

CITY OF ROSWELL, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2022

Prepared By:
The City of Roswell Finance Department

INTRODUCTORY SECTION

CITY OF ROSWELL, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

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Roswell City Hall

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, 2022 (FY22). 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 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 Mauldin & Jenkins, 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 FY22 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, 2022 are fairly presented and conform to accounting principles generally accepted in the United States of 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 94,000 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 Chief Administrative and Operational Officer of the City is 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, 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 storm-water 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

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



Roswell has over 1,000 acres of parkland, 10 acres per 1,000 residents.



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, 2022.

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.

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.

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 in 2018 and 2021.

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 FY22 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.

North Fulton County's business climate is characterized by available, affordable buildings and developable sites, a well-educated workforce, and a comprehensive array of business services and benefits.





Financial Policies

The City government has earned a “AAA” bond rating, the highest possible rating, consistently each year since 2000.

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 unsecured bond rating with Moody’s and Standard and Poor’s. These policies cover 1) Budget Amendments for Expenditures; 2) Budget Amendments for Revenues; 3) Budget 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) Disposal 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) Fund 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.

Major Initiatives

- Mayor and Council's 100-Day Plan – Upon taking office in January 2022, the newly elected Mayor and Council announced a 100-Day Plan, a listing of eleven important objectives on which to focus in the first one hundred days. The plan included such objectives as implementing the “people’s calendar” for public meetings, establishing an action plan for the Oxbo Road transportation project, and creating a Transportation Advisory Commission. The full plan and its progress can be found on the City’s website.
- City Master Plan – As part of the 100-Day Plan, the Mayor and Council approved funding for the creation of a City Master Plan focusing on four economic nodes of the City. The City is working through the Downtown Development Authority and the Development Authority of Roswell to master plan several key areas of the city with the intent of spurring economic revitalization and attracting high-quality development. The master planning process is currently underway.
- Economic Development – As part of the 100-Day Plan, the City of Roswell hired its first Economic Development Director. This position will serve as the City’s chief economic development strategist and will lead the development of short- and long-range economic development plans, as well as promote business growth, retention, and attraction to secure a strong revenue base for the City.
- Oxbo Road Action Plan – The Mayor and Council adopted the Oxbo Road Action Plan as part of their 100-Day Plan. The plan addresses the concerns that led to a delay in project construction. The plan modified some components of the original design to introduce more traffic calming measures. It also included additional funding to resolve outstanding right of way issues and allow the contractor to re-start construction activity. Completion of the transportation project will occur by the end of calendar year 2023.
- American Rescue Plan Act (ARPA) – The City received the second of two \$5 million payments totaling \$11.4 million from the American Rescue Plan in May 2022. These funds are restricted to responding to the public health emergency and its negative economic impacts, premium pay for workers performing essential work during the pandemic, providing government services impacted by the revenue loss due to COVID-19 and investments in water, sewer or broadband infrastructure. Thus far, the Mayor and Council have allocated \$6.4 million for the River Parks Master Plan implementation (Ace Sand Phase I & II) as well as \$2.5 million in improvements for East Roswell Park.
- Transportation Special Purpose Local Option Sales Tax II (T-SPLOST II) – In November 2021, voters approved a renewal of the 0.75 cent sales tax devoted to transportation projects. The tax will be collected over a five year period and is anticipated to generate \$70-\$80 million for Roswell projects. Tier I projects include a variety of corridor improvements along Roswell roads. Funds are also allocated for bridge replacements, multi-use trails, and intersection improvements throughout the City.

Current revenue will be sufficient to support current operating expenditures plus recurring capital expenditures.

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, 2021. 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-five 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) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Roswell for its Popular Annual Financial Report for the fiscal year ended June 30, 2020 for the third year in a row. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. The award results for the fiscal year ended June 30, 2021 have not yet been published by 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 2022. 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 City continues to meet its responsibility for sound financial management.

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 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,



Ryan Lockett
Finance Director



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, 2021

Christopher P. Morill

Executive Director/CEO

CITY OF ROSWELL, GEORGIA

PRINCIPAL OFFICIALS

June 30, 2022

Randy Knighton	City Administrator
Michael Fischer	Deputy City Administrator
Jason Gaines	Community Development Director
Darryl Connelly	Economic Development Director
Ryan Luckett	Finance Director
Joe Pennino	Fire Chief
James Harner	Human Resources Director
James Conroy	Police Chief
Sharron Izzo	Public Works/Environmental Director
Jeff Leatherman	Recreation and Parks Director
David Davidson	City Attorney
Marlee Press	City Clerk

Elected Officials



Mayor Kurt Wilson



Mike Palermo
Post 2, Mayor Pro Tem



Peter Vanstrom
Post 4



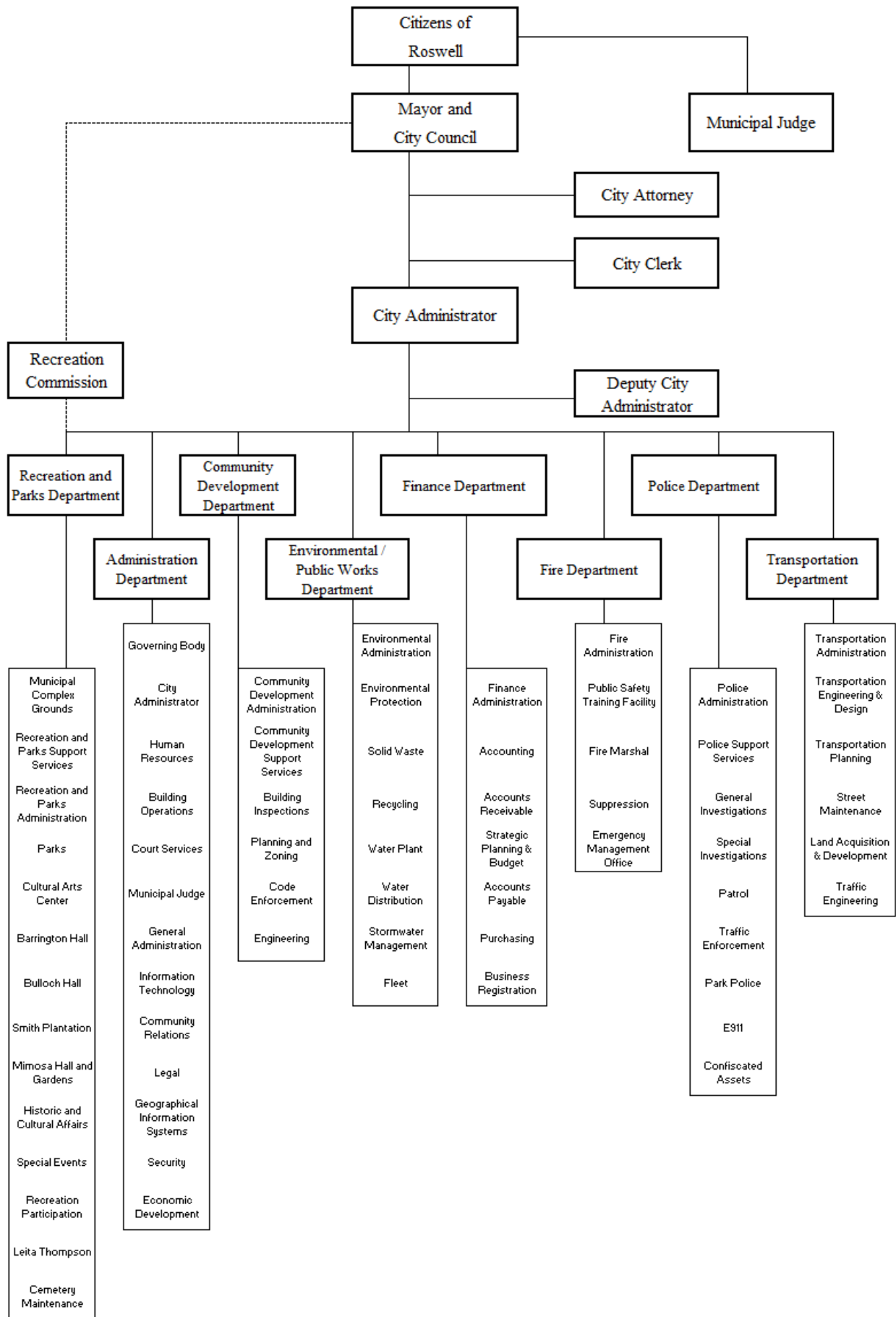
Christine Hall
Post 3



William Morthland
Post 5



Lee Hills
Post 6



FINANCIAL SECTION



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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, 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. 87, *Leases*, as of July 1, 2021. This standard significantly changed the accounting for the City's lease activities. 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 these 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of 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 expenditures 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 expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 15, 2022

Management's Discussion and Analysis

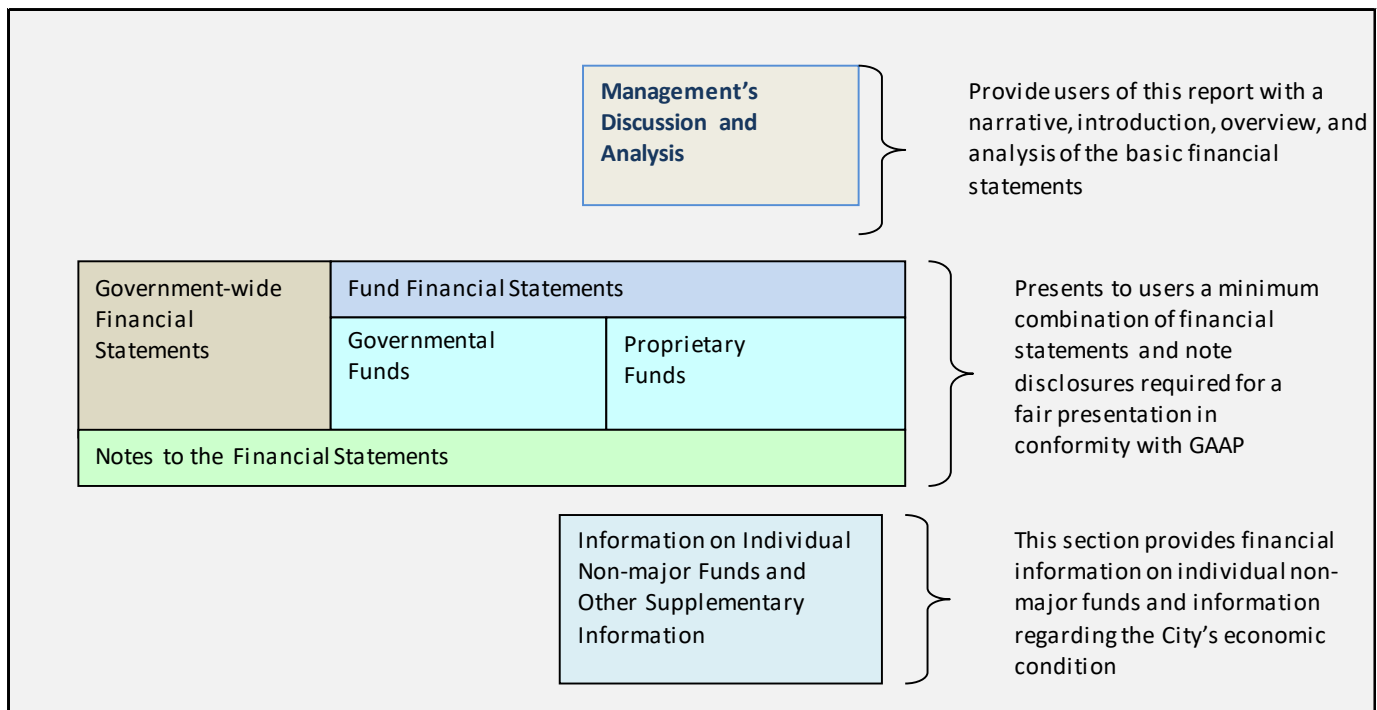
As management of Roswell, Georgia, we offer readers of Roswell's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. This discussion is intended to:

- 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 17 and 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

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.

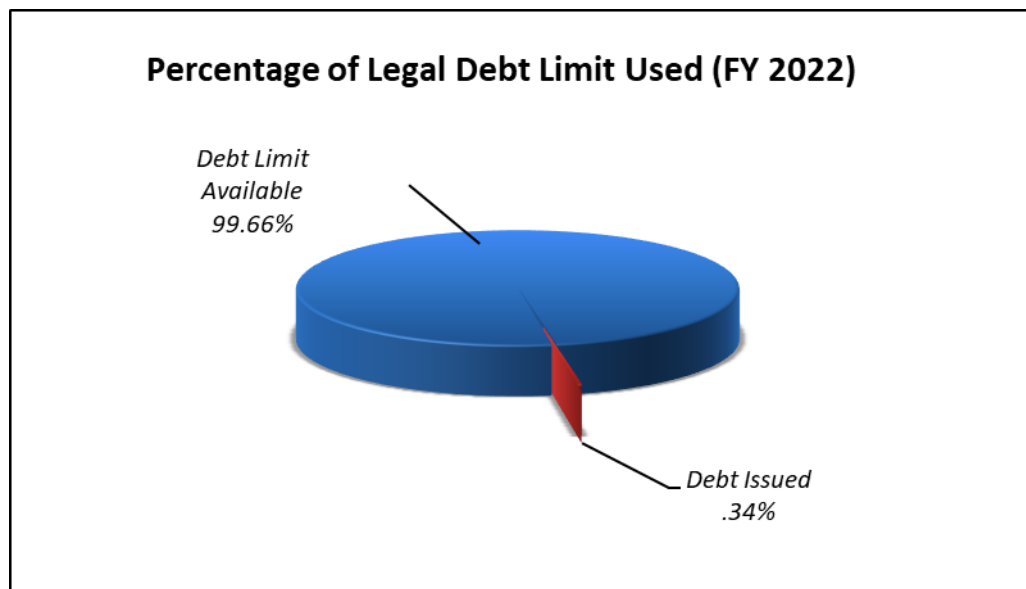
Within this section of the City of Roswell, Georgia's (the "City") annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. The City's financial performance is discussed 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, 2022 by \$358,299,543 (net position) for the fiscal year reported. Of this amount, \$37,285,635 (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 \$239,932,899 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 \$81,081,009 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 \$37,161,724 in fiscal year 2021 to \$37,285,635.

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 decreased by \$1,560,000 during the current fiscal year. The decrease in the net long-term debt was caused by the payment of principal on General Obligation bonds in FY 2022.



City of Roswell's Summary of Net Position (Table 1)

(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Percentage of Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Assets:								
Current and other assets	\$ 160,493	\$ 136,930	\$ 13,756	\$ 14,243	\$ 174,249	\$ 151,173	39.22%	37.01%
Capital assets	228,838	218,947	41,231	38,341	270,069	257,288	60.78%	62.99%
Total assets	389,331	355,877	54,987	52,584	444,318	408,461	100.00%	100.00%
Deferred outflows of resources	5,243	4,359	852	636	6,095	4,995	100.00%	100.00%
Liabilities:								
Current liabilities	25,079	14,981	4,723	4,392	29,802	19,373	37.73%	23.81%
Long-term liabilities	33,729	46,064	15,465	15,940	49,194	62,004	62.27%	76.19%
Total liabilities	58,808	61,045	20,188	20,332	78,996	81,377	100.00%	100.00%
Deferred inflows of resources	11,356	880	1,761	128	13,117	1,008	100.00%	100.00%
Net position:								
Net investment in capital asset	211,709	200,701	28,224	26,436	239,933	227,137	66.96%	68.61%
Restricted	81,081	66,771	-	-	81,081	66,771	22.63%	20.17%
Unrestricted	31,620	30,839	5,665	6,323	37,285	37,162	10.41%	11.22%
Total net position	\$ 324,410	\$ 298,311	\$ 33,889	\$ 32,759	\$ 358,299	\$ 331,070	100%	100%

Financial Analysis of the City as a Whole

The City's net position at fiscal year-end 2022 increased 8.22% from \$331,070,788 at June 30, 2021 to \$358,299,543 at June 30, 2022. (See Table 1).

The largest portion of the City's net position (66.96%) at June 30, 2022, 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 (22.63%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$37,285,635 or 10.41%) 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.

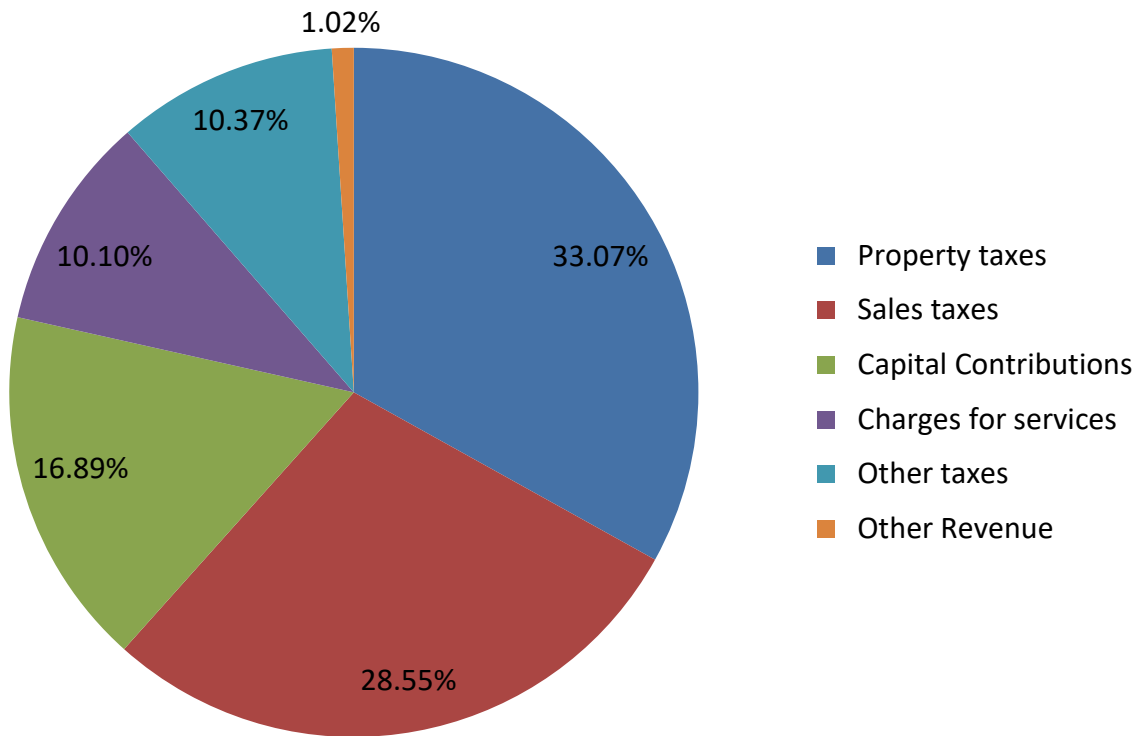
CITY OF ROSWELL'S CHANGES IN NET POSITION

Summary of Changes in Net Position (Table 2)

(in thousands of dollars)

	Governmental Activities		Business Activities		Total		Percentage of Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<i>Revenues:</i>								
<i>Program:</i>								
Charges for services	\$ 11,770	\$ 11,989	\$ 26,451	\$ 23,429	\$ 38,221	\$ 35,418	26.75%	25.77%
Operating grants	2,498	6,115		7	2,498	6,122	1.75%	4.46%
Capital Contributions	19,680	18,483		86	19,680	18,569	13.78%	13.51%
<i>General:</i>								
Property taxes	38,541	37,796		-	38,541	37,796	26.98%	27.50%
Sales taxes	33,268	27,688		-	33,268	27,688	23.29%	20.15%
Other taxes	12,091	10,390		-	12,091	10,390	8.46%	7.56%
Investment Earnings	(2,341)	245	(252)	17	(2,593)	262	-1.82%	0.19%
Other	1,036	1,171	117	-	1,153	1,171	0.81%	0.85%
<i>Total revenues</i>	<u>116,543</u>	<u>113,877</u>	<u>26,316</u>	<u>23,539</u>	<u>142,859</u>	<u>137,416</u>	<u>100.00%</u>	<u>100.00%</u>
<i>Program Expenses:</i>								
General government	13,576	15,373	-	-	13,576	15,373	11.74%	12.90%
Judicial	1,269	1,306	-	-	1,269	1,306	1.10%	1.10%
Financial services	2,902	3,471	-	-	2,902	3,471	2.51%	2.91%
Public safety	37,569	37,975	-	-	37,569	37,975	32.49%	31.86%
Planning and zoning	3,273	3,271	-	-	3,273	3,271	2.83%	2.74%
Public works	14,026	16,629	-	-	14,026	16,629	12.13%	13.95%
Culture and recreation	16,903	16,614	-	-	16,903	16,614	14.62%	13.94%
Interest	295	356	-	-	295	356	0.26%	0.30%
Water and sewer	-	-	4,949	4,676	4,949	4,676	4.28%	3.92%
Solid waste	-	-	11,643	11,563	11,643	11,563	10.07%	9.70%
Stormwater	-	-	2,565	2,371	2,565	2,371	2.22%	1.99%
Participant Recreation	-	-	6,660	5,581	6,660	5,581	5.76%	4.68%
<i>Total expenses</i>	<u>89,813</u>	<u>94,995</u>	<u>25,817</u>	<u>24,191</u>	<u>115,630</u>	<u>119,186</u>	<u>100%</u>	<u>100%</u>
Excess (deficiency)	26,730	18,882	499	(652)	27,229	18,230		
Sale of assets	-	-		69	-	69		
Transfers	(631)	(933)	631	933	-	-		
<i>Change in net position</i>	<u>26,099</u>	<u>17,949</u>	<u>1,130</u>	<u>350</u>	<u>27,229</u>	<u>18,299</u>		
<i>Beginning net position</i>	<u>298,311</u>	<u>280,362</u>	<u>32,759</u>	<u>32,409</u>	<u>331,070</u>	<u>312,771</u>		
<i>Ending net position</i>	<u>\$ 324,410</u>	<u>\$ 298,311</u>	<u>\$ 33,889</u>	<u>\$ 32,759</u>	<u>\$ 358,299</u>	<u>\$ 331,070</u>		

Governmental Revenues



GOVERNMENTAL REVENUES

The City's governmental activities are heavily reliant on property taxes and sales taxes to support governmental operations. Property taxes provided 33.07% and sales taxes provided 28.55% of the City's total governmental revenues. Also, note that program revenues cover 37.80% of governmental expenses. This means that the government's taxpayers and the City's other general revenues fund 62.20% 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 ACTIVITIES EXPENSES

CITY OF ROSWELL GOVERNMENTAL ACTIVITIES (TABLE 3)

(IN THOUSANDS OF DOLLARS)

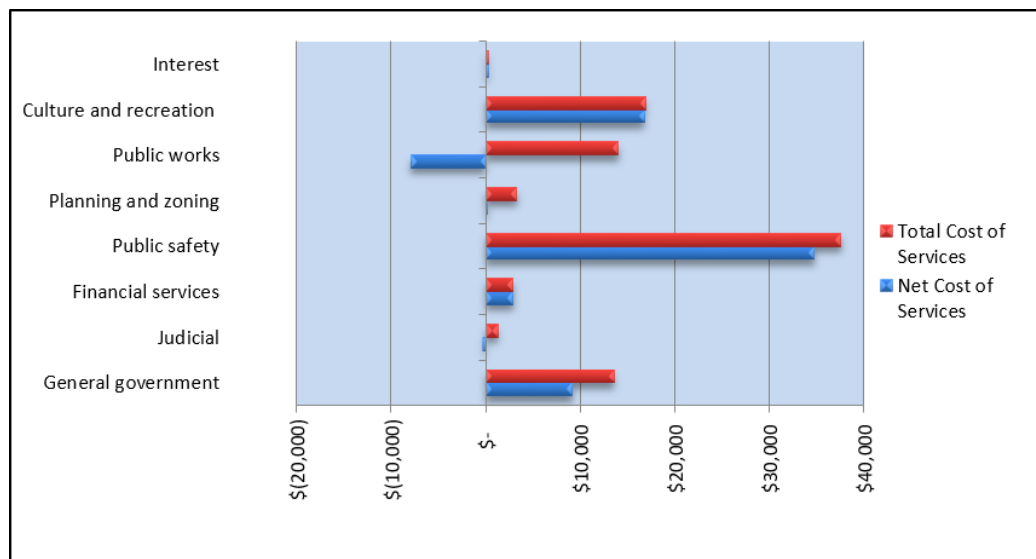
	Total Cost of Services		Percentage of Total		Net Cost of Services		Percentage of Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<i>General government</i>	\$ 13,576	\$ 15,373	15.12%	16.18%	\$ 9,128	\$ 6,822	16.34%	11.68%
<i>Judicial</i>	1,269	1,306	1.41%	1.37%	(305)	216	-0.55%	0.37%
<i>Financial services</i>	2,902	3,471	3.23%	3.65%	2,902	3,471	5.19%	5.94%
<i>Public safety</i>	37,569	37,975	41.83%	39.98%	34,742	35,100	62.19%	60.09%
<i>Planning and zoning</i>	3,273	3,271	3.64%	3.44%	221	67	0.40%	0.11%
<i>Public works</i>	14,026	16,629	15.62%	17.51%	(7,916)	(4,120)	-14.17%	-7.05%
<i>Culture and recreation</i>	16,903	16,614	18.82%	17.49%	16,798	16,496	30.07%	28.24%
<i>Interest</i>	295	356	0.33%	0.37%	295	356	0.53%	0.61%
Total	\$ 89,813	\$ 94,995	100.00%	100.00%	\$ 55,865	\$ 58,408	100.00%	100.00%

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 41.83% 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 18.82%. The third largest City cost for government is public works at 15.62% of governmental expenses.

- The cost of all governmental activities this fiscal year was \$89,812,882 compared to \$94,994,851 in fiscal year 2021.
- The revenue amount that paid for most of these activities came from general revenues of the City such as property taxes (\$38,541,101) and sales taxes (\$33,268,559).

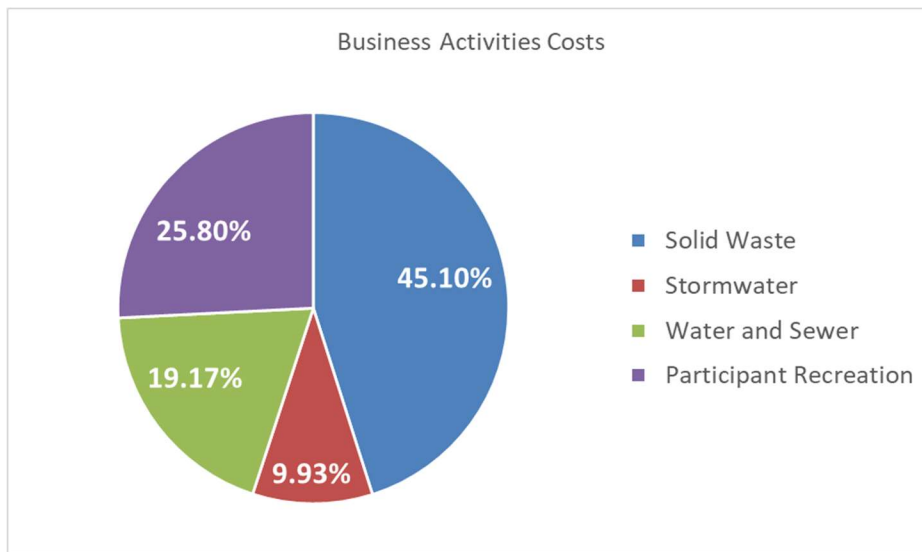
Some of the costs were paid by those who benefited directly from the programs (\$11,769,868) and subsidies from other governments and organizations through grants and/or contributions (\$22,177,830).



BUSINESS-TYPE ACTIVITIES

Revenues vs. Costs

The cost of all Proprietary (Business-type) activities this fiscal year was \$25,817,414 as shown in Table 2 (Summary of Changes in Net Position), the amounts paid by the users of the systems were \$26,451,295. Within the total business-type activities of the City, these activities reported an increase in net position of \$1,130,088.



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 \$129,683,393. Of this year-end total, \$26,305,480 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, \$21,637,456 is included in the unassigned fund balance.

Major Governmental Funds

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 \$30,808,451. 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 32.83% of total General Fund expenditures.

Total General Fund revenues were \$89,696,280 or 2.8% higher than fiscal year 2021. Taxes increased by \$8 million (11%) and offset decreases in intergovernmental (\$4,039,818) and investment (\$1,013,576) revenues. Tax revenues were up due to a robust economy triggering higher sales and business taxes. In 2021, the City received more intergovernmental revenues (grants) as a result of the pandemic. Those revenues were not received in 2022. Unrealized losses on investments contributed to the drop in investment earnings due to rising interest rates as the Federal Reserve attempted to reduce inflation.

The Capital Projects Fund reflects an ending fund balance increase of \$292,668. The increase (1.7%) is insignificant and reflective of the timing of capital project acquisitions.

The T-SPLOST Fund reflects an ending fund balance of \$69,200,078, an increase of \$14,493,533 from fiscal year 2021. 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 zero. This City reports only cash, a liability, unearned revenue, which offsets the cash balance.

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 12.9% above those in fiscal year 2021 and operating expenses were 8.2% more than prior year. As noted below, most of the increase was in the Participant Recreation Fund as participant activity returned to pre-pandemic levels.

The Water and Sewer Fund's operating revenues are 10% above those in fiscal year 2021 due to an increase in rates. Operating expenses were 6.6% more than prior year. The increase in expenses was a result of increase in personnel expenses from the City's compensation study.

The Solid Waste Fund's operating revenues are 10% above those in fiscal year 2021 due to an increase in rates. Operating expenses were 2.7% more than the prior year due mostly to higher supply costs.

The Participant Recreation Fund's operating revenues were 42% compared to the same time in fiscal year 2021. Operating expenses were 20.5% more than prior year. Both increases were due to program revenues returning to pre-pandemic levels.

The Stormwater Fund's operating revenues were 3.2% higher when compared to the same time in fiscal year 2021. Operating expenses were 8.8% more than prior year. The increase in expenses was a result of increase in personnel expenses from the City's compensation study.

Budgetary Highlights

General Fund – The General Fund's final approved revenue budget for FY 2022 was \$86,018,965. The original approved revenue budget was \$79,938,965. The City collected \$3,677,315 more than the approved revenue budget due to higher than anticipated collection of taxes.

The General Fund's final approved expenditure budget for FY 2022 was \$84,243,265. The original approved expenditure budget was \$77,645,646. The City expended 96.01% of the Amended Budget amount. The General Fund actual expenditures were \$3,361,822 less than budgeted. The decrease was mainly due to Administration and Public Safety.

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, 2022, was \$228,837,570 and \$41,231,404 respectively. The major changes to capital assets for FY22 were:

- Governmental construction in progress increased as the City resumed approval of capital expenditures after halting most projects during the pandemic.
- Business-type construction in progress increased after halting most projects during the pandemic.

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

City of Roswell's Capital Assets (Table 4)
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Non-depreciable assets:						
Land	\$ 54,868	\$ 54,854	\$ -	\$ -	\$ 54,868	\$ 54,854
Construction in Progress	43,697	28,300	3,551	997	47,248	29,297
Total non-depreciable assets	98,565	83,154	3,551	997	102,116	84,151
Depreciable assets:						
Land improvements	43,544	42,260		501	43,544	42,761
Buildings and plant	87,261	87,053	20,459	19,958	107,720	107,011
Machinery and equipment	32,468	30,810	3,574	3,168	36,042	33,978
Vehicles	21,616	23,108	6,000	5,603	27,616	28,711
Infrastructure	158,593	158,008	27,249	25,767	185,842	183,775
Total depreciable assets	343,482	341,239	57,282	54,997	400,764	396,236
Less accumulated depreciation:	217,470	208,741	19,602	17,653	237,072	226,394
Net book value-depreciated assets	126,012	132,498	37,680	37,344	163,692	169,842
Percentage depreciated	63.31%	61.17%	34.22%	32.10%	59.16%	57.14%
Lease assets:						
Vehicles	5,309	3,295	-	-	5,309	3,295
Machinery and equipment	357	357	-	-	357	357
Land improvements	58	58	-	-	58	58
Total lease assets	5,724	3,710	-	-	5,724	3,710
Less accumulated amortization:	1,464	-	-	-	1,464	-
Net book value-lease assets	4,260	3,710	-	-	4,260	3,710
Total Capital Assets	\$ 228,837	\$ 219,362	\$ 41,231	\$ 38,341	\$ 270,068	\$ 257,703

At June 30, 2022, the depreciable capital assets for governmental activities were 63.31% depreciated. Note that the business-type activities are 34.22% depreciated.

Long-term Debt

At the end of the fiscal year, the City had total bonded debt outstanding of \$2,213,363, 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, 2022 and 2021 (in thousands of dollars)

	Governmental		Business-type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Bonds	\$ 2,213	\$ 3,807	\$ -	\$ -	\$ 2,213	\$ 3,807
Claims payable	370	370	-	-	370	370
Compensated absences	3,969	3,325	615	524	4,584	3,849
Net pension liability	12,630	24,296	2,053	3,545	14,683	27,841
Notes payable	4,627	2,723	12,662	11,871	17,289	14,594
Lease liabilities	4,157	3,710	-	-	4,157	3,710
Financed purchases payable	5,763	8,248	135	-	5,898	8,248
Total	\$ 33,729	\$ 46,479	\$ 15,465	\$ 15,940	\$ 49,194	\$ 62,419

For more information on long-term obligations, see Note 10-A 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 2023.

- 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 FY23 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.

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

CITY OF ROSWELL, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Roswell Economic Development & Tourism, Inc.	Downtown Development Authority
Cash and cash equivalents	\$ 71,265,502	\$ 6,752,625	\$ 78,018,127	\$ 867,429	\$ 483,892
Investments	78,428,900	4,979,808	83,408,708	-	-
Receivables (net of allowance for uncollectibles)	1,559,472	2,877,860	4,437,332	4,362	-
Taxes receivable	5,389,687	-	5,389,687	-	-
Intergovernmental receivables	135,323	-	135,323	-	-
Leases receivable	501,441	-	501,441	-	-
Interest receivable	163,097	-	163,097	-	-
Internal balances	913,372	(913,372)	-	-	-
Inventories	61,331	-	61,331	5,523	-
Prepaid items	1,601,781	58,289	1,660,070	260	-
Other assets	-	-	-	3,000	-
Notes receivable	473,353	-	473,353	-	-
Capital assets, nondepreciable	98,565,229	3,551,123	102,116,352	-	-
Capital assets, depreciable, net of accumulated depreciation	130,272,341	37,680,281	167,952,622	89,916	-
Total assets	389,330,829	54,986,614	444,317,443	970,490	483,892
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	5,242,836	851,997	6,094,833	-	-
Total deferred outflows of resources	5,242,836	851,997	6,094,833	-	-
LIABILITIES					
Accounts payable	7,896,386	2,041,405	9,937,791	32,644	-
Accrued liabilities	5,452,828	564,379	6,017,207	-	-
Retainage payable	369,055	210,280	579,335	-	-
Customer deposits payable	-	981,460	981,460	-	-
Unearned revenue	11,360,608	925,782	12,286,390	17,500	-
Noncurrent liabilities due within one year					
Compensated absences payable	2,673,994	416,244	3,090,238	-	-
Lease liabilities	1,595,904	-	1,595,904	9,447	-
Financed purchases	1,229,283	100,000	1,329,283	-	-
Note payable	369,355	678,892	1,048,247	-	-
Claims payable	150,000	-	150,000	-	-
Bonds payable	1,630,000	-	1,630,000	-	-
Noncurrent liabilities due in more than one year					
Compensated absences payable	1,294,555	199,206	1,493,761	-	-
Lease liabilities	2,560,951	-	2,560,951	-	-
Financed purchases	4,533,116	35,000	4,568,116	-	-
Note payable	4,257,630	11,983,246	16,240,876	-	-
Claims payable	220,498	-	220,498	-	-
Bonds payable	583,363	-	583,363	-	-
Net pension liability	12,630,329	2,052,517	14,682,846	-	-
Total liabilities	58,807,855	20,188,411	78,996,266	59,591	-
DEFERRED INFLOWS OF RESOURCES					
Pension related items	10,835,227	1,760,800	12,596,027	-	-
Deferred inflows of resources - leases	520,440	-	520,440	-	-
Total deferred inflows of resources	11,355,667	1,760,800	13,116,467	-	-
NET POSITION					
Net investment in capital assets	211,708,913	28,223,986	239,932,899	80,469	-
Restricted for:					
Debt service	1,283,465	-	1,283,465	-	-
Environmental	38,604	-	38,604	-	-
Culture and recreation	2,100,264	-	2,100,264	830,430	-
Transportation	71,242,813	-	71,242,813	-	-
Public safety	4,148,052	-	4,148,052	-	-
Capital projects	2,062,699	-	2,062,699	-	-
Promotion of industry and tourism	169,739	-	169,739	-	-
Scholarship - nonexpendable	25,000	-	25,000	-	-
Scholarship - expendable	10,373	-	10,373	-	-
Unrestricted	31,620,221	5,665,414	37,285,635	-	483,892
Total net position	\$ 324,410,143	\$ 33,889,400	\$ 358,299,543	\$ 910,899	\$ 483,892

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

CITY OF ROSWELL, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 13,576,216	\$ 4,444,337	\$ 4,086	\$ -
Judicial	1,268,884	1,573,950	-	-
Financial services	2,902,103	-	-	-
Public safety	37,569,304	2,490,689	324,228	12,189
Public works	14,025,913	923,786	1,383,292	19,635,014
Planning and zoning	3,272,817	2,275,861	753,198	22,648
Culture and recreation	16,902,410	61,245	33,175	10,000
Interest on long-term debt	295,235	-	-	-
Total governmental activities	89,812,882	11,769,868	2,497,979	19,679,851
Business-type activities:				
Water and sewer	4,949,574	4,791,432	-	-
Solid waste	11,642,759	11,985,280	-	-
Participant recreation	6,659,818	6,290,733	-	-
Stormwater	2,565,263	3,383,850	-	-
Total business-type activities	25,817,414	26,451,295	-	-
Total primary government	\$ 115,630,296	\$ 38,221,163	\$ 2,497,979	\$ 19,679,851
Component units:				
Roswell Economic Development & Tourism, Inc.	\$ 1,185,177	\$ 427,978	\$ 1,166,313	\$ -
Downtown Development Authority	61,925	239,860	-	-
Total component units	\$ 1,247,102	\$ 667,838	\$ 1,166,313	\$ -
General revenues:				
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				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year, as restated				
Net position, end of year				

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Roswell Economic Development & Tourism, Inc.	Downtown Development Authority
\$ (9,127,793)	\$ -	\$ (9,127,793)	\$ -	\$ -
305,066	-	305,066	-	-
(2,902,103)	-	(2,902,103)	-	-
(34,742,198)	-	(34,742,198)	-	-
7,916,179	-	7,916,179	-	-
(221,110)	-	(221,110)	-	-
(16,797,990)	-	(16,797,990)	-	-
(295,235)	-	(295,235)	-	-
<u>(55,865,184)</u>	<u>-</u>	<u>(55,865,184)</u>	<u>-</u>	<u>-</u>
-	(158,142)	(158,142)	-	-
-	342,521	342,521	-	-
-	(369,085)	(369,085)	-	-
-	818,587	818,587	-	-
-	633,881	633,881	-	-
<u>(55,865,184)</u>	<u>633,881</u>	<u>(55,231,303)</u>	<u>-</u>	<u>-</u>
-	-	-	409,114	-
-	-	-	-	177,935
-	-	-	<u>409,114</u>	<u>177,935</u>
38,541,101	-	38,541,101	-	-
33,268,559	-	33,268,559	-	-
1,574,707	-	1,574,707	-	-
346,127	-	346,127	-	-
10,170,060	-	10,170,060	-	-
(2,341,397)	(252,221)	(2,593,618)	-	434
492,149	116,793	608,942	-	-
69,682	-	69,682	-	-
474,498	-	474,498	-	-
(631,635)	631,635	-	-	-
<u>81,963,851</u>	<u>496,207</u>	<u>82,460,058</u>	<u>-</u>	<u>434</u>
26,098,667	1,130,088	27,228,755	409,114	178,369
298,311,476	32,759,312	331,070,788	501,785	305,523
<u>\$ 324,410,143</u>	<u>\$ 33,889,400</u>	<u>\$ 358,299,543</u>	<u>\$ 910,899</u>	<u>\$ 483,892</u>

CITY OF ROSWELL, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2022

ASSETS	General	Capital Projects	T-SPLST	ARPA Grant	Nonmajor Governmental Funds	Total
Cash and cash equivalents	\$ 8,771,358	\$ 11,111,741	\$ 26,112,873	\$ 11,374,757	\$ 11,351,265	\$ 68,721,994
Investments	21,318,687	10,876,395	42,926,002	-	491,381	75,612,465
Receivables (net of allowance for uncollectibles)	1,188,448	14,204	-	-	336,459	1,539,111
Taxes receivable (net)	3,375,151	-	1,761,801	-	252,735	5,389,687
Intergovernmental receivables	-	7,000	-	-	128,323	135,323
Leases receivable	501,441	-	-	-	-	501,441
Interest receivable	-	-	163,097	-	-	163,097
Due from other funds	1,175,842	-	-	-	-	1,175,842
Inventories	61,331	-	-	-	-	61,331
Prepaid items	456,012	11,280	-	-	22,401	489,693
Total assets	\$ 36,848,270	\$ 22,020,620	\$ 70,963,773	\$ 11,374,757	\$ 12,582,564	\$ 153,789,984
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 1,299,379	\$ 4,024,845	\$ 1,420,568	\$ 14,149	\$ 705,464	\$ 7,464,405
Accrued liabilities	3,510,658	-	-	-	91,017	3,601,675
Unearned revenue	-	-	-	11,360,608	-	11,360,608
Retainage payable	-	14,331	343,127	-	11,597	369,055
Due to other funds	-	-	-	-	49,870	49,870
Advances from other funds	41,913	-	-	-	-	41,913
Total liabilities	4,851,950	4,039,176	1,763,695	11,374,757	857,948	22,887,526
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	514,526	-	-	-	19,006	533,532
Unavailable revenue - other	152,903	-	-	-	-	152,903
Unavailable revenue - intergovernmental	-	-	-	-	12,190	12,190
Deferred inflows of resources - leases	520,440	-	-	-	-	520,440
Total deferred inflows of resources	1,187,869	-	-	-	31,196	1,219,065
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaid items	456,012	11,280	-	-	22,401	489,693
Inventories	61,331	-	-	-	-	61,331
Permanent fund corpus	-	-	-	-	25,000	25,000
Restricted:						
Public safety	-	-	-	-	4,133,987	4,133,987
Culture and recreation	-	-	-	-	2,100,264	2,100,264
Environmental	-	-	-	-	38,604	38,604
Transportation	-	-	69,200,078	-	1,699,608	70,899,686
Debt service	-	-	-	-	1,263,959	1,263,959
Capital projects	-	-	-	-	2,035,625	2,035,625
Scholarship	-	-	-	-	10,373	10,373
Promotion of industry and tourism	-	-	-	-	169,739	169,739
Committed:						
Culture and recreation	638,875	-	-	-	174,979	813,854
Environmental	-	-	-	-	23,430	23,430
Assigned:						
Use of reserves in subsequent budget	2,097,611	-	-	-	-	2,097,611
Capital projects	-	17,970,164	-	-	-	17,970,164
Transportation	41,288	-	-	-	-	41,288
Financial services	3,075	-	-	-	-	3,075
Special events	115,521	-	-	-	-	115,521
General government	126,107	-	-	-	-	126,107
Planning and zoning	4,725	-	-	-	-	4,725
Public safety	768,893	-	-	-	-	768,893
Public works	80,672	-	-	-	-	80,672
Culture and recreation	104,312	-	-	-	-	104,312
Unassigned	26,310,029	-	-	-	(4,549)	26,305,480
Total fund balances	30,808,451	17,981,444	69,200,078	-	11,693,420	129,683,393
Total liabilities, deferred inflows of resources, and fund balances	\$ 36,848,270	\$ 22,020,620	\$ 70,963,773	\$ 11,374,757	\$ 12,582,564	

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.	228,837,570
Internal service funds are used by the City to charge cost to other funds. The assets and liabilities are included in the governmental activities.	4,021,301
Notes receivable and related accrued interest are not an available resource and, therefore, are not reported in the funds.	491,301
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.	698,625
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(21,124,656)
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(18,197,391)
Net position of governmental activities	\$ 324,410,143

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, 2022**

	General	Capital Projects	T-SPLOST	ARPA Grant	Nonmajor Governmental Funds	Total
Revenues:						
Taxes	\$ 81,403,148	\$ -	\$ -	\$ -	\$ 2,573,794	\$ 83,976,942
Licenses and permits	3,072,024	-	-	-	-	3,072,024
Intergovernmental	134,764	1,380,063	20,326,790	214,379	799,967	22,855,963
Fines and forfeitures	1,573,950	-	-	-	55,254	1,629,204
Charges for services	3,753,360	-	-	-	2,444,029	6,197,389
Impact fees	-	-	-	-	896,854	896,854
Investment loss	(873,361)	(522,220)	(903,642)	-	(36,704)	(2,335,927)
Contributions	13,643	346,360	-	-	-	360,003
Miscellaneous	618,752	-	-	-	-	618,752
Total revenues	<u>89,696,280</u>	<u>1,204,203</u>	<u>19,423,148</u>	<u>214,379</u>	<u>6,733,194</u>	<u>117,271,204</u>
Expenditures:						
Current:						
General government	12,149,518	104,221	-	2,153	5,122	12,261,014
Judicial	1,305,658	-	-	-	-	1,305,658
Financial services	3,289,839	-	-	-	-	3,289,839
Public safety	32,396,958	14,015	-	189,464	2,839,492	35,439,929
Public works	9,042,624	49,142	-	3,230	12,362	9,107,358
Planning and zoning	2,627,087	75,068	-	-	749,735	3,451,890
Culture and recreation	13,918,820	147,512	-	19,532	808,739	14,894,603
Capital outlay	-	16,940,746	4,929,615	-	530,333	22,400,694
Debt service:						
Principal	5,239,244	1,383,849	-	-	1,560,000	8,183,093
Interest and fiscal charges	179,099	77,510	-	-	93,293	349,902
Total expenditures	<u>80,148,847</u>	<u>18,792,063</u>	<u>4,929,615</u>	<u>214,379</u>	<u>6,599,076</u>	<u>110,683,980</u>
Excess (deficiency) of revenues over expenditures	9,547,433	(17,587,860)	14,493,533	-	134,118	6,587,224
Other financing sources (uses):						
Proceeds from sale of capital assets	140,598	322,298	-	-	81,057	543,953
Issuance of long-term debt	-	6,647,272	-	-	-	6,647,272
Transfers in	686,143	10,910,958	-	-	319,434	11,916,535
Transfers out	(11,919,913)	-	-	-	(637,652)	(12,557,565)
Total other financing sources (uses)	<u>(11,093,172)</u>	<u>17,880,528</u>	<u>-</u>	<u>-</u>	<u>(237,161)</u>	<u>6,550,195</u>
Net change in fund balances	(1,545,739)	292,668	14,493,533	-	(103,043)	13,137,419
Fund balances, beginning of year	<u>32,354,190</u>	<u>17,688,776</u>	<u>54,706,545</u>	<u>-</u>	<u>11,796,463</u>	<u>116,545,974</u>
Fund balances, end of year	<u>\$ 30,808,451</u>	<u>\$ 17,981,444</u>	<u>\$ 69,200,078</u>	<u>\$ -</u>	<u>\$ 11,693,420</u>	<u>\$ 129,683,393</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, 2022**

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

Net change in fund balances - total governmental funds	\$	13,137,419
<p>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.</p>		
		9,653,988
<p>The net effect of various miscellaneous transactions involving capital assets and lease assets (i.e., sales and lease modifications) is to increase net position.</p>		
Disposal of capital assets, excluding lease assets		(51,804)
Disposal of lease assets		(89,259)
<p>The payments received on notes receivable provide current financial resources to governmental funds, but have no effect on net position.</p>		
		(149,724)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(793,767)
<p>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.</p>		
		1,694,762
<p>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.</p>		
		1,933,125
<p>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.</p>		
		<u>763,927</u>
Change in net position - governmental activities	\$	<u>26,098,667</u>

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

CITY OF ROSWELL, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

ASSETS	Water and Sewer	Solid Waste	Participant Recreation	Stormwater
Current assets:				
Cash	\$ 1,576,909	\$ 1,336,043	\$ 3,163,077	\$ 676,596
Investments	701,790	3,552,053	-	725,965
Receivables (net of allowance for uncollectibles)	918,143	1,631,398	-	328,319
Prepaid items	28,212	613	25,049	4,415
Total current assets	<u>3,225,054</u>	<u>6,520,107</u>	<u>3,188,126</u>	<u>1,735,295</u>
Noncurrent assets:				
Capital assets:				
Capital assets, not being depreciated	566,000	2,558,780	53,849	372,494
Capital assets, being depreciated	38,200,435	6,727,344	1,716,632	10,637,388
Less accumulated depreciation	(13,711,181)	(3,084,423)	(810,563)	(1,995,351)
Advances to other funds	-	41,913	-	-
Total noncurrent assets	<u>25,055,254</u>	<u>6,243,614</u>	<u>959,918</u>	<u>9,014,531</u>
Total assets	<u>28,280,308</u>	<u>12,763,721</u>	<u>4,148,044</u>	<u>10,749,826</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	100,046	449,415	209,799	92,737
Total deferred outflows of resources	<u>100,046</u>	<u>449,415</u>	<u>209,799</u>	<u>92,737</u>
LIABILITIES				
Current liabilities:				
Accounts payable	860,072	971,004	190,044	20,285
Retainage payable	-	210,280	-	-
Accrued expenses	83,560	163,708	267,116	49,995
Customer deposits payable	233,551	728,684	19,225	-
Due to other funds	-	-	632,429	-
Unearned revenue	-	-	925,782	-
Notes payable, current	678,892	-	-	-
Financed purchases, current	100,000	-	-	-
Compensated absences, current	91,042	163,827	95,026	66,349
Total current liabilities	<u>2,047,117</u>	<u>2,237,503</u>	<u>2,129,622</u>	<u>136,629</u>
Long-term liabilities:				
Compensated absences	31,784	93,383	45,083	28,956
Notes payable, long term	10,364,959	1,618,287	-	-
Financed purchases, long term	35,000	-	-	-
Net pension liability	241,018	1,082,669	505,420	223,410
Total long-term liabilities	<u>10,672,761</u>	<u>2,794,339</u>	<u>550,503</u>	<u>252,366</u>
Total liabilities	<u>12,719,878</u>	<u>5,031,842</u>	<u>2,680,125</u>	<u>388,995</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related items	206,763	928,793	433,586	191,658
Total deferred inflows of resources	<u>206,763</u>	<u>928,793</u>	<u>433,586</u>	<u>191,658</u>
NET POSITION				
Net investment in capital assets	13,876,403	4,373,134	959,918	9,014,531
Unrestricted	1,577,310	2,879,367	284,214	1,247,379
Total net position	<u>\$ 15,453,713</u>	<u>\$ 7,252,501</u>	<u>\$ 1,244,132</u>	<u>\$ 10,261,910</u>

Adjustment to reflect the consolidation of internal service fund activities to enterprise funds
Net position of business-type activities

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

<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 6,752,625	\$ 2,543,508
4,979,808	2,816,435
2,877,860	2,413
58,289	1,112,088
<u>14,668,582</u>	<u>6,474,444</u>
3,551,123	-
57,281,799	253,717
(19,601,518)	(253,717)
41,913	-
<u>41,273,317</u>	<u>-</u>
55,941,899	6,474,444
851,997	7,288
<u>851,997</u>	<u>7,288</u>
2,041,405	431,981
210,280	-
564,379	1,778,544
981,460	-
632,429	493,543
925,782	-
678,892	-
100,000	-
416,244	31,874
<u>6,550,871</u>	<u>2,735,942</u>
199,206	14,728
11,983,246	-
35,000	-
2,052,517	17,556
<u>14,269,969</u>	<u>32,284</u>
20,820,840	2,768,226
1,760,800	15,061
<u>1,760,800</u>	<u>15,061</u>
28,223,986	-
5,988,270	3,698,445
<u>34,212,256</u>	<u>\$ 3,698,445</u>
(322,856)	
<u>\$ 33,889,400</u>	

**CITY OF ROSWELL, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	Water and Sewer	Solid Waste	Participant Recreation	Stormwater
OPERATING REVENUES				
Charges for services				
Water sales	\$ 3,917,979	\$ -	\$ -	\$ -
Sewer sales	282,361	-	-	-
Sanitation sales	-	11,933,099	-	-
Stormwater sales	-	-	-	3,383,850
Other fees	409,220	52,181	6,290,733	-
Other operating income	181,872	-	-	-
Total operating revenues	<u>4,791,432</u>	<u>11,985,280</u>	<u>6,290,733</u>	<u>3,383,850</u>
OPERATING EXPENSES				
Personnel services and benefits	1,855,388	4,145,192	4,002,600	1,181,300
Purchased contract services	98,408	4,968,973	1,617,695	-
Supplies and maintenance	1,405,626	2,247,457	995,129	1,002,066
Utilities	149,933	12,939	-	-
Claims paid	-	-	-	-
Depreciation	1,306,595	376,336	79,787	400,893
Total operating expenses	<u>4,815,950</u>	<u>11,750,897</u>	<u>6,695,211</u>	<u>2,584,259</u>
Operating income (loss)	(24,518)	234,383	(404,478)	799,591
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (loss)	(40,646)	(182,919)	2,142	(30,798)
Interest expense and issuance costs	(158,920)	(4,231)	-	-
Gain on disposal of capital assets	-	103,293	-	13,500
Total nonoperating revenues (expenses)	<u>(199,566)</u>	<u>(83,857)</u>	<u>2,142</u>	<u>(17,298)</u>
INCOME (LOSS) BEFORE TRANSFERS	(224,084)	150,526	(402,336)	782,293
Transfers in	-	1,119	791,384	-
Transfers out	(35,686)	(66,311)	(6,374)	(52,497)
Total transfers	<u>(35,686)</u>	<u>(65,192)</u>	<u>785,010</u>	<u>725,998</u>
Change in net position	(259,770)	85,334	382,674	729,796
NET POSITION, beginning of year	<u>15,713,483</u>	<u>7,167,167</u>	<u>861,458</u>	<u>9,532,114</u>
NET POSITION, end of year	<u>\$ 15,453,713</u>	<u>\$ 7,252,501</u>	<u>\$ 1,244,132</u>	<u>\$ 10,261,910</u>
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds				
Change in net position of business-type activities				

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

<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 3,917,979	\$ -
282,361	-
11,933,099	-
3,383,850	-
6,752,134	14,772,673
181,872	1,089,432
<u>26,451,295</u>	<u>15,862,105</u>
11,184,480	4,834,171
6,685,076	-
5,650,278	-
162,872	-
-	9,860,117
2,163,611	38,054
<u>25,846,317</u>	<u>14,732,342</u>
604,978	1,129,763
(252,221)	(183,177)
(163,151)	-
116,793	-
<u>(298,579)</u>	<u>(183,177)</u>
306,399	946,586
792,503	54,454
<u>(160,868)</u>	<u>(45,059)</u>
<u>631,635</u>	<u>9,395</u>
938,034	955,981
	<u>2,742,464</u>
	<u>\$ 3,698,445</u>
192,054	
<u>\$ 1,130,088</u>	

CITY OF ROSWELL, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Water and Sewer	Solid Waste	Participant Recreation	Stormwater
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 4,663,944	\$ 12,068,105	\$ 6,497,193	\$ 3,361,461
Receipts from interfund charges	-	-	-	-
Payments to suppliers and service providers	(1,526,705)	(7,139,559)	(2,456,969)	(1,258,216)
Payments to employees	(1,788,605)	(4,196,001)	(3,951,547)	(1,160,958)
Net cash provided by operating activities	<u>1,348,634</u>	<u>732,545</u>	<u>88,677</u>	<u>942,287</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of investments	1,250,000	499,999	-	500,000
Interest received	27,108	46,718	2,142	15,078
Net cash provided by investing activities	<u>1,277,108</u>	<u>546,717</u>	<u>2,142</u>	<u>515,078</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(891,660)	(2,799,958)	-	(1,362,593)
Principal payments on long-term debt	(769,459)	-	-	-
Proceeds from the sale of capital assets	-	103,293	-	13,500
Proceeds from issuance of long-term debt	235,000	1,460,011	-	-
Interest and fiscal charges paid	(159,702)	(4,231)	-	-
Net cash used in capital and related financing activities	<u>(1,585,821)</u>	<u>(1,240,885)</u>	<u>-</u>	<u>(1,349,093)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipts from advances to other funds	-	119,903	-	-
Transfers in	-	1,119	791,384	-
Transfers out	(35,686)	(66,311)	(6,374)	(52,497)
Net cash provided by (used in) noncapital financing activities	<u>(35,686)</u>	<u>54,711</u>	<u>785,010</u>	<u>(52,497)</u>
Increase in cash	1,004,235	93,088	875,829	55,775
Cash:				
Beginning of year	<u>572,674</u>	<u>1,242,955</u>	<u>2,287,248</u>	<u>620,821</u>
End of year	<u>\$ 1,576,909</u>	<u>\$ 1,336,043</u>	<u>\$ 3,163,077</u>	<u>\$ 676,596</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (24,518)	\$ 234,383	\$ (404,478)	\$ 799,591
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,306,595	376,336	79,787	400,893
(Increase) decrease in accounts receivable	(127,488)	82,825	-	(22,389)
Increase in prepaid expenses	(18,554)	(296)	(24,471)	(3,051)
Increase (decrease) in pension related deferred outflows of resources	(36,251)	(98,122)	(58,026)	(23,675)
Increase (decrease) in accounts payable	142,166	72,890	71,302	(253,099)
Increase (decrease) in accrued expenses	6,160	26,561	28,986	10,063
Increase in customer deposits payable	3,650	17,216	12,200	-
Increase in unearned revenue	-	-	194,260	-
Increase in due to other funds	-	-	109,024	-
Increase in pension related deferred inflows of resources	193,885	857,878	402,948	177,717
Increase in compensated absences	17,578	38,387	17,738	17,792
Decrease in net pension liability	(114,589)	(875,513)	(340,593)	(161,555)
Net cash provided by operating activities	<u>\$ 1,348,634</u>	<u>\$ 732,545</u>	<u>\$ 88,677</u>	<u>\$ 942,287</u>
NONCASH INVESTING ACTIVITIES				
Decrease in fair value of investments	\$ (67,150)	\$ (229,168)	\$ -	\$ (51,688)

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

<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 26,590,703	\$ 1,958,183
-	13,904,944
(12,381,449)	(15,490,071)
<u>(11,097,111)</u>	<u>-</u>
<u>3,112,143</u>	<u>373,056</u>
2,249,999	250,000
<u>91,046</u>	<u>28,390</u>
<u>2,341,045</u>	<u>278,390</u>
(5,054,211)	-
(769,459)	-
116,793	-
1,695,011	-
<u>(163,933)</u>	<u>-</u>
<u>(4,175,799)</u>	<u>-</u>
119,903	-
792,503	54,454
<u>(160,868)</u>	<u>(45,059)</u>
<u>751,538</u>	<u>9,395</u>
2,028,927	660,841
<u>4,723,698</u>	<u>1,882,667</u>
<u>\$ 6,752,625</u>	<u>\$ 2,543,508</u>
\$ 604,978	\$ 1,129,763
2,163,611	38,054
(67,052)	1,022
(46,372)	(828,889)
(216,074)	8,634
33,259	133,052
71,770	(521,150)
33,066	-
194,260	-
109,024	493,543
1,632,428	11,063
91,495	853
<u>(1,492,250)</u>	<u>(92,889)</u>
<u>\$ 3,112,143</u>	<u>\$ 373,056</u>
\$ (348,006)	\$ (208,901)

CITY OF ROSWELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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. 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.

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

In accordance with GASB Statement No. 34, major individual governmental funds 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 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, 2022:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 732,596
ARPA Fund	26
Water & Sewer Fund	260,741
Solid Waste Fund	2,046,317
Stormwater Fund	22,706
Participant Recreation Fund	98,884
Nonmajor Governmental Funds	304,896
	<u>\$ 3,466,166</u>

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. 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)

K. 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.

L. 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.

M. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources 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)

M. 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. 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.

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)

M. Fund Equity (Continued)

Net Position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used 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.

N. 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.

O. 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 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 \$21,124,656 difference are as follows:

Bonds payable	\$ (2,185,000)
Unamortized premiums	(28,363)
Lease Liability	(4,156,855)
Financed purchases payable	(5,762,399)
Notes payable	(4,626,985)
Claims payable	(370,498)
Accrued interest	(72,609)
Compensated absences	<u>(3,921,947)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (21,124,656)</u></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 \$491,301 difference are as follows:

Notes receivable	\$ 473,353
Accrued interest receivable	<u>17,948</u>
Net adjustment to increase <i>fund balance- total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ 491,301</u></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 \$18,197,391 difference are as follows:

Net pension liability	\$ (12,612,773)
Pension related deferred outflows of resources	5,235,548
Pension related deferred inflows of resources	<u>(10,820,166)</u>
Net adjustment to reduce <i>fund balance- total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (18,197,391)</u></u>

NOTES TO FINANCIAL STATEMENTS

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

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

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 \$9,653,988 difference are as follows:

Capital outlay	\$ 22,991,185
Depreciation expense	<u>(13,337,197)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 9,653,988</u>

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 \$149,724 difference are as follows:

Payments on notes receivable	\$ (144,254)
Accrued interest receivable	<u>(5,470)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (149,724)</u>

NOTES TO 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 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 \$1,694,762 difference are as follows:

Principal payment on bonds	\$ 1,560,000
Issuance of notes payable	(2,271,378)
Issuance of financed purchases	(2,216,701)
Issuance of leases	(2,159,193)
Principal payment on notes payable	367,513
Principal payment on financed purchases	4,701,821
Principal payment on lease liabilities	1,553,759
Reductions in lease liabilities from disposals of lease assets	<u>158,941</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 1,694,762</u>

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 \$1,933,125 difference are as follows:

Compensated absences	\$ (642,709)
Amortization of premium on bonds	33,517
Accrued interest	21,150
Pension expense	<u>2,521,167</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 1,933,125</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. 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.

NOTE 4. DEPOSITS AND INVESTMENTS

A. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

A. Primary Government (Continued)

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, 2022, 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, 2022, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

At June 30, 2022, 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	\$ 25,258	N/A	0.08
Certificates of deposit	15,255,799	N/A	1.98
Municipal Bonds	348,793	AA	4.39
US Treasury Notes/Bonds	21,605,996	AAA	2.31
Federal Farm Credit Bank	13,256,030	AA+	3.20
Federal Home Loan Bank	15,138,860	AA+	3.36
Federal Home Loan Mortgage Corp	14,079,943	AA+	2.16
Federal National Mortgage Association	2,353,780	AA+	9.42
FRESB Multifamily Mortgage Pass-Through Certificates	1,344,249	AA+	1.65
Georgia Fund 1	46,560,949	AAAf	0.12
	<u>\$ 129,969,657</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 FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

A. 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, 2022:

Investment	Level 1	Level 2	Fair Value
Money Markey Mutual Funds	\$ 25,258	\$ -	\$ 25,258
Municipal Bonds	-	348,793	348,793
Federal Home Loan Mortgage Corp	-	14,079,943	14,079,943
Federal National Mortgage Association	-	2,353,780	2,353,780
Federal Farm Credit Bank	-	13,256,030	13,256,030
Federal Home Loan Bank	-	15,138,860	15,138,860
FRESB Multifamily Mortgage Pass-Through Certificates	-	1,344,249	1,344,249
US Treasury Notes/Bonds	21,605,996	-	21,605,996
Total investments measured at fair value	<u>\$ 21,631,254</u>	<u>\$ 46,521,655</u>	<u>\$ 68,152,909</u>
Investments not subject to level disclosure:			
Certificates of deposit			15,255,799
Georgia Fund 1			<u>46,560,949</u>
Total investments			<u>\$ 129,969,657</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 FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

A. Primary Government

Receivables at June 30, 2022, for the City's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Capital Projects Fund	TSPLOST Fund	Nonmajor Governmental Funds
Receivables:				
Taxes	\$ 3,596,646	\$ -	\$ 1,761,801	\$ 268,526
Intergovernmental	-	7,000	-	128,323
Leases	501,441	-	-	-
Accounts	1,342,700	14,204	-	336,459
Gross receivables	<u>5,440,787</u>	<u>21,204</u>	<u>1,761,801</u>	<u>733,308</u>
Less allowance for uncollectibles	(375,747)	-	-	(15,791)
Net receivables	<u><u>\$ 5,065,040</u></u>	<u><u>\$ 21,204</u></u>	<u><u>\$ 1,761,801</u></u>	<u><u>\$ 717,517</u></u>
	Water & Sewer Fund	Solid Waste Fund	Stormwater Fund	Governmental Activities Internal Service Funds
Receivables:				
Accounts	\$ 1,095,926	\$ 1,992,655	\$ 403,980	\$ 2,413
Gross receivables	<u>1,095,926</u>	<u>1,992,655</u>	<u>403,980</u>	<u>2,413</u>
Less allowance for uncollectibles	(177,783)	(361,257)	(75,661)	-
Net receivables	<u><u>\$ 918,143</u></u>	<u><u>\$ 1,631,398</u></u>	<u><u>\$ 328,319</u></u>	<u><u>\$ 2,413</u></u>

Property taxes for the 2022 fiscal year were levied in September 2021, with property values assessed as of January 1, 2021. Bills are payable on or before December 1, 2021, 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, 2022.

NOTES TO 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, 2022 was \$282,580. At June 30, 2022, the City's receivable for lease payments was \$501,441. 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 November of 2025.

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>
2023	\$ 265,757	\$ 2,648	\$ 268,405
2024	142,850	1,201	144,051
2025	69,360	499	69,859
2026	23,474	40	23,514
Total	<u>\$ 501,441</u>	<u>\$ 4,388</u>	<u>\$ 505,829</u>

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NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS

A. Primary Government

Capital asset activity of governmental activities for the year ended June 30, 2022 was as follows:

	Beginning Balance, as Restated	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	\$ 54,853,636	\$ 14,224	\$ -	\$ -	\$ 54,867,860
Construction in progress	28,300,248	19,176,660	-	(3,779,539)	43,697,369
Total capital assets, not being depreciated	83,153,884	19,190,884	-	(3,779,539)	98,565,229
Capital assets, being depreciated:					
Land improvements	42,260,466	18,000	-	1,265,421	43,543,887
Buildings and improvements	87,052,566	25,210	-	182,764	87,260,540
Machinery and equipment	30,810,147	808,189	(19,571)	869,659	32,468,424
Vehicles	21,749,490	205,377	(1,800,157)	1,461,695	21,616,405
Infrastructure	158,008,244	584,332	-	-	158,592,576
Total capital assets, being depreciated	339,880,913	1,641,108	(1,819,728)	3,779,539	343,481,832
Less accumulated depreciation for:					
Land improvements	22,201,874	1,495,864	-	-	23,697,738
Buildings and improvements	51,215,182	2,331,218	-	-	53,546,400
Machinery and equipment	19,605,593	2,605,467	(4,077)	-	22,206,983
Vehicles	15,518,929	1,410,642	(1,763,847)	-	15,165,724
Infrastructure	98,840,882	4,011,987	-	-	102,852,869
Total accumulated depreciation	207,382,460	11,855,178	(1,767,924)	-	217,469,714
Total capital assets, being depreciated, net	132,498,453	(10,214,070)	(51,804)	3,779,539	126,012,118
Governmental activities capital assets, net, excluding lease assets	\$ 215,652,337	\$ 8,976,814	\$ (51,804)	\$ -	\$ 224,577,347
Lease assets (Note 8)					4,260,223
Total capital assets, net, as reported in the statement of net position					\$ 228,837,570

During the fiscal year ended June 30, 2022, the City implemented Governmental Accounting Standards Statement No. 87, *Leases*, which changed the beginning balance of capital assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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, \$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.

Capital asset activity of business-type activities for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type Activities:					
Capital assets, not being depreciated:					
Construction in progress	\$ 996,568	\$ 4,370,862	\$ -	\$ (1,816,307)	\$ 3,551,123
Total capital assets, not being depreciated	<u>996,568</u>	<u>4,370,862</u>	<u>-</u>	<u>(1,816,307)</u>	<u>3,551,123</u>
Capital assets, being depreciated:					
Buildings and improvements	20,458,779	-	-	-	20,458,779
Machinery and equipment	3,168,386	72,032	-	333,554	3,573,972
Vehicles	5,603,072	611,317	(214,751)	-	5,999,638
Infrastructure	25,766,657	-	-	1,482,753	27,249,410
Total capital assets, being depreciated	<u>54,996,894</u>	<u>683,349</u>	<u>(214,751)</u>	<u>1,816,307</u>	<u>57,281,799</u>
Less accumulated depreciation for:					
Buildings and improvements	4,491,747	786,410	-	-	5,278,157
Machinery and equipment	1,716,156	162,183	-	-	1,878,339
Vehicles	2,935,719	418,055	(214,751)	-	3,139,023
Infrastructure	8,509,036	796,963	-	-	9,305,999
Total accumulated depreciation	<u>17,652,658</u>	<u>2,163,611</u>	<u>(214,751)</u>	<u>-</u>	<u>19,601,518</u>
Total capital assets, being depreciated, net	<u>37,344,236</u>	<u>(1,480,262)</u>	<u>-</u>	<u>1,816,307</u>	<u>37,680,281</u>
Business-type activities capital assets, net	<u>\$ 38,340,804</u>	<u>\$ 2,890,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,231,404</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	\$ 1,945,878
Public safety	3,086,231
Public works	4,084,186
Culture and recreation	2,738,883
Total depreciation expense - governmental activities	<u>\$ 11,855,178</u>
Business-type activities:	
Water and Sewer Fund	\$ 1,306,595
Solid Waste Fund	376,336
Participant Recreation Fund	79,787
Stormwater Fund	400,893
Total depreciation expense - business-type activities	<u>\$ 2,163,611</u>

NOTE 8. LEASE ASSETS

A summary of leased asset activity for the year ended June 30, 2022, is as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Lease assets:				
Vehicles	\$ 3,295,109	\$ 2,159,193	\$ (145,123)	\$ 5,309,179
Equipment	356,843	-	-	356,843
Land improvements	58,410	-	-	58,410
Total	<u>3,710,362</u>	<u>2,159,193</u>	<u>(145,123)</u>	<u>5,724,432</u>
Less accumulated amortization:				
Vehicles	-	(1,365,353)	55,864	(1,309,489)
Equipment	-	(105,146)	-	(105,146)
Land improvements	-	(49,574)	-	(49,574)
Total	<u>-</u>	<u>(1,520,073)</u>	<u>55,864</u>	<u>(1,464,209)</u>
Total lease assets, net	<u>\$ 3,710,362</u>	<u>\$ 639,120</u>	<u>\$ (89,259)</u>	<u>\$ 4,260,223</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2022, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
General Fund	Participation Recreation Fund	\$ 632,429
General Fund	Nonmajor Governmental Funds	49,870
General Fund	Internal Service Funds	493,543
		\$ 1,175,842

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.

Advances to/from other funds:

Receivable fund	Payable fund	Amount
Solid Waste Fund	General Fund	\$ 41,913

In 2014 and 2015 the Solid Waste fund loaned the General Fund \$1,218,564 for operational purposes; the General Fund will repay the balances over a period greater than one year and therefore balances are appropriately reported as long-term advances. The outstanding balance at June 30, 2022 is \$41,913.

Interfund transfers for the year ended June 30, 2022 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Stormwater Fund	\$ 35,409
General Fund	Nonmajor Governmental Funds	637,652
General Fund	Water and Sewer Fund	3,786
General Fund	Solid Waste Fund	1,461
General Fund	Participant Recreation Fund	6,374
General Fund	Internal Service Funds	1,461
Capital Projects Fund	General Fund	10,753,522
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	Internal Service Funds	43,598
Solid Waste Fund	General Fund	1,119
Internal Service Funds	General Fund	54,454
Nonmajor Governmental Funds	General Fund	319,434
Participant Recreation Fund	General Fund	791,384
		\$ 12,763,492

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

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.

NOTE 10. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the year ended June 30, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable	\$ 3,745,000	\$ -	\$ (1,560,000)	\$ 2,185,000	\$ 1,630,000
Plus: Premiums	61,880	-	(33,517)	28,363	-
Total bonds payable	<u>3,806,880</u>	<u>-</u>	<u>(1,593,517)</u>	<u>2,213,363</u>	<u>1,630,000</u>
Lease liabilities	3,710,362	2,159,193	(1,712,700)	4,156,855	1,595,904
Financed purchases payable	8,247,519	2,216,701	(4,701,821)	5,762,399	1,229,283
Note payable	2,723,120	2,271,378	(367,513)	4,626,985	369,355
Compensated absences	3,324,988	643,561	-	3,968,549	2,673,994
Claims payable	370,498	-	-	370,498	150,000
Net pension liability	<u>24,295,837</u>	<u>12,311,820</u>	<u>(23,977,328)</u>	<u>12,630,329</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 46,479,204</u>	<u>\$ 19,602,653</u>	<u>\$ (32,352,879)</u>	<u>\$ 33,728,978</u>	<u>\$ 7,648,536</u>
Business-type Activities:					
Note payable	\$ 11,871,586	\$ 1,460,011	\$ (669,459)	\$ 12,662,138	\$ 678,892
Financed purchases payable	-	235,000	(100,000)	135,000	100,000
Compensated absences	523,955	91,495	-	615,450	416,244
Net pension liability	<u>3,544,767</u>	<u>2,000,757</u>	<u>(3,493,007)</u>	<u>2,052,517</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 15,940,308</u>	<u>\$ 3,787,263</u>	<u>\$ (4,262,466)</u>	<u>\$ 15,465,105</u>	<u>\$ 1,195,136</u>

Included in the reductions to the City's lease liability for the fiscal year ended June 30, 2022 are disposals of leased assets and the associated lease liabilities totaling \$158,941.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. LONG-TERM DEBT (CONTINUED)

A. 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 2013. During fiscal year 2013, the City issued \$9,760,000 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 1.0%-2.0% per annum and mature February 1, 2023.

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>
2023	\$ 1,045,000	\$ 20,900	\$ 1,065,900

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>
2023	\$ 585,000	\$ 34,200	\$ 619,200
2024	555,000	16,650	571,650
Total	\$ 1,140,000	\$ 50,850	\$ 1,190,850

NOTES TO FINANCIAL STATEMENTS

NOTE 10. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

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, respectively.

The debt service requirements to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 369,355	\$ 10,932	\$ 380,287
2024	371,206	9,081	380,287
2025	373,066	7,221	380,287
2026	374,936	5,351	380,287
2027	376,815	3,472	380,287
2028-2029	490,229	1,694	491,923
Total	<u>\$ 2,355,607</u>	<u>\$ 37,751</u>	<u>\$ 2,393,358</u>

During 2022, 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%. As of June 30, 2022, the City made draws totaling \$2,271,378 on the note payable to GTIB. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. LONG-TERM DEBT (CONTINUED)

A. 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, 2022, the City had \$9,355,389 of vehicles and equipment, with associated accumulated depreciation of \$2,107,714 financed under the purchase agreement.

As of June 30, 2022 the future payments for the financed purchases from direct borrowings are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,229,283	\$ 132,892	\$ 1,362,175
2024	1,112,258	107,579	1,219,837
2025	920,246	84,970	1,005,216
2026	663,867	66,469	730,336
2027	418,858	52,401	471,259
2028-2032	865,046	146,616	1,011,662
2033-2037	552,841	53,918	606,759
Total	<u>\$ 5,762,399</u>	<u>\$ 644,845</u>	<u>\$ 6,407,244</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Lease Liabilities. During the fiscal year, the City had active noncancelable lease agreements as lessee. A description of those agreements and the related balances are as follows:

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, 2027. As the leases do not contain a specified interest rate, the City has used its incremental borrowing rate for similar assets of 2.0% as the discount rate for the leases. Aggregate monthly payments range from \$4,338 to \$127,896 over the various terms of the individual leases. At June 30, 2022, the outstanding balance on the City's lease liabilities for vehicles was \$3,911,511.

The City also has a noncancelable lease agreement with a third party for a portion of property used by the City's Department of Transportation and terminating on July 31, 2022. Monthly payments total \$4,500 through the life of the lease. As the lease does not contain a specified interest rate, the City has used its incremental borrowing rate for similar assets of 0.3% as the discount rate for the lease. At June 30, 2022, the outstanding balance on the City's lease liability for this property was \$4,499.

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, 2022, the outstanding balance on the City's lease liability for these copiers was \$237,398.

The City also has a noncancelable lease agreement with a third party for equipment used for maintenance, terminating on October 31, 2022, requiring payments of \$862 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 2.0% for similar assets as the discount rate for the lease. At June 30, 2022, the outstanding balance on the City's lease liability for this equipment was \$3,447.

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

Year ending June 30,	Principal	Interest	Total
2023	\$ 1,595,904	\$ 67,987	\$ 1,663,891
2024	1,344,399	38,402	1,382,801
2025	865,381	15,664	881,045
2026	299,421	3,312	302,733
2027	51,750	307	52,057
Total	<u>\$ 4,156,855</u>	<u>\$ 125,672</u>	<u>\$ 4,282,527</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. LONG-TERM DEBT (CONTINUED)

A. 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,	Principal	Interest	Total
2023	\$ 678,892	\$ 150,269	\$ 829,161
2024	688,458	140,703	829,161
2025	698,158	131,002	829,160
2026	707,995	121,165	829,160
2027	717,971	111,190	829,161
2028-2032	3,744,483	401,321	4,145,804
2033-2037	3,807,893	130,221	3,938,114
Total	<u>\$ 11,043,850</u>	<u>\$ 1,185,871</u>	<u>\$ 12,229,721</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 .63%. As of June 30, 2022, the City had made draws totaling \$1,618,288 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:

Year ending June 30,	Principal	Interest	Total
2023	\$ 100,000	\$ -	\$ 100,000
2024	35,000	-	35,000
Total	<u>\$ 135,000</u>	<u>\$ -</u>	<u>\$ 135,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 11. 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, NW, 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, 2022, the date of the most recent actuarial valuation, there were 925 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	400
Terminated vested participants not yet receiving benefits	304
Active employees - vested	221
Total	<u>925</u>

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 2022, the actuarially determined contribution rate was 31.13% of covered payroll. The City makes all contributions to the plan. For 2022, the City's contribution to the Plan was \$5,079,867.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. PENSION PLAN (CONTINUED)

Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2021.

Actuarial assumptions. The total pension liability in the January 1, 2022 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%

Mortality rates for the January 1, 2022 valuation were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2022 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%	6.55%
International equity	20%	7.30
Global fixed income	5%	0.50
Domestic fixed income	20%	0.40
Real estate	10%	3.65
Cash	—%	
Total	100%	

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

NOTES TO FINANCIAL STATEMENTS

NOTE 11. 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, 2022 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/21	\$ 121,716,500	\$ 93,875,896	\$ 27,840,604
Changes for the year:			
Service cost	848,366	-	848,366
Interest	8,767,161	-	8,767,161
Differences between expected and actual experience	4,569,866	-	4,569,866
Contributions—employer	-	4,861,029	(4,861,029)
Net investment income	-	22,609,306	(22,609,306)
Benefit payments, including refunds of employee contributions	(7,376,210)	(7,376,210)	-
Administrative expense	-	(127,184)	127,184
Net changes	6,809,183	19,966,941	(13,157,758)
Balances at 6/30/22	\$ 128,525,683	\$ 113,842,837	\$ 14,682,846

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 FINANCIAL STATEMENTS

NOTE 11. 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	\$ 29,056,379	\$ 14,682,846	\$ 2,499,106

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, 2022, the City recognized pension expense of \$2,409,612. At June 30, 2022, 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	\$ 2,284,933	\$ -
Net difference between projected and actual earnings on pension plan investments	-	12,596,027
City contributions subsequent to the measurement date	3,809,900	-
Total	\$ 6,094,833	\$ 12,596,027

NOTES TO FINANCIAL STATEMENTS

NOTE 11. 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 \$3,809,900 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, 2023. 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:	
2023	\$ (863,467)
2024	(2,750,339)
2025	(3,540,609)
2026	(3,156,679)
Total	<u>\$ (10,311,094)</u>

NOTE 12. DEFINED CONTRIBUTION PLAN

A. 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, 2022, there were 637 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, 2022, employees contributed \$1,968,093.

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, 2022, there were 518 participants in the first account and 447 in the second (with overlapping participation). For the fiscal year ended June 30, 2022, the City's combined contributions were \$2,963,556.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. 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>
2022	\$ 1,586,124	\$ 8,141,206	\$ 8,584,019	\$ 1,143,311
2021	999,560	10,325,997	9,739,433	1,586,124

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 nonincremental 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>
2022	\$ 637,955	\$ 392,876	\$ 495,162	\$ 535,669
2021	991,554	301,123	654,722	637,955

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 FINANCIAL STATEMENTS

NOTE 13. 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 14. 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 arising 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. 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. For the fiscal year ended June 30, 2022, the City of Roswell contributed \$619,052 to the Authority. 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.

NOTE 16. 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, 2022, the City collected \$1,574,707 in revenues. Of this amount, \$1,088,808 or 69% 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 17. 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, 2022, the City collected \$346,127 in motor vehicle excise taxes revenues. 80% of current collections were transferred out for these purposes, and the remaining fund balance was restricted for use for these purposes.

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability				
Service cost	\$ 848,366	\$ 859,638	\$ 820,275	\$ 975,524
Interest on total pension liability	8,767,161	8,392,323	7,740,449	7,338,986
Differences between expected and actual experience	4,569,866	2,806,985	3,858,142	3,006,088
Changes of assumptions	-	-	4,490,152	-
Benefit payments, including refunds of employee contributions	(7,376,210)	(6,554,026)	(6,166,311)	(5,458,699)
Other changes	-	-	-	-
Net change in total pension liability	<u>6,809,183</u>	<u>5,504,920</u>	<u>10,742,707</u>	<u>5,861,899</u>
Total pension liability - beginning	<u>121,716,500</u>	<u>116,211,580</u>	<u>105,468,873</u>	<u>99,606,974</u>
Total pension liability - ending (a)	<u>\$ 128,525,683</u>	<u>\$ 121,716,500</u>	<u>\$ 116,211,580</u>	<u>\$ 105,468,873</u>
Plan fiduciary net position				
Contributions - employer	\$ 4,861,029	\$ 4,476,736	\$ 3,531,899	\$ 3,785,338
Net investment income	22,609,306	8,311,242	2,543,661	8,052,173
Benefit payments, including refunds of member contributions	(7,376,210)	(6,554,026)	(6,166,311)	(5,458,699)
Administrative expenses	(127,184)	(124,699)	(119,980)	(126,004)
Net change in plan fiduciary net position	<u>19,966,941</u>	<u>6,109,253</u>	<u>(210,731)</u>	<u>6,252,808</u>
Plan fiduciary net position - beginning	<u>93,875,896</u>	<u>87,766,643</u>	<u>87,977,374</u>	<u>81,724,566</u>
Plan fiduciary net position - ending (b)	<u>\$ 113,842,837</u>	<u>\$ 93,875,896</u>	<u>\$ 87,766,643</u>	<u>\$ 87,977,374</u>
City's net pension liability - ending (a) - (b)	<u>\$ 14,682,846</u>	<u>\$ 27,840,604</u>	<u>\$ 28,444,937</u>	<u>\$ 17,491,499</u>
Plan fiduciary net position as a percentage of the total pension liability	88.58%	77.13%	75.52%	83.42%
Covered payroll	\$ 16,169,842	\$ 16,375,818	\$ 17,280,787	\$ 19,211,727
City's net pension liability as a percentage of covered payroll	90.80%	170.01%	164.60%	91.05%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
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 employee contributions	(4,641,812)	(4,077,740)	(3,570,600)	(2,966,601)
Other changes	-	-	10,428	-
Net change in total pension liability	<u>5,433,936</u>	<u>6,220,281</u>	<u>5,719,928</u>	<u>4,171,255</u>
Total pension liability - beginning	<u>94,173,038</u>	<u>87,952,757</u>	<u>82,232,829</u>	<u>78,061,574</u>
Total pension liability - ending (a)	<u>\$ 99,606,974</u>	<u>\$ 94,173,038</u>	<u>\$ 87,952,757</u>	<u>\$ 82,232,829</u>
Plan fiduciary net position				
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)
Net change in plan fiduciary net position	<u>9,531,751</u>	<u>6,493,730</u>	<u>630,060</u>	<u>7,420,409</u>
Plan fiduciary net position - beginning	<u>72,192,815</u>	<u>65,699,085</u>	<u>65,069,025</u>	<u>57,648,616</u>
Plan fiduciary net position - ending (b)	<u>\$ 81,724,566</u>	<u>\$ 72,192,815</u>	<u>\$ 65,699,085</u>	<u>\$ 65,069,025</u>
City's net pension liability - ending (a) - (b)	<u>\$ 17,882,408</u>	<u>\$ 21,980,223</u>	<u>\$ 22,253,672</u>	<u>\$ 17,163,804</u>
Plan fiduciary net position as a percentage of the total pension liability	82.05%	76.66%	74.70%	79.13%
Covered payroll	\$ 20,021,387	\$ 21,429,383	\$ 23,275,599	\$ 23,744,082
City's net pension liability as a percentage of covered payroll	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 5,079,867	\$ 4,788,083	\$ 3,935,658	\$ 3,834,608
Contributions in relation to the actuarially determined contribution	<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>
Covered payroll	\$ 16,318,236	\$ 16,120,377	\$ 16,460,965	\$ 17,554,061
Contributions as a percentage of covered payroll	31.13%	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:

(1) 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, 2022**

	Budgeted Amounts		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 71,994,632	\$ 77,964,632	\$ 81,403,148	\$ 3,438,516
Licenses and permits	2,465,000	2,365,000	3,072,024	707,024
Intergovernmental	176,460	176,460	134,764	(41,696)
Fines and forfeitures	1,040,000	1,160,000	1,573,950	413,950
Charges for services	3,580,373	3,670,373	3,753,360	82,987
Investment earnings (losses)	300,000	300,000	(873,361)	(1,173,361)
Contributions	20,000	20,000	13,643	(6,357)
Miscellaneous	362,500	362,500	618,752	256,252
Total revenues	<u>79,938,965</u>	<u>86,018,965</u>	<u>89,696,280</u>	<u>3,677,315</u>
Expenditures:				
Current:				
Administration	13,181,836	13,950,049	12,275,625	1,674,424
Courts	1,397,484	1,414,926	1,306,117	108,809
Finance	3,210,381	3,404,573	3,292,914	111,659
Police	20,517,708	21,875,919	21,738,165	137,754
Fire	11,476,185	11,772,598	11,029,591	743,007
Transportation	8,883,187	9,274,867	9,123,296	151,571
Planning and zoning	2,969,614	2,980,548	2,644,760	335,788
Recreation and parks	13,507,534	14,233,068	14,052,632	180,436
Debt service:				
Principal	2,317,968	5,140,431	5,239,244	(98,813)
Interest	183,749	196,286	179,099	17,187
Total expenditures	<u>77,645,646</u>	<u>84,243,265</u>	<u>80,881,443</u>	<u>3,361,822</u>
Excess of revenues over expenditures	2,293,319	1,775,700	8,814,837	7,039,137
Other financing sources (uses):				
Proceeds from sale of capital assets	100,000	38,505	140,598	102,093
Transfers in	610,751	668,751	686,143	17,392
Transfers out	<u>(4,823,947)</u>	<u>(11,900,960)</u>	<u>(11,919,913)</u>	<u>(18,953)</u>
Total other financing sources (uses)	<u>(4,113,196)</u>	<u>(11,193,704)</u>	<u>(11,093,172)</u>	<u>100,532</u>
Net change in fund balances (budgetary basis)	<u>\$ (1,819,877)</u>	<u>\$ (9,418,004)</u>	<u>(2,278,335)</u>	<u>\$ 7,139,669</u>
Less outstanding encumbrances, June 30			<u>732,596</u>	
Net change in fund balances (GAAP basis)			(1,545,739)	
Fund balance, beginning			<u>32,354,190</u>	
Fund balance, ending			<u>\$ 30,808,451</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, 2022

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 223,229	\$ 223,229	\$ 214,379	\$ (8,850)
Total revenues	<u>223,229</u>	<u>223,229</u>	<u>214,379</u>	<u>(8,850)</u>
Expenditures:				
Current:				
General government	2,153	2,153	2,153	-
Public safety	189,464	189,464	189,464	-
Public works	3,230	3,230	3,230	-
Culture and recreation	28,382	28,382	19,558	8,824
Total expenditures	<u>223,229</u>	<u>223,229</u>	<u>214,405</u>	<u>8,824</u>
Net change in fund balances (budgetary basis)	<u>\$ -</u>	<u>\$ -</u>	(26)	<u>\$ (26)</u>
Less outstanding encumbrances, June 30			<u>26</u>	
Net change in fund balances (GAAP basis)			-	
Fund balance, beginning			<u>-</u>	
Fund balance, ending			<u>\$ -</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.

NONMAJOR GOVERNMENTAL FUNDS

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 BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

Special Revenue Funds								
ASSETS	Confiscated Assets	Emergency 911 Telephone System	State Grants	County/Local Grants	NSP Grants	CDBG Grants	Federal Grants	Soil Erosion
Cash and cash equivalents	\$ 1,080,278	\$ 195,028	\$ 156,643	\$ 32,341	\$ 172,224	\$ -	\$ 1,863,731	\$ 243,611
Investments	-	-	-	-	-	-	-	226,713
Receivables, net of allowance for uncollectibles	-	328,618	-	-	-	-	-	41
Taxes receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	116,133	12,190	-
Prepaid items	-	14,065	-	-	-	4,549	3,287	-
Total assets	\$ 1,080,278	\$ 537,711	\$ 156,643	\$ 32,341	\$ 172,224	\$ 120,682	\$ 1,879,208	\$ 470,365
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 750	\$ 19,880	\$ -	\$ -	\$ 84	\$ 56,682	\$ -	\$ 408,331
Retainage payable	-	-	-	-	-	11,597	-	-
Due to other funds	-	-	-	-	-	49,870	-	-
Accrued liabilities	-	84,588	-	-	-	2,533	246	-
Total liabilities	750	104,468	-	-	84	120,682	246	408,331
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - taxes	-	-	-	-	-	-	-	-
Unavailable revenue - intergovernmental	-	-	-	-	-	-	12,190	-
Total deferred inflows of resources	-	-	-	-	-	-	12,190	-
FUND BALANCES								
Nonspendable:								
Prepaid items	-	14,065	-	-	-	4,549	3,287	-
Permanent fund corpus	-	-	-	-	-	-	-	-
Restricted:								
Public safety	1,079,528	419,178	-	200	-	-	-	-
Culture and recreation	-	-	-	32,141	-	-	-	-
Environmental	-	-	-	-	-	-	-	38,604
Transportation	-	-	156,643	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	172,140	-	1,863,485	-
Scholarship	-	-	-	-	-	-	-	-
Promotion of industry and tourism	-	-	-	-	-	-	-	-
Committed:								
Culture and recreation	-	-	-	-	-	-	-	-
Environmental	-	-	-	-	-	-	-	23,430
Unassigned	-	-	-	-	-	(4,549)	-	-
Total fund balances	1,079,528	433,243	156,643	32,341	172,140	-	1,866,772	62,034
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,080,278	\$ 537,711	\$ 156,643	\$ 32,341	\$ 172,224	\$ 120,682	\$ 1,879,208	\$ 470,365

Special Revenue Funds			Capital Projects Fund	Debt Service	Permanent Fund	Total Nonmajor Governmental Funds
Hotel/Motel Tax	Auto Rental Excise Tax	Leita Thompson	Impact Fees	Debt Service	Scholarship Fund	
\$ 731,747	\$ 126,885	\$ 180,431	\$ 5,512,213	\$ 1,046,018	\$ 10,115	\$ 11,351,265
-	-	-	-	239,410	25,258	491,381
-	-	6,320	-	1,480	-	336,459
188,445	42,854	-	-	21,436	-	252,735
-	-	-	-	-	-	128,323
-	-	-	-	500	-	22,401
<u>\$ 920,192</u>	<u>\$ 169,739</u>	<u>\$ 186,751</u>	<u>\$ 5,512,213</u>	<u>\$ 1,308,844</u>	<u>\$ 35,373</u>	<u>\$ 12,582,564</u>
\$ 79,930	\$ -	\$ 8,122	\$ 106,306	\$ 25,379	\$ -	\$ 705,464
-	-	-	-	-	-	11,597
-	-	-	-	-	-	49,870
-	-	3,650	-	-	-	91,017
<u>79,930</u>	<u>-</u>	<u>11,772</u>	<u>106,306</u>	<u>25,379</u>	<u>-</u>	<u>857,948</u>
-	-	-	-	19,006	-	19,006
-	-	-	-	-	-	12,190
-	-	-	-	19,006	-	31,196
-	-	-	-	500	-	22,401
-	-	-	-	-	25,000	25,000
-	-	-	2,635,081	-	-	4,133,987
840,262	-	-	1,227,861	-	-	2,100,264
-	-	-	-	-	-	38,604
-	-	-	1,542,965	-	-	1,699,608
-	-	-	-	1,263,959	-	1,263,959
-	-	-	-	-	-	2,035,625
-	-	-	-	-	10,373	10,373
-	169,739	-	-	-	-	169,739
-	-	174,979	-	-	-	174,979
-	-	-	-	-	-	23,430
-	-	-	-	-	-	(4,549)
<u>840,262</u>	<u>169,739</u>	<u>174,979</u>	<u>5,405,907</u>	<u>1,264,459</u>	<u>35,373</u>	<u>11,693,420</u>
<u>\$ 920,192</u>	<u>\$ 169,739</u>	<u>\$ 186,751</u>	<u>\$ 5,512,213</u>	<u>\$ 1,308,844</u>	<u>\$ 35,373</u>	<u>\$ 12,582,564</u>

CITY OF ROSWELL, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

Special Revenue Funds

	Confiscated Assets	Emergency 911 Telephone System	State Grants	County/Local Grants	NSP Grants	CDBG Grants	Federal Grants	Soil Erosion
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	10,972	753,198	35,797	-
Fines and forfeitures	55,254	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-
Charges for services	-	2,376,070	-	-	-	-	-	6,714
Investment earnings (loss)	-	-	-	-	-	-	-	(20,850)
Total revenues	<u>55,254</u>	<u>2,376,070</u>	<u>-</u>	<u>-</u>	<u>10,972</u>	<u>753,198</u>	<u>35,797</u>	<u>(14,136)</u>
Expenditures:								
Current:								
General government	-	-	-	-	1,097	-	4,025	-
Public safety	93,592	2,718,037	-	300	-	-	27,563	-
Public works	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	19,500	-
Planning and zoning	-	-	-	-	-	749,735	-	-
Capital outlay	-	-	-	-	-	-	7,097	-
Debt service:								
Principal payments	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	<u>93,592</u>	<u>2,718,037</u>	<u>-</u>	<u>300</u>	<u>1,097</u>	<u>749,735</u>	<u>58,185</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(38,338)	(341,967)	-	(300)	9,875	3,463	(22,388)	(14,136)
Other financing sources (uses):								
Transfers in	-	290,000	-	-	-	-	29,434	-
Transfers out	-	(2,152)	-	-	-	-	-	-
Proceeds from sale of capital assets	81,057	-	-	-	-	-	-	-
Total other financing sources (uses):	<u>81,057</u>	<u>287,848</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,434</u>	<u>-</u>
Net change in fund balances	42,719	(54,119)	-	(300)	9,875	3,463	7,046	(14,136)
Fund balances (deficit), beginning of year	<u>1,036,809</u>	<u>487,362</u>	<u>156,643</u>	<u>32,641</u>	<u>162,265</u>	<u>(3,463)</u>	<u>1,859,726</u>	<u>76,170</u>
Fund balances, end of year	<u>\$ 1,079,528</u>	<u>\$ 433,243</u>	<u>\$ 156,643</u>	<u>\$ 32,341</u>	<u>\$ 172,140</u>	<u>\$ -</u>	<u>\$ 1,866,772</u>	<u>\$ 62,034</u>

Special Revenue Funds			Capital Projects Fund	Debt Service	Permanent Fund	Total Nonmajor Governmental Funds
Hotel/Motel Tax	Auto Rental Excise Tax	Leita Thompson	Impact Fees	Debt Service	Scholarship Fund	
\$ 1,574,707	\$ 346,127	\$ -	\$ -	\$ 652,960	\$ -	\$ 2,573,794
-	-	-	-	-	-	799,967
-	-	-	-	-	-	55,254
-	-	-	896,854	-	-	896,854
-	-	61,245	-	-	-	2,444,029
-	-	-	-	(15,869)	15	(36,704)
<u>1,574,707</u>	<u>346,127</u>	<u>61,245</u>	<u>896,854</u>	<u>637,091</u>	<u>15</u>	<u>6,733,194</u>
-	-	-	-	-	-	5,122
-	-	-	-	-	-	2,839,492
-	-	-	12,362	-	-	12,362
730,808	-	58,431	-	-	-	808,739
-	-	-	-	-	-	749,735
-	-	-	523,236	-	-	530,333
-	-	-	-	1,560,000	-	1,560,000
-	-	-	-	93,293	-	93,293
<u>730,808</u>	<u>-</u>	<u>58,431</u>	<u>535,598</u>	<u>1,653,293</u>	<u>-</u>	<u>6,599,076</u>
843,899	346,127	2,814	361,256	(1,016,202)	15	134,118
-	-	-	-	-	-	319,434
(358,000)	(277,500)	-	-	-	-	(637,652)
-	-	-	-	-	-	81,057
<u>(358,000)</u>	<u>(277,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(237,161)</u>
485,899	68,627	2,814	361,256	(1,016,202)	15	(103,043)
<u>354,363</u>	<u>101,112</u>	<u>172,165</u>	<u>5,044,651</u>	<u>2,280,661</u>	<u>35,358</u>	<u>11,796,463</u>
<u>\$ 840,262</u>	<u>\$ 169,739</u>	<u>\$ 174,979</u>	<u>\$ 5,405,907</u>	<u>\$ 1,264,459</u>	<u>\$ 35,373</u>	<u>\$ 11,693,420</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 55,254	\$ 25,254
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>55,254</u>	<u>25,254</u>
Expenditures:				
Current:				
Public safety	749,500	897,988	93,592	804,396
Total expenditures	<u>749,500</u>	<u>897,988</u>	<u>93,592</u>	<u>804,396</u>
Deficiency of revenues over expenditures	(719,500)	(867,988)	(38,338)	829,650
Other financing sources:				
Proceeds from sale of capital assets	-	8,000	81,057	73,057
Total other financing uses	<u>-</u>	<u>8,000</u>	<u>81,057</u>	<u>73,057</u>
Net change in fund balances (budgetary basis)	<u>\$ (719,500)</u>	<u>\$ (859,988)</u>	42,719	<u>\$ 902,707</u>
Less outstanding encumbrances, June 30			-	
Net change in fund balances (GAAP basis)			<u>\$ 42,719</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 2,369,648	\$ 2,369,648	\$ 2,376,070	\$ 6,422
Total revenues	<u>2,369,648</u>	<u>2,369,648</u>	<u>2,376,070</u>	<u>6,422</u>
Expenditures:				
Current:				
Public safety	3,006,279	3,006,279	2,753,644	252,635
Total expenditures	<u>3,006,279</u>	<u>3,006,279</u>	<u>2,753,644</u>	<u>252,635</u>
Deficiency of revenues over expenditures	(636,631)	(636,631)	(377,574)	259,057
Other financing sources (uses):				
Transfers in	290,000	290,000	290,000	-
Transfers in	-	-	(2,152)	(2,152)
Total other financing sources	<u>290,000</u>	<u>290,000</u>	<u>287,848</u>	<u>(2,152)</u>
Net change in fund balances (budgetary basis)	<u>\$ (346,631)</u>	<u>\$ (346,631)</u>	(89,726)	<u>\$ 256,905</u>
Less outstanding encumbrances, June 30			<u>35,607</u>	
Net change in fund balances (GAAP basis)			<u>\$ (54,119)</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	500	500	300	200
Total expenditures	<u>500</u>	<u>500</u>	<u>300</u>	<u>200</u>
Net change in fund balances (budgetary basis)	<u>\$ (500)</u>	<u>\$ (500)</u>	(300)	<u>\$ 200</u>
Less outstanding encumbrances, June 30			<u>-</u>	
Net change in fund balances (GAAP basis)			<u>\$ (300)</u>	

**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, 2022**

	<u>Budget</u>		<u>Actual on a Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 10,972	\$ 10,972	\$ 10,972	\$ -
Total revenues	<u>10,972</u>	<u>10,972</u>	<u>10,972</u>	<u>-</u>
Expenditures:				
Current:				
General government	1,097	1,097	1,097	-
Total expenditures	<u>1,097</u>	<u>1,097</u>	<u>1,097</u>	<u>-</u>
Net change in fund balances (budgetary basis)	<u>\$ 9,875</u>	<u>\$ 9,875</u>	9,875	<u>\$ -</u>
Less outstanding encumbrances, June 30			<u>-</u>	
Net change in fund balances (GAAP basis)			<u>\$ 9,875</u>	

**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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 503,609	\$ 2,091,516	\$ 753,198	\$ (1,338,318)
Total revenues	<u>503,609</u>	<u>2,091,516</u>	<u>753,198</u>	<u>(1,338,318)</u>
Expenditures:				
Current:				
Planning and zoning	26,000	1,854,102	994,821	859,281
Total expenditures	<u>26,000</u>	<u>1,854,102</u>	<u>994,821</u>	<u>859,281</u>
Net change in fund balances (budgetary basis)	<u>\$ 477,609</u>	<u>\$ 237,414</u>	(241,623)	<u>\$ (479,037)</u>
Less outstanding encumbrances, June 30			<u>245,086</u>	
Net change in fund balances (GAAP basis)			<u>\$ 3,463</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 182,429	\$ 182,429	\$ 35,797	\$ (146,632)
Total revenues	<u>182,429</u>	<u>182,429</u>	<u>35,797</u>	<u>(146,632)</u>
Expenditures:				
Current:				
General government	12,581	12,581	5,075	7,506
Public safety	51,629	51,629	50,523	1,106
Culture and recreation	19,500	19,500	19,500	-
Capital outlay	221,275	221,275	7,097	214,178
Total expenditures	<u>304,985</u>	<u>304,985</u>	<u>82,195</u>	<u>222,790</u>
Deficiency of revenues over expenditures	(122,556)	(122,556)	(46,398)	76,158
Other financing sources:				
Transfers in	29,434	29,434	29,434	-
Total other financing sources	<u>29,434</u>	<u>29,434</u>	<u>29,434</u>	<u>-</u>
Net change in fund balances (budgetary basis)	<u>\$ (93,122)</u>	<u>\$ (93,122)</u>	(16,964)	<u>\$ 76,158</u>
Less outstanding encumbrances, June 30			<u>24,010</u>	
Net change in fund balances (GAAP basis)			<u>\$ 7,046</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, 2022

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 11,500	\$ 11,500	\$ 6,714	\$ (4,786)
Investment loss	-	-	(20,850)	(20,850)
Total revenues	<u>11,500</u>	<u>11,500</u>	<u>(14,136)</u>	<u>(25,636)</u>
Net change in fund balances (budgetary basis)	<u>\$ 11,500</u>	<u>\$ 11,500</u>	(14,136)	<u>\$ (25,636)</u>
Less outstanding encumbrances, June 30			-	
Net change in fund balances (GAAP basis)			<u>\$ (14,136)</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 840,000	\$ 1,540,000	\$ 1,574,707	\$ 34,707
Total revenues	<u>840,000</u>	<u>1,540,000</u>	<u>1,574,707</u>	<u>34,707</u>
Expenditures:				
Current:				
Culture and recreation	373,700	743,700	730,808	12,892
Total expenditures	<u>373,700</u>	<u>743,700</u>	<u>730,808</u>	<u>12,892</u>
Excess of revenues over expenditures	466,300	796,300	843,899	47,599
Other financing uses:				
Transfers out	(300,000)	(358,000)	(358,000)	-
Total other financing uses	<u>(300,000)</u>	<u>(358,000)</u>	<u>(358,000)</u>	<u>-</u>
Net change in fund balances (budgetary basis)	<u>\$ 166,300</u>	<u>\$ 438,300</u>	485,899	<u>\$ 47,599</u>
Less outstanding encumbrances, June 30			-	
Net change in fund balances (GAAP basis)			<u>\$ 485,899</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 300,000	\$ 300,000	\$ 346,127	\$ 46,127
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>346,127</u>	<u>46,127</u>
Other financing uses:				
Transfers out	(277,500)	(277,500)	(277,500)	-
Total other financing uses	<u>(277,500)</u>	<u>(277,500)</u>	<u>(277,500)</u>	<u>-</u>
Net change in fund balances (budgetary basis)	<u>\$ 22,500</u>	<u>\$ 22,500</u>	68,627	<u>\$ 46,127</u>
Less outstanding encumbrances, June 30			-	
Net change in fund balances (GAAP basis)			<u>\$ 68,627</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 73,740	\$ 73,740	\$ 61,245	\$ (12,495)
Total revenues	<u>73,740</u>	<u>73,740</u>	<u>61,245</u>	<u>(12,495)</u>
Expenditures:				
Current:				
Culture and recreation	76,220	80,121	58,624	21,497
Total expenditures	<u>76,220</u>	<u>80,121</u>	<u>58,624</u>	<u>21,497</u>
Net change in fund balances (budgetary basis)	<u>\$ (2,480)</u>	<u>\$ (6,381)</u>	2,621	<u>\$ 9,002</u>
Less outstanding encumbrances, June 30			<u>193</u>	
Net change in fund balances (GAAP basis)			<u>\$ 2,814</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,483,000	\$ 633,000	\$ 652,960	\$ 19,960
Investment loss	-	-	(15,869)	(15,869)
Total revenues	<u>1,483,000</u>	<u>633,000</u>	<u>637,091</u>	<u>4,091</u>
Expenditures:				
Debt service:				
Principal	1,560,000	1,560,000	1,560,000	-
Interest	95,000	95,000	93,293	1,707
Total expenditures	<u>1,655,000</u>	<u>1,655,000</u>	<u>1,653,293</u>	<u>1,707</u>
Net change in fund balances (budgetary basis)	<u>\$ (172,000)</u>	<u>\$ (1,022,000)</u>	(1,016,202)	<u>\$ 5,798</u>
Less outstanding encumbrances, June 30			-	
Net change in fund balances (GAAP basis)			<u>\$ (1,016,202)</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, 2022**

	Budget		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 50	\$ 50	\$ 15	\$ (35)
Total revenues	<u>50</u>	<u>50</u>	<u>15</u>	<u>(35)</u>
Expenditures:				
Current:				
Culture and recreation	50	50	-	50
Total expenditures	<u>50</u>	<u>50</u>	<u>-</u>	<u>50</u>
Net change in fund balances (budgetary basis)	<u>\$ -</u>	<u>\$ -</u>	15	<u>\$ 15</u>
Less outstanding encumbrances, June 30			<u>-</u>	
Net change in fund balances (GAAP basis)			<u>\$ 15</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, 2022

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
TSPLOST TIER 1						
Big Creek Parkway Phase 1 and 2	(1) \$ 69,000,000	\$ 42,450,412	\$ 5,067,372	\$ 145,323 (1)	\$ 5,212,695	12.28 %
Holcomb Bridge Interchange	-	15,000,000	2,370,541	2,384,275	4,754,816	31.70 %
Historic Gateway	-	3,000,000	55,689	123,895	179,584	5.99 %
Rucker Road Reconstruction	-	2,246,327	1,919,070	142,348	2,061,418	91.77 %
Oxbo/SR9 Intersection	7,000,000	11,626,357	7,729,049	2,123,208	9,852,257	84.74 %
Old Holcomb Bridge Road Bridge Replacement	(1) 3,086,390	3,086,390	233,055	10,566 (1)	243,621	7.89 %
TSPLOST TIER 2						
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 %
TSPLOST TIER 3						
Intersection and Corridor Improvements including Nesbit Ferry Road , Old Alabama Road and Myrtle Street Extension	14,011,490	14,011,490	-	-	-	0.00 %
TOTAL TSPLOST	\$ 107,054,302	\$ 105,377,398	\$ 17,374,776	\$ 4,929,615	\$ 22,304,391	

(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, 2022**

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
TSPLOST TIER 1						
Pedestrian and Bike Improvements	\$ 18,327,016	\$ 18,327,016	\$ -	\$ -	\$ -	0.00 %
Operations and Safety	50,554,298	50,554,298	-	-	-	0.00 %
Norcross Street Bridge Replacement	4,507,070	4,507,070	-	-	-	0.00 %
TSPLOST TIER 2						
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 %
TSPLOST TIER 3						
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 %
TOTAL TSPLOST	\$ 99,290,166	\$ 99,290,166	\$ -	\$ -	\$ -	

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, 2022

	Group Health Fund	Risk Management Fund	Workers' Compensation Fund	Fleet Services Fund	Total
ASSETS					
Current assets:					
Cash	\$ 671,183	\$ 150,433	\$ 1,193,871	\$ 528,021	\$ 2,543,508
Investments	2,565,710	250,725	-	-	2,816,435
Receivables	511	1,902	-	-	2,413
Prepaid items	24,290	956,446	128,166	3,186	1,112,088
Total current assets	<u>3,261,694</u>	<u>1,359,506</u>	<u>1,322,037</u>	<u>531,207</u>	<u>6,474,444</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>3,261,694</u>	<u>1,359,506</u>	<u>1,322,037</u>	<u>531,207</u>	<u>6,474,444</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	7,288	-	-	-	7,288
Total deferred outflows of resources	<u>7,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,288</u>
LIABILITIES					
Current liabilities:					
Accounts payable	143,065	16,413	25,197	247,306	431,981
Accrued liabilities	1,195,134	7,142	539,967	36,301	1,778,544
Due to other funds	-	493,543	-	-	493,543
Compensated absences	5,558	4,087	4,106	18,123	31,874
Total current liabilities	<u>1,343,757</u>	<u>521,185</u>	<u>569,270</u>	<u>301,730</u>	<u>2,735,942</u>
Long-term liabilities:					
Compensated absences	3,409	1,494	1,964	7,861	14,728
Net pension liability	17,556	-	-	-	17,556
Total long-term liabilities	<u>20,965</u>	<u>1,494</u>	<u>1,964</u>	<u>7,861</u>	<u>32,284</u>
Total liabilities	<u>1,364,722</u>	<u>522,679</u>	<u>571,234</u>	<u>309,591</u>	<u>2,768,226</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related items	15,061	-	-	-	15,061
Total deferred inflows of resources	<u>15,061</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,061</u>
NET POSITION					
Unrestricted	1,889,199	836,827	750,803	221,616	3,698,445
Total net position	<u>\$ 1,889,199</u>	<u>\$ 836,827</u>	<u>\$ 750,803</u>	<u>\$ 221,616</u>	<u>\$ 3,698,445</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, 2022**

	Group Health Fund	Risk Management Fund	Workers' Compensation Fund	Fleet Services Fund	Total
OPERATING REVENUES					
Charges for services	\$ 9,945,890	\$ 1,659,998	\$ 849,999	\$ 2,316,786	\$ 14,772,673
Miscellaneous	1,053,963	-	-	35,469	1,089,432
Total operating revenues	<u>10,999,853</u>	<u>1,659,998</u>	<u>849,999</u>	<u>2,352,255</u>	<u>15,862,105</u>
OPERATING EXPENSES					
General and administrative	2,155,945	193,926	230,316	2,253,984	4,834,171
Depreciation	-	38,054	-	-	38,054
Claims expense	8,158,277	1,308,964	392,876	-	9,860,117
Total operating expenses	<u>10,314,222</u>	<u>1,540,944</u>	<u>623,192</u>	<u>2,253,984</u>	<u>14,732,342</u>
Operating income	685,631	119,054	226,807	98,271	1,129,763
NONOPERATING REVENUES					
Investment earnings (loss)	(179,890)	(3,287)	-	-	(183,177)
Total nonoperating revenues	<u>(179,890)</u>	<u>(3,287)</u>	<u>-</u>	<u>-</u>	<u>(183,177)</u>
INCOME BEFORE TRANSFERS	505,741	115,767	226,807	98,271	946,586
Transfers in	25,000	-	-	29,454	54,454
Transfers out	-	(36,920)	-	(8,139)	(45,059)
Total transfers	<u>25,000</u>	<u>(36,920)</u>	<u>-</u>	<u>21,315</u>	<u>9,395</u>
Change in net position	530,741	78,847	226,807	119,586	955,981
NET POSITION, beginning of year	<u>1,358,458</u>	<u>757,980</u>	<u>523,996</u>	<u>102,030</u>	<u>2,742,464</u>
NET POSITION, end of year	<u>\$ 1,889,199</u>	<u>\$ 836,827</u>	<u>\$ 750,803</u>	<u>\$ 221,616</u>	<u>\$ 3,698,445</u>

CITY OF ROSWELL, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Group Health Fund	Risk Management Fund	Workers' Compensation Fund	Fleet Services Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 1,958,183	\$ -	\$ -	\$ -	\$ 1,958,183
Receipts from interfund charges	9,042,692	1,659,998	849,999	2,352,255	13,904,944
Payments to suppliers and service providers	(10,686,415)	(1,808,459)	(787,151)	(2,208,046)	(15,490,071)
Net cash provided by (used in) operating activities	<u>314,460</u>	<u>(148,461)</u>	<u>62,848</u>	<u>144,209</u>	<u>373,056</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from the sale of investments	-	250,000	-	-	250,000
Interest received	18,284	10,106	-	-	28,390
Net cash provided by investing activities	<u>18,284</u>	<u>260,106</u>	<u>-</u>	<u>-</u>	<u>278,390</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	25,000	-	-	29,454	54,454
Transfers out	-	(36,920)	-	(8,139)	(45,059)
Net cash provided by (used in) noncapital financing activities	<u>25,000</u>	<u>(36,920)</u>	<u>-</u>	<u>21,315</u>	<u>9,395</u>
Net increase in cash	357,744	74,725	62,848	165,524	660,841
Cash:					
Beginning of year	313,439	75,708	1,131,023	362,497	1,882,667
End of year	<u>\$ 671,183</u>	<u>\$ 150,433</u>	<u>\$ 1,193,871</u>	<u>\$ 528,021</u>	<u>\$ 2,543,508</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating income	\$ 685,631	\$ 119,054	\$ 226,807	\$ 98,271	\$ 1,129,763
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation	-	38,054	-	-	38,054
Decrease in accounts receivable	1,022	-	-	-	1,022
(Increase) decrease in prepaids	(11,777)	(814,260)	241	(3,093)	(828,889)
(Increase) decrease in pension related deferred outflows of resources	(5,767)	-	-	14,401	8,634
Increase (decrease) in accounts payable	66,579	16,413	(63,210)	113,270	133,052
Increase (decrease) in accrued liabilities	(425,200)	1,157	(101,350)	4,243	(521,150)
Increase (decrease) in pension related deferred inflows of resources	13,969	-	-	(2,906)	11,063
Increase (decrease) in compensated absences	2,613	(2,422)	360	302	853
Decrease in net pension liability	(12,610)	-	-	(80,279)	(92,889)
Net cash provided by (used in) operating activities	<u>\$ 314,460</u>	<u>\$ (148,461)</u>	<u>\$ 62,848</u>	<u>\$ 144,209</u>	<u>\$ 373,056</u>
NONCASH INVESTING ACTIVITIES					
Decrease in fair value of investments	<u>\$ (197,216)</u>	<u>\$ (11,685)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (208,901)</u>

COMPONENT UNIT

CITY OF ROSWELL, GEORGIA

**BALANCE SHEET
COMPONENT UNIT - ROSWELL ECONOMIC
DEVELOPMENT & TOURISM, INC.
JUNE 30, 2022**

ASSETS

Cash and cash equivalents	\$	867,429
Receivables		4,362
Inventory		5,523
Prepaid items		260
Other assets		3,000
		<hr/>
Total assets	\$	<u>880,574</u>

**LIABILITIES
AND FUND BALANCES**

LIABILITIES

Accounts payable	\$	32,644
Unearned revenue		17,500
		<hr/>
Total liabilities		<u>50,144</u>

FUND BALANCES

Nonspendable:		
Inventory		5,523
Prepaid items		260
Restricted:		
Tourism		126,181
Economic development		698,466
Total fund balances		<hr/>
		830,430
		<hr/>
Total liabilities and fund balances	\$	<u>880,574</u>

**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, 2022**

Revenues:	
Intergovernmental	\$ 994,626
Charges for services	427,978
Total revenues	1,422,604
 Expenditures:	
Current:	
Economic development	1,244,122
Debt service:	
Principal	10,731
Interest and fiscal charges	920
Total expenditures	1,255,773
Net change in fund balances	166,831
 Fund balance, beginning of year	 663,599
 Fund balance, end of year	 \$ 830,430

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>
Financial Trends	89-94
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity.....	95-98
These schedules contain information to help the reader assess the government's most significant local revenue source, property tax.	
Debt Capacity.....	99-102
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.	
Demographic and Economic Information	103 and 104
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information.....	105-109
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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 154,588	\$ 166,282	\$ 173,845	\$ 177,409
Restricted	20,996	27,264	20,074	14,606
Unrestricted	<u>46,557</u>	<u>35,192</u>	<u>22,277</u>	<u>29,760</u>
Total governmental activities net position	<u>\$ 222,141</u>	<u>\$ 228,738</u>	<u>\$ 216,196</u>	<u>\$ 221,775</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 17,069	\$ 20,108	\$ 22,295	\$ 22,747
Unrestricted	<u>16,828</u>	<u>15,277</u>	<u>11,739</u>	<u>11,188</u>
Total business-type activities net position	<u>\$ 33,897</u>	<u>\$ 35,385</u>	<u>\$ 34,034</u>	<u>\$ 33,935</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 171,657	\$ 186,390	\$ 196,140	\$ 200,156
Restricted	20,996	27,264	20,074	14,606
Unrestricted	<u>63,385</u>	<u>50,469</u>	<u>34,016</u>	<u>40,948</u>
Total primary government net position	<u>\$ 256,038</u>	<u>\$ 264,123</u>	<u>\$ 250,230</u>	<u>\$ 255,710</u>

2017	2018	2019	2020	2021	2022
\$ 181,858	\$ 191,695	\$ 194,739	\$ 197,434	\$ 200,701	\$ 211,709
14,398	22,034	39,627	53,843	66,772	81,081
28,795	28,911	35,626	29,085	30,839	31,620
<u>\$ 225,051</u>	<u>\$ 242,640</u>	<u>\$ 269,992</u>	<u>\$ 280,362</u>	<u>\$ 298,312</u>	<u>\$ 324,410</u>
\$ 23,213	\$ 23,712	\$ 24,991	\$ 25,916	\$ 26,436	\$ 28,224
12,218	11,079	7,686	6,493	6,323	5,666
<u>\$ 35,431</u>	<u>\$ 34,791</u>	<u>\$ 32,677</u>	<u>\$ 32,409</u>	<u>\$ 32,759</u>	<u>\$ 33,890</u>
\$ 205,070	\$ 215,407	\$ 219,730	\$ 223,350	\$ 227,137	\$ 239,933
14,398	22,034	39,627	53,843	66,772	81,081
41,013	39,990	43,312	35,577	37,162	37,286
<u>\$ 260,481</u>	<u>\$ 277,431</u>	<u>\$ 302,669</u>	<u>\$ 312,770</u>	<u>\$ 331,071</u>	<u>\$ 358,300</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
EXPENSES				
Governmental activities:				
General government	\$ 8,455	\$ 9,448	\$ 9,033	\$ 10,991
Judicial	1,371	1,265	1,155	978
Financial services	2,159	1,994	3,079	2,227
Public safety	24,622	25,881	26,043	27,540
Public works	12,355	11,433	16,115	16,307
Planning and zoning	2,844	3,260	3,625	3,467
Culture and recreation	12,258	12,767	13,732	13,104
Interest and paying agent fees	574	525	363	188
Total governmental activities expenses	<u>64,638</u>	<u>66,573</u>	<u>73,145</u>	<u>74,802</u>
Business-type activities:				
Water and sewer	2,861	3,091	3,122	3,705
Solid waste	8,928	9,064	8,868	9,838
Participant recreation	4,964	4,788	5,277	5,331
Stormwater	1,522	1,628	1,631	2,050
Total business-type activities expenses	<u>18,275</u>	<u>18,571</u>	<u>18,898</u>	<u>20,924</u>
Total primary government expenses	<u>\$ 82,913</u>	<u>\$ 85,144</u>	<u>\$ 92,043</u>	<u>\$ 95,726</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	\$ 2,988	\$ 3,066	\$ 2,968	\$ 3,581
Judicial	2,246	1,702	1,921	1,519
Public safety	1,844	2,032	2,305	2,145
Public works	570	697	488	952
Planning and zoning	766	1,454	1,721	2,050
Culture and recreation	99	103	96	85
Total charges for services	<u>8,513</u>	<u>9,054</u>	<u>9,499</u>	<u>10,332</u>
Operating grants and contributions (1)	491	811	1,266	1,385
Capital grants and contributions (1)	2,101	1,710	1,248	1,340
Total governmental activities program revenues	<u>11,105</u>	<u>11,575</u>	<u>12,013</u>	<u>13,057</u>
Business-type activities:				
Charges for services:				
Water and sewer	3,219	3,250	3,671	3,717
Solid waste	8,857	8,636	8,673	8,149
Participant recreation	4,672	4,576	4,812	5,231
Stormwater	3,052	3,046	3,064	3,057
Operating grants and contributions (1)	-	-	-	-
Capital grants and contributions (1)	-	-	-	-
Total business-type activities program revenues	<u>19,800</u>	<u>19,508</u>	<u>20,220</u>	<u>20,154</u>
Total primary government program revenues	<u>\$ 30,905</u>	<u>\$ 31,083</u>	<u>\$ 32,233</u>	<u>\$ 33,211</u>

(continued)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	12,568	\$ 12,792	\$ 13,423	\$ 14,791	\$ 15,373	\$ 13,576
	1,160	1,140	1,116	1,248	1,306	1,269
	2,822	3,160	2,387	2,832	3,471	2,902
	31,044	31,406	32,629	37,077	37,976	37,569
	12,562	13,943	13,870	16,736	16,629	14,026
	3,356	3,299	3,318	2,876	3,271	3,273
	14,354	14,836	15,367	18,321	16,614	16,902
	238	301	336	364	356	295
	<u>78,104</u>	<u>80,877</u>	<u>82,446</u>	<u>94,245</u>	<u>94,995</u>	<u>89,813</u>
	3,896	4,136	4,535	4,277	4,676	4,950
	9,768	10,393	11,618	11,422	11,563	11,643
	5,248	5,469	6,153	5,326	5,581	6,660
	2,277	2,247	2,471	2,478	2,371	2,565
	<u>21,189</u>	<u>22,245</u>	<u>24,777</u>	<u>23,503</u>	<u>24,191</u>	<u>25,817</u>
\$	<u>99,293</u>	<u>\$ 103,122</u>	<u>\$ 107,223</u>	<u>\$ 117,748</u>	<u>\$ 119,186</u>	<u>\$ 115,630</u>
\$	3,458	\$ 3,425	\$ 3,798	\$ 3,842	\$ 4,589	\$ 4,444
	1,545	1,600	1,447	860	1,090	1,574
	2,762	2,391	2,634	2,912	2,538	2,491
	1,355	520	777	1,347	1,160	924
	1,757	1,416	1,872	2,081	2,538	2,276
	85	96	92	115	74	61
	<u>10,962</u>	<u>9,448</u>	<u>10,620</u>	<u>11,157</u>	<u>11,989</u>	<u>11,770</u>
	1,246	2,180	2,077	2,077	6,115	2,498
	3,905	18,313	21,408	21,408	18,483	19,680
	<u>16,113</u>	<u>29,941</u>	<u>34,105</u>	<u>34,642</u>	<u>36,587</u>	<u>33,948</u>
	4,740	3,976	4,073	4,332	4,356	4,791
	9,363	9,134	9,992	11,034	11,363	11,985
	5,254	5,314	5,355	4,480	4,431	6,291
	3,174	3,111	3,095	3,196	3,279	3,384
	-	-	-	-	7	-
	-	-	-	-	86	-
	<u>22,531</u>	<u>21,535</u>	<u>22,515</u>	<u>23,042</u>	<u>23,522</u>	<u>26,451</u>
\$	<u>38,644</u>	<u>\$ 51,476</u>	<u>\$ 56,620</u>	<u>\$ 57,684</u>	<u>\$ 60,109</u>	<u>\$ 60,399</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net (expense)/revenue				
Governmental activities	\$ (53,533)	\$ (54,998)	\$ (61,132)	\$ (61,745)
Business-type activities	1,525	937	1,322	(770)
Total primary government net expense	<u>\$ (52,008)</u>	<u>\$ (54,061)</u>	<u>\$ (59,810)</u>	<u>\$ (62,515)</u>
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property taxes	\$ 30,398	\$ 31,239	\$ 31,578	\$ 32,774
Sales taxes	21,816	22,835	23,965	24,304
Hotel/Motel taxes	797	875	993	1,068
Excise taxes (2)	-	-	-	-
Business taxes	5,351	5,578	5,603	6,217
Total taxes	<u>58,362</u>	<u>60,527</u>	<u>62,139</u>	<u>64,363</u>
Investment earnings	229	587	651	973
Gain on sale of capital assets	-	-	60	2,155
Gain on disposal of leases	-	-	-	-
Miscellaneous	217	119	467	264
Transfers	(571)	(362)	(48)	(431)
Total governmental activities	<u>58,237</u>	<u>60,871</u>	<u>63,269</u>	<u>67,324</u>
Business-type activities:				
Investment earnings	5	160	62	150
Gain on sale of capital assets	-	28	-	90
Miscellaneous	-	-	-	-
Transfers	571	362	48	431
Total business-type activities	<u>576</u>	<u>550</u>	<u>110</u>	<u>671</u>
Total primary government	<u>\$ 58,813</u>	<u>\$ 61,421</u>	<u>\$ 63,379</u>	<u>\$ 67,995</u>
CHANGE IN NET POSITION				
Governmental activities	\$ 4,704	\$ 5,873	\$ 2,137	\$ 5,579
Business-type activities	2,101	1,487	1,432	(99)
Total primary government	<u>\$ 6,805</u>	<u>\$ 7,360</u>	<u>\$ 3,569</u>	<u>\$ 5,480</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.

2017	2018	2019	2020	2021	2022
\$ (61,990)	\$ (50,936)	\$ (48,340)	\$ (64,359)	\$ (58,408)	\$ (55,865)
1,342	(709)	(2,263)	(462)	(669)	634
<u>\$ (60,648)</u>	<u>\$ (51,645)</u>	<u>\$ (50,603)</u>	<u>\$ (64,821)</u>	<u>\$ (59,077)</u>	<u>\$ (55,231)</u>
\$ 33,165	\$ 33,370	\$ 35,746	\$ 36,401	\$ 37,796	\$ 38,541
24,368	25,827	27,357	26,029	27,688	33,269
1,134	1,045	1,097	1,007	962	1,575
-	-	296	263	318	346
6,666	7,738	8,174	8,612	9,110	10,170
<u>65,332</u>	<u>67,979</u>	<u>72,670</u>	<u>72,312</u>	<u>75,874</u>	<u>83,901</u>
51	16	2,280	2,125	245	(2,341)
-	463	235	-	-	492
-	-	-	-	-	70
76	124	389	203	1,171	474
(194)	(56)	118	89	(933)	(632)
<u>65,265</u>	<u>68,526</u>	<u>75,693</u>	<u>74,727</u>	<u>76,358</u>	<u>81,964</u>
(40)	(11)	256	251	17	(252)
-	-	12	32	70	117
-	25	-	-	-	-
194	56	(118)	(89)	933	632
<u>154</u>	<u>70</u>	<u>149</u>	<u>194</u>	<u>1,020</u>	<u>497</u>
<u>\$ 65,419</u>	<u>\$ 68,596</u>	<u>\$ 75,842</u>	<u>\$ 74,921</u>	<u>\$ 77,377</u>	<u>\$ 82,460</u>
\$ 3,275	\$ 17,589	\$ 27,353	\$ 10,369	\$ 17,950	\$ 26,099
1,496	(640)	(2,114)	(268)	351	1,131
<u>\$ 4,771</u>	<u>\$ 16,950</u>	<u>\$ 25,239</u>	<u>\$ 10,101</u>	<u>\$ 18,300</u>	<u>\$ 27,229</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General fund				
Nonspendable	\$ 570	\$ 812	\$ 377	\$ 352
Restricted	66	52	20	1
Committed	14,398	16,596	15,436	16,426
Assigned	2,826	2,507	3,271	3,475
Unassigned	3,408	3,034	5,445	5,407
Total general fund	<u>21,268</u>	<u>23,001</u>	<u>24,549</u>	<u>25,661</u>
All other governmental funds				
Nonspendable	297	343	114	51
Restricted	20,452	27,029	19,839	14,526
Committed	531	434	422	482
Assigned	19,187	17,748	16,405	17,446
Unassigned	(420)	(874)	(553)	(1,409)
Total all other governmental funds	<u>40,047</u>	<u>44,680</u>	<u>36,227</u>	<u>31,096</u>
Total all funds	<u>\$ 61,315</u>	<u>\$ 67,681</u>	<u>\$ 60,776</u>	<u>\$ 56,757</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 372	\$ 449	\$ 468	\$ 498	\$ 782	\$ 517
1	-	-	-	-	-
17,200	18,087	860	823	603	639
1,522	1,413	6,504	3,112	2,873	3,342
3,976	5,181	24,239	25,179	28,097	26,310
<u>23,071</u>	<u>25,130</u>	<u>32,071</u>	<u>29,612</u>	<u>32,355</u>	<u>30,808</u>
40	54	98	73	56	59
14,329	21,958	38,249	53,341	66,258	80,652
382	348	157	181	210	199
17,395	16,354	15,168	15,340	17,676	17,970
(521)	(559)	-	(78)	(9)	(5)
<u>31,625</u>	<u>38,155</u>	<u>53,672</u>	<u>68,857</u>	<u>84,191</u>	<u>98,875</u>
<u>\$ 54,696</u>	<u>\$ 63,285</u>	<u>\$ 85,743</u>	<u>\$ 98,469</u>	<u>\$ 116,546</u>	<u>\$ 129,683</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
REVENUES				
Taxes	\$ 58,077	\$ 60,544	\$ 61,970	\$ 64,700
Licenses and permits	1,521	2,201	2,465	2,784
Intergovernmental	3,022	2,293	2,707	1,875
Fines and forfeitures	2,478	1,840	2,227	1,814
Charges for services	4,163	4,357	4,141	4,864
Impact fees	543	669	455	911
Investment earnings (1)	229	587	651	926
Contributions	53	59	26	95
Miscellaneous	317	223	513	349
Total revenues	<u>70,403</u>	<u>72,773</u>	<u>75,155</u>	<u>78,319</u>
EXPENDITURES				
General government	7,794	8,609	9,030	9,793
Judicial	1,368	1,167	976	1,021
Financial services	1,918	2,156	2,187	2,278
Public safety	23,056	24,224	24,192	25,646
Public works	9,484	8,235	8,514	9,178
Planning and zoning	2,729	3,129	3,088	3,460
Culture and recreation	10,178	10,514	10,899	11,236
Capital outlay	9,570	14,609	17,640	23,031
Principal on long-term debt	5,925	1,139	5,528	1,596
Interest and paying agent fees	648	422	409	285
Total expenditures	<u>72,670</u>	<u>74,204</u>	<u>82,463</u>	<u>87,524</u>
Excess (deficiency) of revenues over expenditures	<u>(2,267)</u>	<u>(1,431)</u>	<u>(7,308)</u>	<u>(9,205)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Assets	-	94	110	1,465
Transfers in	13,075	9,044	9,242	12,459
Transfers out	(13,446)	(8,998)	(8,950)	(12,731)
Proceeds from bond issuance	9,760	4,940	-	-
Premium on bonds issued	239	351	-	-
Capital leases	-	1,640	-	544
Financed purchases (2)	-	-	-	-
Lease liability (3)	-	-	-	-
Note payable	-	-	-	-
Installment sales agreement	-	-	-	3,449
Total other financing sources (uses)	<u>9,628</u>	<u>7,071</u>	<u>402</u>	<u>5,186</u>
Net change in fund balances	<u>\$ 7,361</u>	<u>\$ 5,640</u>	<u>\$ (6,906)</u>	<u>\$ (4,019)</u>
Debt service as a percentage of noncapital expenditures	10.3%	2.6%	8.7%	2.8%

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

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	65,319	\$ 67,951	\$ 72,719	\$ 71,779	\$ 76,159	\$ 83,977
	2,484	2,146	2,609	2,840	3,385	3,072
	5,981	20,386	22,226	19,500	24,165	22,856
	2,251	2,020	1,712	1,453	1,237	1,629
	4,825	4,716	5,477	5,537	6,251	6,197
	1,388	494	1,381	1,307	1,124	897
	54	20	2,285	2,130	250	(2,336)
	33	87	504	229	44	360
	276	340	608	373	1,309	619
	<u>82,612</u>	<u>98,161</u>	<u>109,520</u>	<u>105,147</u>	<u>113,925</u>	<u>117,271</u>
	10,514	11,118	11,849	11,770	12,471	12,261
	1,123	1,132	1,125	1,185	1,248	1,306
	2,543	2,485	2,643	2,768	3,003	3,290
	27,843	28,506	29,538	32,372	33,546	35,440
	8,436	9,398	8,395	8,151	8,268	9,107
	3,194	3,048	3,332	2,624	3,093	3,452
	11,797	12,271	13,079	13,394	12,939	14,895
	17,533	27,917	17,438	19,089	19,257	22,401
	2,006	2,308	2,870	3,595	3,850	8,183
	327	366	398	455	398	350
	<u>85,316</u>	<u>98,550</u>	<u>90,668</u>	<u>95,404</u>	<u>98,072</u>	<u>110,684</u>
	<u>(2,704)</u>	<u>(390)</u>	<u>18,852</u>	<u>9,743</u>	<u>15,853</u>	<u>6,587</u>
	223	1,075	284	1,030	346	544
	12,934	11,584	7,635	12,469	14,159	11,917
	(13,297)	(11,568)	(7,494)	(12,405)	(15,106)	(12,558)
	-	-	-	-	-	-
	-	-	-	-	-	-
	785	1,179	1,004	1,890	2,824	-
	-	3,000	2,176	-	-	2,217
	-	-	-	-	-	2,159
	-	-	-	-	-	2,272
	-	3,709	-	-	-	-
	<u>644</u>	<u>8,978</u>	<u>3,605</u>	<u>2,984</u>	<u>2,223</u>	<u>6,550</u>
\$	<u>(2,060)</u>	<u>\$ 8,588</u>	<u>\$ 22,457</u>	<u>\$ 12,727</u>	<u>\$ 18,076</u>	<u>\$ 13,137</u>
	3.4%	3.8%	4.4%	5.0%	5.2%	9.8%

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

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales Taxes</u>	<u>Business Tax</u>	<u>Total</u>
2013	\$ 30,113	\$ 22,613	\$ 5,351	\$ 58,077
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	83,977

CITY OF ROSWELL, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years (amounts expressed in thousands)

Fiscal Year	Real Property	Privately Owned Public Utilities	Personal and Business (2)	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value (1)
2013	\$ 2,848,200	\$ 41,486	\$ 1,820,604	\$ 282,840	\$ 4,427,450	5.455	\$ 11,068,625	40.00%
2014	2,815,902	36,208	1,884,403	301,037	4,435,476	5.455	11,088,690	40.00%
2015	2,896,326	36,838	1,804,506	307,403	4,430,267	5.455	11,075,668	40.00%
2016	3,183,132	42,318	1,794,111	308,863	4,710,698	5.425	11,776,745	40.00%
2017	3,261,187	41,425	1,756,033	313,711	4,744,934	5.455	11,862,335	40.00%
2018	3,304,895	42,540	1,842,582	363,362	4,826,655	5.455	12,066,638	40.00%
2019	4,122,074	40,013	1,892,610	386,443	5,668,254	4.955	14,170,635	40.00%
2020	4,376,304	47,082	2,095,479	400,608	6,118,257	4.955	15,295,643	40.00%
2021	4,509,831	48,898	2,008,557	361,669	6,205,617	4.955	15,514,043	40.00%
2022	4,771,836	51,885	1,742,354	759,272	5,806,803	4.718	14,517,008	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	(Less) Local Option		Total M&O	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage
			Sales Tax							
2013	2012	8.788	(4.729)		4.059	1.396	5.455	10.281	0.000	10.281
2014	2013	9.153	(4.689)		4.059	0.991	5.455	10.211	0.000	10.281
2015	2014	9.292	(4.828)		4.464	0.991	5.455	11.781	0.000	10.211
2016	2015	9.864	(4.809)		4.464	0.400	5.455	10.500	0.000	11.781
2017	2016	9.864	(4.839)		5.055	0.400	5.455	10.450	0.000	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

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.

Overlapping Rates				
School District			State	Total
Operating Millage	Debt Service Millage	Total School Millage	Total State Millage	Direct & Overlapping Rates
18.502	0.000	18.502	0.200	34.438
18.502	0.000	18.502	0.150	34.388
18.502	0.000	18.502	0.100	34.268
18.502	0.000	18.502	0.050	35.788
18.483	0.000	18.502	0.000	34.457
18.546	0.000	18.483	0.000	34.358
17.796	0.000	18.546	0.000	34.631
17.796	0.000	17.796	0.000	33.181
17.796	0.000	17.796	0.000	32.870
17.590	0.000	17.590	0.000	31.848

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

Taxpayer	2022			2013		
	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	\$ 46,100	1	0.79%		
Calibre Creek Apartment Partner	39,425	2	0.68%	\$ 21,982	4	0.50%
BR Roswell LLC	29,835	3	0.51%			
F7 Moo LLC	22,400	4	0.39%			
Walton Centennial LLC	19,087	5	0.33%			
29SC Lake House LP	18,120	6	0.31%			
Holcomb Bridge Ga Partners LLC	18,120	7	0.31%	23,356	3	0.53%
Kimberly Clark Corp	17,200	8	0.30%			
Strata Grande LLC	16,430	9	0.28%			
OHBR LLC	16,309	10	0.28%			
Fulton County Board of Education				61,966	1	1.40%
City of Roswell				56,931	2	1.29%
Mansell Office, LLC				21,974	5	0.50%
Orion Roswell Associates				21,636	6	0.49%
Northmeadow Investors LLC				19,608	7	0.44%
Amireir				17,023	8	0.38%
Fulton County Board of Education				16,144	9	0.36%
Fulton County				15,937	10	0.36%
Totals	<u>\$ 243,026</u>		<u>4.19%</u>	<u>\$ 276,557</u>		<u>6.25%</u>

Source: Financial Services Division within the City Finance Department.

CITY OF ROSWELL, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
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 Adjusted Levy
2013	\$ 21,635	\$ 21,294	97.43%	341	\$ 21,635	100.00%
2014	22,245	21,849	98.42%	383	22,232	99.94%
2015	22,323	21,868	98.22%	428	22,296	99.88%
2016	24,202	23,704	97.96%	468	24,172	99.88%
2017	24,789	24,393	97.94%	364	24,757	99.87%
2018	25,507	24,992	98.40%	468	25,460	99.82%
2019	27,253	26,563	97.95%	618	27,181	99.74%
2020	26,503	25,667	97.47%	734	26,401	99.62%
2021	27,162	26,573	96.85%	437	27,010	99.44%
2022	26,793	26,419	98.60%	-	26,419	98.60%

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 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						Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Debt Per Capita (1)
	General Obligation Bonds	Capital Leases	Financed Purchases	Lease Liabilities	Notes Payable	Total	Notes Payable	Financed Purchases	Total			
2013	\$ 14,085	\$ -	\$ -	\$ -	\$ -	\$ 14,085	\$ 1,499	\$ -	\$ 1,499	\$ 15,584	0.42%	\$ 166
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	-	5,762	4,157	4,627	16,760	12,662	135	12,797	29,557	0.59%	312

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

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

CITY OF 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)
2013	\$ 14,085	\$ 955	\$ 13,130	0.12%	\$ 140
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

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, 2022
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Debt repaid with property taxes			
Fulton County	\$ 228,618	7.52%	\$ 17,189
Total overlapping debt	228,618		17,189
City of Roswell direct debt			
Bonds payable	2,213	100.00%	2,213
Lease liabilities payable	4,157	100.00%	4,157
Financed purchases payable	5,762	100.00%	5,762
Notes payable	4,627	100.00%	4,627
Total direct debt	16,760		16,760
 Total direct and overlapping debt	 \$ 245,378		 \$ 33,949

Sources: Assessed value data used to establish estimate applicable percentages are located in the Fulton County 2021 ACFR 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. Calculations were based on City of Roswell, Fulton County and Fulton County Board of Education's 2021 tax digest.

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

	2013	2014	2015	2016
Debt limit (10% of total assessed value)	\$ 471,029	\$ 473,651	\$ 473,767	\$ 501,956
Total net debt applicable to limit	9,786	14,238	10,380	10,222
Legal debt margin	<u>\$ 461,243</u>	<u>\$ 459,413</u>	<u>\$ 463,387</u>	<u>\$ 491,734</u>
Total net debt applicable to the limit as a percentage of debt limit	2.08%	3.01%	2.19%	2.04%

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.

	2017	2018	2019	2020	2021	2022
\$	505,865	\$ 519,002	\$ 605,470	\$ 651,887	\$ 656,729	\$ 656,608
	9,357	8,288	4,433	3,245	1,495	928
\$	496,508	\$ 510,714	\$ 601,037	\$ 648,642	\$ 655,234	\$ 655,680
	1.85%	1.60%	0.73%	0.50%	0.23%	0.14%

Assessed Value	\$ 5,806,803
Add back: exempt real property	<u>759,272</u>
Total assessed value	6,566,075
Debt limit (10% of total assessed value)	656,608
Debt applicable to limit:	
General obligation bonds	2,213
Less: Amount set aside for repayment of general obligation debt	<u>(1,285)</u>
Total net debt applicable to limit	<u>928</u>
Legal debt margin	<u>\$ 655,680</u>

CITY OF ROSWELL, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Calendar Years

Calendar Year	Population	Personal Income (in thousands) (1)	Per Capita Personal Income (1)	Median Age	School Enrollment (2)	Unemployment Rate (3)
2013	93,692	\$ 3,731,565	\$ 39,828	40.20	15,081	9.00 %
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

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 was provided by the Fulton County Board of Education; 2016 to 2021 is U.S. Census Bureau; 2022 is an estimate based on Fulton County School enrollment trend.

(3) The unemployment rate for 2022 is from the Georgia Department of Labor, Civilian Labor Force Estimates.

CITY OF ROSWELL, GEORGIA

PRINCIPAL EMPLOYERS Current Year and Nine Years Ago

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
General Motors	1400	1	2.62%			
Wellstar/N Fulton Reg'l Hospital	1100	2	2.06%	656	3	1.28%
Kimberly-Clark Corporation	1020	3	1.91%	1,233	1	2.40%
McKesson Corporation	660	4	1.23%			
City of Roswell	632	5	1.18%	570	4	1.11%
Delta Dental	450	6	0.84%			
Yardi Systems	408	7	0.76%			
NTG	391	8	0.73%			
Easter Seals	315	9	0.59%			
Walmart Stores East LP	294	10	0.55%	296	6	0.58%
Verizon Wireless				974	2	1.90%
Target				360	5	0.70%
Asbury Automotive Group DBA Nalley				296	7	0.58%
Roswell Nursing & Rehabilitation				277	8	0.54%
The Home Depot				254	9	0.49%
GM IT Innovation Center				200	10	0.39%
Total	6,670		12.46%	5,116		9.97%

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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration - General Fund										
Building Operations	9.00	9.00	9.00	9.00	9.00	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	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00
Court Services	16.00	4.00	4.00	4.00	5.00	5.00	6.00	7.00	7.00	7.00
General Administration	2.00	2.50	1.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Information Technology	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
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	4.00	5.00	5.00	5.00	5.00	5.00	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
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
Security	-	-	-	-	1.00	2.00	2.00	2.00	2.00	2.00
Total Administration - General Fund	54.00	43.50	46.50	47.50	49.50	50.50	51.50	54.30	55.30	55.30
Community Development - General Fund										
Building Inspections	-	1.00	-	-	-	-	-	7.00	8.00	8.00
Business Registration	1.00	-	1.00	1.00	1.00	1.00	1.00	-	-	-
Code Enforcement	-	3.00	-	-	-	-	-	4.00	4.00	4.00
Com Dev Support Services	2.00	3.00	3.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00
Community Develop Admin	4.00	-	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Economic Development	-	-	-	-	-	-	-	-	-	-
Engineering	7.00	7.00	9.00	8.00	8.00	8.00	9.00	10.00	10.00	10.00
Geographic Information Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-	-	-
Planning and Zoning	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00	8.00
Total Community Development - General Fund	25.00	25.00	27.00	27.00	27.00	28.00	29.00	38.00	39.00	39.00
Environmental / Public Works - General Fund										
Environmental/PW Administration	2.00	2.00	-	-	-	-	-	-	-	-
Environmental Protection	3.00	3.00	-	-	-	-	-	-	-	-
Total Environmental / Public Works - General Fund	5.00	5.00	-	-	-	-	-	-	-	-
Finance - General Fund										
Accounting	4.00	4.00	4.00	5.00	5.00	7.00	7.00	6.00	6.00	6.00
Cash Disbursements	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Cash Receipting	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Finance Administration	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00
Financial Services	6.00	7.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00
Purchasing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Business Registration	3.00	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	3.00	4.00
Treasury	1.00	1.00	-	-	-	-	-	-	-	-
Total Finance - General Fund	29.00	30.00	30.00	31.00	28.00	30.00	30.00	31.00	31.00	32.00
Fire - General Fund										
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	9.00	10.00	10.00	10.00	10.00
Fire Suppression	6.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00
Public Safety Training Facility	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Fire - General Fund	18.00	19.00	19.00	19.00	19.00	19.00	21.00	21.00	21.00	21.00

Source: City Budget Office

Continued

CITY OF ROSWELL, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police - General Fund										
General Investigations	21.00	21.00	26.00	20.00	20.00	25.00	25.00	19.00	17.00	17.00
Jail / Detention	18.00	18.00	18.00	18.00	18.00	-	-	-	-	-
Patrol	83.00	83.00	84.00	94.00	94.00	79.00	79.00	94.00	94.00	94.00
Police - Admin Services	3.00	7.00	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
Police - Support Services	38.00	38.00	29.00	20.00	20.00	23.00	25.00	29.00	27.00	27.00
Special Investigations	6.00	6.00	14.00	16.00	16.00	17.00	17.00	11.00	13.00	13.00
Traffic Enforcement Unit	13.00	13.00	12.00	13.00	13.00	15.00	16.00	12.00	13.00	13.00
Total Police - General Fund	182.00	186.00	186.00	191.00	191.00	173.00	177.00	177.00	179.00	179.00
Recreation and Parks - General Fund										
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	2.00	3.00	3.00	3.00	3.00
Historic & Cultural Affairs	1.00	1.00	1.00	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	51.00	53.00	53.00	51.00	51.00	52.00	53.00	53.00	53.00	53.00
Park Police	5.00	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	2.00	3.00	3.00	3.00	3.00
Recreation and Parks Support Services	21.00	21.00	21.00	21.77	21.77	21.27	21.27	21.27	21.80	21.80
Smith Plantation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Recreation and Parks - General Fund	87.00	89.00	89.00	88.77	88.77	89.27	92.27	92.27	92.80	92.80
Transportation - General Fund										
Transportation Engineering & Design	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Transportation Planning	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Land Acquisition and Development	3.00	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	18.00	19.00	19.00	19.00	19.00
Transportation Administration	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00
Total Transportation - General Fund	64.00	64.00	64.00	64.00	64.00	64.00	65.00	65.00	65.00	65.00
Total General Fund	464.00	461.50	461.50	468.27	467.27	453.77	465.77	478.57	483.10	484.10
E-911 Fund	22.00	22.00	22.00	22.00	26.00	26.00	27.00	29.00	29.00	29.00
Water and Sewer Fund										
Water Administration	2.05	2.05	2.25	1.70	2.03	2.43	2.43	2.43	2.23	2.23
Water Distribution	8.50	8.50	8.50	8.75	8.75	8.50	8.50	8.50	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
Total Water and Sewer Fund	17.55	17.55	17.75	17.45	17.78	17.93	17.93	17.93	19.08	19.08
Stormwater Utility Fund	12.00	12.00	13.20	13.20	13.53	14.48	14.48	14.48	13.98	13.98

Continued

CITY OF ROSWELL, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Solid Waste and Recycling Fund										
Solid Waste and Recycling Admin.	4.35	4.35	7.05	7.25	7.25	8.24	8.24	8.24	7.94	7.94
Solid Waste Public Education	0.55	0.55	-	-	-	-	-	-	-	-
Residential Collection	34.00	34.00	34.00	34.00	34.00	34.00	34.00	31.00	32.00	32.00
Commercial Collection	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00
Solid Waste Disposal	-	-	-	-	-	-	-	-	-	1.00
Recycling Center	6.25	6.25	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00
Total Solid Waste and Recycling Fund	53.15	53.15	55.05	55.25	55.25	56.24	56.24	54.24	53.94	54.94
Fleet Services Fund	7.30	7.30	8.00	8.10	8.43	7.35	7.35	8.35	9.00	9.00
Participant Recreation Fund										
Recreation Participation Administration	-	1.00	4.71	4.39	4.39	4.26	4.26	4.26	5.02	5.02
Recreation Participation Fund	17.00	-	-	-	-	-	-	-	-	-
Recreation Participation-General Programs	-	1.30	0.58	0.12	0.12	0.05	0.05	0.05	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
Recreation Participation-Tennis	-	1.00	0.58	0.58	0.58	1.00	1.00	1.00	1.03	1.03
Recreation Participation-Swim/Sprayground	-	-	0.04	-	-	-	-	-	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
Recreation Participation-Dance, Drama, Music	-	2.00	1.16	1.31	1.31	1.31	1.31	1.31	1.31	1.31
Recreation Participation - Arts and Crafts	-	0.20	0.11	0.11	0.11	0.11	0.11	0.11	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
Recreation Participation - City Events	-	-	3.09	2.16	2.16	1.61	1.61	1.61	-	-
Recreation Participation-ERRP	-	1.10	0.63	0.83	0.83	0.83	0.83	0.83	0.89	0.89
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
Total Participant Recreation Fund	17.00	19.10	17.15	19.93	19.23	19.73	18.73	18.73	18.20	18.20
Leita Thompson Apartment Rental Fund	-	-	-	-	-	-	-	-	-	-
CDBG Grant Fund	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Worker's Compensation Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Group Health Insurance Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.20	1.20	1.20
Risk and Liability Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GRAND TOTAL, ALL FUNDS	597.00	596.10	598.15	607.70	611.00	599.00	611.00	625.00	630.00	632.00
BY DEPARTMENT										
Administration	58.00	47.00	50.00	51.00	53.00	54.00	55.00	58.00	59.00	59.00
Community Development	25.00	25.00	27.00	27.00	27.00	28.00	29.00	38.00	39.00	39.00
Environmental/Public Works	95.00	95.00	94.00	94.00	95.00	96.00	96.00	95.00	96.00	97.00
Finance	29.00	30.00	30.00	31.00	28.00	30.00	30.00	31.00	31.00	32.00
Fire	18.00	19.00	19.00	19.00	19.00	19.00	21.00	21.00	21.00	21.00
Police	204.00	208.00	208.00	213.00	217.00	199.00	204.00	206.00	208.00	208.00
Recreation and Parks	104.00	108.10	106.15	108.70	108.00	109.00	111.00	111.00	111.00	111.00
Transportation	64.00	64.00	64.00	64.00	64.00	64.00	65.00	65.00	65.00	65.00
Total City Employees	597.00	596.10	598.15	607.70	611.00	599.00	611.00	625.00	630.00	632.00

CITY OF ROSWELL, GEORGIA

OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Calls for service	67,386	69,939	67,563	76,723	111,004	118,548	116,352	112,416	114,411	129,526
Traffic stops	17,867	19,964	24,340	24,382	21,867	24,631	16,608	12,406	14,727	16,805
Part 1 Crimes Index Rate	24.9	22.9	24.4	24.6	18.6	18.7	16.4	13.7	15.3	16.5
Fire										
Fire Calls	2,802	3,121	3,126	3,344	3,784	3,831	3,931	4,516	4,710	2,808
Fires extinguished	185	162	174	188	211	152	169	165	156	82
EMS Calls	5,251	5,225	5,060	4,951	5,269	5,512	5,618	5,100	5,273	6,686
Community development										
Building permits issued	3,382	2,351	2,108	4,996	6,920	2,979	3,378	2,861	3,355	2,914
Refuse collection										
Household garbage collected-tons per year	19,128	18,964	13,078	20,150	20,754	21,392	21,930	23,464	25,829	20,350
Curbside recycling collected-tons per year	6,726	6,893	7,597	6,674	8,897	7,377	7,091	6,385	6,302	6,648
Glass recycling collected-tons per year (2)	-	-	-	-	3,583	3,180	274	1,405	1,067	123
Yard waste collected-tons per year	7,872	8,376	7,527	7,274	6,363	6,322	6,296	6,321	6,465	5,724
Recycling from recycle center-tons per year	1,811	1,695	1,698	1,625	1,752	1,828	1,779	1,621	1,861	1,149
Parks and recreation										
Registered participants (1)	33,843	33,567	32,767	26,817	32,449	31,308	31,140	25,867	24,057	34,209
Park acres maintained	918	912	912	987	987	1,057	1,057	1,084	1,048	1,065
Total Point of Sale Participants (1)	111,624	98,111	100,263	47,087	46,679	51,132	62,246	36,448	37,392	60,484
Total Facility Rentals (1)	1,642	2,236	2,373	1,148	1,527	1,835	1,777	1,084	907	2,196
Water										
Water production in MGD (3)	368	388	397	278	537	540	584	328	609	643
Sanitation										
Number of residential customers	25,232	25,360	26,120	26,120	25,720	26,000	24,893	26,422	25,179	26,001
Number of commercial customers	1,002	892	972	955	854	993	1,282	877	1,267	1,260

Sources: Various city departments.

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

(1) With implementation of new registration software, we are now able to more accurately count total registered participants. Totals from previous years were based on monthly reports, causing participants to be counted multiple times for the same activity. Point of Sale Participants include fees for daily entry for the Pool, both playgrounds, Tennis Courts, Racquetball and Manor Haunted House. Total Rentals includes all paying room and shelter reservations at any Roswell Parks.

(2) January through June 2017 Glass recycling collected.

(3) Water production was lower 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.

CITY OF ROSWELL, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Vehicles	54	54	55	55	55	56	58	68	65	65
Buildings	30	30	30	30	30	30	30	30	30	30
Police										
Vehicles	158	158	208	215	214	219	236	241	265	265
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	7	7	7	7	7	7	7	7	7	7
Fire hydrants	4,530	4,530	4,530	5,175	5,186	5,211	5,226	5,316	5,355	5,363
Parks and recreation										
Acreage	917	917	917	987	987	1,057	1,057	1,057	1,057	1,065
Parks and playgrounds	19	19	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	9	11	18	18	18	18	18
Swimming pools	1	1	1	2	2	2	2	2	2	2
Tennis courts	34	34	34	32	28	28	28	28	28	28
Pickleball courts						4	4	4	4	4
Transportation										
Paved roads in miles	385	385	385	326	360	360	360	360	360	360
Traffic signals	152	152	154	102	103	102	100	110	101	102
Water										
Water mains (miles) (1)	201	201	201	201	87	87	88	89	89	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



**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 the City of Roswell, Georgia (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2022. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*.

Report on Internal Control Over Financial Reporting

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 15, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL 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 the City of Roswell, Georgia's (the "City") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. 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, the 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, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City'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 the 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 the 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 the 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 the 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 15, 2022

CITY OF ROSWELL, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Entitlement Grants Cluster			
Community Development Block Grant	14.218	B-20-MC-13-0018	\$ 111,685
Community Development Block Grant	14.218	B-21-MC-13-0018	79,443
Community Development Block Grant	14.218	B-22-MC-13-0018	82,512
Community Development Block Grant	14.218	B-21-MW-13-0018	135,170
Community Development Block Grant	14.218	B-22-MW-13-0018	5,633
COVID-19 - Community Development Block Grant	14.218	B-20-MW-13-0018	340,641
Total Entitlement Grants Cluster			<u>755,084</u>
Passed through Cobb County, Georgia: Home Investment Partnerships Program	14.239	H13-RM-WM-R9-RA-RC	3,159
Total U.S. Department of Housing and Urban Development			<u>758,243</u>
U.S. DEPARTMENT OF TREASURY			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19	214,378
Total U.S. Department of Treasury			<u>214,378</u>
U.S. DEPARTMENT OF JUSTICE			
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-21-GG-01416-JAGX	9,486
Bullet Proof Vest Partnership Program	16.607	2020BUBX20023355	156
Bullet Proof Vest Partnership Program	16.607	2021BUBX21027125	8,961
Total Bullet Proof Vest Partnership Program			<u>9,117</u>
Equitable Sharing Program	16.922	GA0600500	27,416
Total U.S. Department of Justice			<u>46,019</u>
U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES			
Promotion of the Arts Grants to Organizations and Individuals	45.024	14-5900-7097	10,000
Total U.S. National Endowment for the Humanities			<u>10,000</u>
U.S. DEPARTMENT OF INTERIOR			
Passed through the Georgia Department of Natural Resources: Historic Preservation Fund Grants-In-Aid	15.904	EMW-2020-FG-00986	7,097
Total U.S. Department of Interior			<u>7,097</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICES			
Passed through the Georgia Department of Community Affairs: AmeriCorps Planning Grant	94.006	20AC221805	865
Total Corporation for National and Community Services			<u>865</u>
Total Expenditures of Federal Awards			<u>\$ 1,036,602</u>

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, 2022

(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, 2022**

**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
14.218

Name of Federal Program or Cluster
Community Development Block
Grants/Entitlement Grants Cluster

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, 2022**

**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, 2022**

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

**CITY OF ROSWELL, GEORGIA
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022**

2021-001 Internal Controls Related to Project Management

Criteria: Internal controls should be in place to ensure that the City is able to effectively initiate and manage projects and avoid, detect and/or correct issues related to budgeting, project delays and overruns, and parcel acquisition. In addition, adapting certain policies and procedures related to project management would provide effective safeguards against the risk of material noncompliance with state law.

Condition: Internal controls related to project management were not sufficient to prevent, detect and/or correct various issues with the City's Oxbo Road Intersection Improvement Project, which resulted in delays, unnecessary costs and inefficiencies.

Status: This matter was resolved during the fiscal year ended June 30, 2022.

2021-002 State Law Compliance Related to Appraisal and Property Exchange

Criteria: Policies should be in place to ensure that the City follow and abide by certain required processes when acquiring real property for a transportation project, and in the exchange and/or disposition of property for public road purposes.

Condition: Over the span of the City's Oxbo Road Intersection Improvement Project, there were several noted instances of noncompliance with state laws Official Code of Georgia Annotated (O.C.G.A.) Sections 22-1-9, 36-37-6(c), and 32-3-3(b).

Status: This matter was resolved during the fiscal year ended June 30, 2022.