b>18.73</b>	<b>18.20</b>	<b>18.20</b>	<b>19.10</b>
<b>Leita Thompson Apartment Rental Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CDBG Grant Fund</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
<b>Workers' Compensation Fund</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Group Health Insurance Fund</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>
<b>Risk and Liability Fund</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>GRAND TOTAL, ALL FUNDS</b>	<b>596.10</b>	<b>598.15</b>	<b>607.70</b>	<b>611.00</b>	<b>599.00</b>	<b>611.00</b>	<b>625.00</b>	<b>630.00</b>	<b>632.00</b>	<b>664.00</b>
<b>BY DEPARTMENT</b>										
Administration	47.00	50.00	51.00	53.00	54.00	55.00	58.00	59.00	59.00	60.00
Community Development	25.00	27.00	27.00	27.00	28.00	29.00	38.00	39.00	39.00	40.00
Environmental/Public Works	95.00	94.00	94.00	95.00	96.00	96.00	95.00	96.00	97.00	97.00
Finance	30.00	30.00	31.00	28.00	30.00	30.00	31.00	31.00	32.00	32.00
Fire	19.00	19.00	19.00	19.00	19.00	21.00	21.00	21.00	21.00	42.00
Police	208.00	208.00	213.00	217.00	199.00	204.00	206.00	208.00	208.00	216.00
Recreation and Parks	108.10	106.15	108.70	108.00	109.00	111.00	111.00	111.00	111.00	112.00
Transportation	64.00	64.00	64.00	64.00	64.00	65.00	65.00	65.00	65.00	65.00
<b>Total City Employees</b>	<b>596.10</b>	<b>598.15</b>	<b>607.70</b>	<b>611.00</b>	<b>599.00</b>	<b>611.00</b>	<b>625.00</b>	<b>630.00</b>	<b>632.00</b>	<b>664.00</b>

**CITY OF ROSWELL, GEORGIA**  
**OPERATING INDICATORS BY FUNCTION**  
**Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Function</b>										
<b>Police</b>										
Calls for service	69,939	67,563	76,723	111,004	118,548	116,352	112,416	114,411	129,526	144,858
Traffic stops	19,964	24,340	24,382	21,867	24,631	16,608	12,406	14,727	16,805	21,370
Part 1 Crimes Index Rate	23	24	25	19	19	16	14	15	17	14
<b>Fire</b>										
Fire Calls	3,121	3,126	3,344	3,784	3,831	3,931	4,516	4,710	2,808	2,677
Fires extinguished	162	174	188	211	152	169	165	156	82	-
EMS Calls	5,225	5,060	4,951	5,269	5,512	5,618	5,100	5,273	6,686	7,114
Response Time (3)	-	-	-	-	-	-	-	6:12	6:27	7:05
Building Inspections (3)	-	-	-	-	-	-	-	7,518	5,419	5,860
Plan Reviews (3)	-	-	-	-	-	-	-	738	935	659
<b>Community development</b>										
Building permits issued	2,351	2,108	4,996	6,920	2,979	3,378	2,861	3,355	2,914	2,663
<b>Refuse collection</b>										
Household garbage collected-tons per year	18,964	13,078	20,150	20,754	21,392	21,930	23,464	25,829	20,350	20,359
Curbside recycling collected-tons per year	6,893	7,597	6,674	8,897	7,377	7,091	6,385	6,302	6,648	6,648
Glass recycling collected-tons per year (2)	-	-	-	3,583	3,180	274	1,405	1,067	123	88
Yard waste collected-tons per year	8,376	7,527	7,274	6,363	6,322	6,296	6,321	6,465	5,724	4,806
Recycling from recycle center-tons per year	1,695	1,698	1,625	1,752	1,828	1,779	1,621	1,861	1,149	1,045
<b>Parks and recreation</b>										
Registered participants (1)	33,567	32,767	26,817	32,449	31,308	31,140	25,867	24,057	34,209	39,560
Park acres maintained	912	912	987	987	1,057	1,057	1,084	1,048	1,065	1,067
Total Point of Sale Participants (1)	98,111	100,263	47,087	46,679	51,132	62,246	36,448	37,392	60,484	69,766
Total Facility Rentals (1)	2,236	2,373	1,148	1,527	1,835	1,777	1,084	907	2,196	2,235
<b>Water</b>										
Water production in MGD (3)	388	397	278	537	540	584	328	609	643	639
<b>Sanitation</b>										
Number of residential customers	25,360	26,120	26,120	25,720	26,000	24,893	26,422	25,179	26,001	26,093
Number of commercial customers	892	972	955	854	993	1,282	877	1,267	1,260	1,273

Sources: Various city departments.

Note: Operating indicators are not available for the general government function.

(1) Through June 2017, included Glass recycling collected.

(2) Water production was lower in previous years. The new plant came in May of 2016 and is permitted to produce 3.3 MG per day. Prior to the new plant, water was purchased from Fulton County to supplement the City's system demands. Now all of the water needed has meet the system's demand.

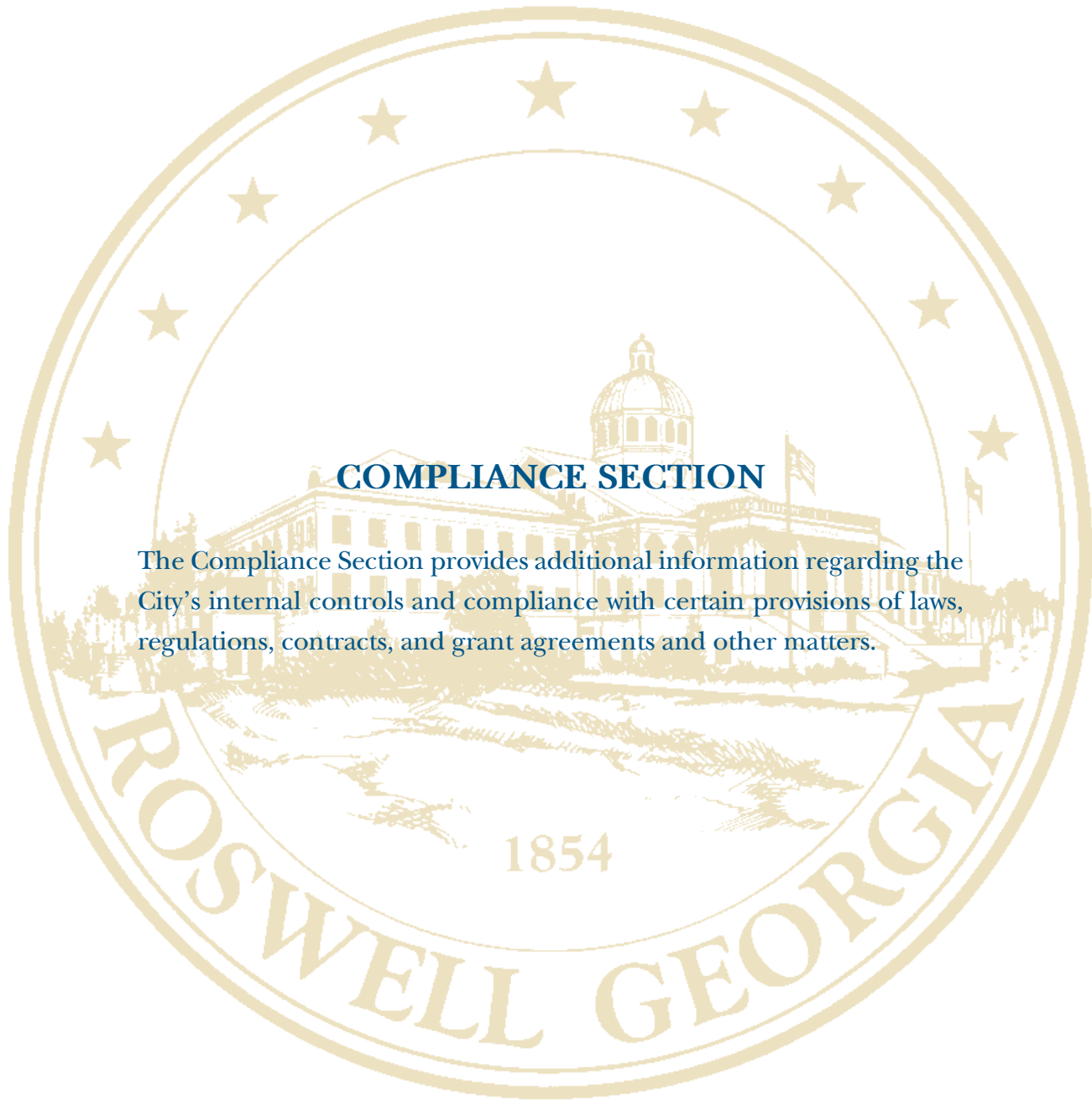
(3) Missing statistics represent changes in indicators tracked by the department.

**CITY OF ROSWELL, GEORGIA**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
**Last Ten Fiscal Years**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General government</b>										
Vehicles	54	55	55	55	56	58	68	65	65	49
Buildings	30	30	30	30	30	30	30	30	30	30
<b>Police</b>										
Vehicles	158	208	215	214	219	236	241	265	265	252
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire</b>										
Stations	7	7	7	7	7	7	7	7	7	7
Fire hydrants	4,530	4,530	5,175	5,186	5,211	5,226	5,316	5,355	5,363	5,366
<b>Parks and recreation</b>										
Acreage	917	917	987	987	1,057	1,057	1,057	1,057	1,065	1,067
Parks and playgrounds	19	22	22	22	22	22	22	22	22	22
Athletic fields	44	44	44	44	44	44	44	44	44	44
Recreational buildings	9	9	9	11	18	18	18	18	18	18
Swimming pools	1	1	2	2	2	2	2	2	2	2
Tennis courts	34	34	32	28	28	28	28	28	28	28
Pickleball courts	-	-	-	-	4	4	4	4	4	4
<b>Transportation</b>										
Paved roads in miles	385	385	326	360	360	360	360	360	360	360
Traffic signals	152	154	102	103	102	100	110	101	102	103
<b>Water</b>										
Water mains (miles) (1)	201	201	201	87	87	88	89	89	90	90
Water plant	1	1	1	1	1	1	1	1	1	1

Sources: City of Roswell capital asset inventory system.

(1) The difference in the number from fiscal year 2008 to fiscal year 2017 is the result of water mains that have been abandoned in place and the Fulton County Lines within our system boundary; 2017 is the Roswell Water Utility only.



## **COMPLIANCE SECTION**

The Compliance Section provides additional information regarding the City's internal controls and compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members  
of the City Council  
City of Roswell, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Roswell, Georgia's (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated December 11, 2023. Our report includes a reference to the change in accounting principal resulting from the implementation of Governmental Accounting Standards Board Statement No. 96, Subscription based Information Technology Arrangements (SBITA's).

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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

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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

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

*CKH CPAs and Advisors, LLC*

CKH CPA's and Advisors, LLC  
Atlanta, Georgia  
December 11, 2023





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

To the Honorable Mayor and Members  
of the City Council  
City of Roswell, Georgia

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Roswell, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

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

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

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

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

*CKH CPAs and Advisors, LLC*

CKH CPA's and Advisors, LLC  
Atlanta, Georgia  
December 11, 2023



**CITY OF ROSWELL, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Contract or Project Number	Total Expenditures
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Direct Awards:			
Community Development Block Grant	14.218	B-18-MC-13-0018	79,508
Community Development Block Grant	14.218	B-17-MC-13-0018	408,775
Total Entitlement Grants Cluster			488,282
Passed through Cobb County, Georgia:			
Home Investment Partnerships Program	14.239	H13-RM-WM-R9-RA-RC	1,333
<b>Total U.S. Department of Housing and Urban Development</b>			489,615
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Direct Awards:			
Bulletproof Vest Partnership Program	16.607	2021BUBX21027125	20,779
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	15PBJA21GG01416JAGX	2,703
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-22-GG-04541-PPSE	12,766
Bulletproof Vest Partnership Program	16.607	2022BUBX22031602	20,238
Public Safety Partnership and Community Policing Grants	16.710	15PBJA22GG00068BRND	7,225
			63,711
Passed through City of Atlanta, Georgia:			
Congressionally Recommended Awards	16.753	15PBJA22GG00068BRND	11,274
			11,274
<b>Total U.S. Department of Justice</b>			74,985
<b>GEORGIA DEPARTMENT OF NATURAL RESOURCES</b>			
Direct Awards:			
Outdoor Recreation, Acquisition, Development and Planning	15.916	13-01034	100,000
<b>Total Georgia Department of Natural Resources</b>			100,000
<b>U.S. DEPARTMENT OF TREASURY</b>			
Direct Awards:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19	662,512
<b>Total U.S. Department of Treasury</b>			662,512
<b>Total Expenditures of Federal Awards</b>			1,327,112

See accompanying notes to schedule of expenditures of federal awards.

**CITY OF ROSWELL, GEORGIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE**  
**YEAR ENDED JUNE 30, 2023**

---

**(1) Summary of Significant Accounting Policies**

***Basis of Presentation and Accounting***

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related Fund liability is incurred.

In instances where the grant agreement requires the City to match grant awards with City funds, such matching funds are excluded in the accompanying Schedule of Expenditures of Federal Awards.

Federal grant programs which are administered through State agencies (pass-through awards) have been included in this report. These programs are operated according to Federal regulations promulgated by the Federal agency providing the funding.

The City did not utilize the 10% de minimis indirect cost rate.

**CITY OF ROSWELL, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR**  
**THE YEAR ENDED JUNE 30, 2023**

---

**SECTION I**  
**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:  
 Material weaknesses identified?

yes  no

Significant deficiencies identified?

yes  none reported

Noncompliance material to financial statements noted?

yes  no

**Federal Awards**

Internal Control over major programs:  
 Material weakness(es) identified?

yes  no

Significant deficiency(ies) identified?

yes  none reported

Type of auditor's report issued on compliance for  
 Major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes  no

Identification of major federal programs:

Assistance Listing Number  
 21.027

Name of Federal Program or Cluster  
 State and Local Fiscal Recovery Funds  
 Department of Treasury

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

yes  no

**CITY OF ROSWELL, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

---

**SECTION II  
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported



**CITY OF ROSWELL, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

---

**SECTION III**

**FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.