CITY OF CITY OF GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



For the Fiscal Year Ended September 30, 2024

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Prepared by:

Bernadette Harvill
Deputy City Manager

Submitted by: Steven Krokoff City Manager

INTRODUCTORY SECTION

INTRODUCTORY SECTION

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To the Honorable Mayor, Members of City Council, Citizens, Businesses, and Stakeholders of the City of Milton:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of the City of Milton, Georgia, for the fiscal year ended September 30, 2024. This report consists of management's representations concerning the finances of the City. Management assumes full responsibility for the completeness and reliability of all information presented in this report, which is based upon a comprehensive framework of internal controls established for this purpose. Since the cost of internal controls should not exceed anticipated benefits, this report's objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In compliance with state laws, the City's financial statements have been audited by Mauldin & Jenkins, LLC. The goal of this independent audit was to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the City's 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 is reasonable basis for rendering an unmodified ("clean") opinion on the City's financial statements for the fiscal year ended September 30, 2024. The independent auditor's report is presented as the first component of this report's financial section.

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

OUR HISTORY

In the early 1800s, the area that now includes the City of Milton was inhabited mostly by members of the Cherokee tribe. Through the 1832 land lottery, settlers in search of good farmland and gold made this their home.

In 1857, Milton County was formed from parts of Cobb, Cherokee, and Forsyth Counties to create a more accessible county seat. It was named for John Milton, Georgia's first Secretary of State and a Revolutionary War hero. This was an agricultural-based community with cotton as its main crop. The boll weevil infestation caused devastation in the 1910s and 1920s, as did the Great Depression in the 1930s. Small, struggling Georgia counties, such as Milton, were encouraged to consolidate with larger counties in the "Bigger and Better Counties" movement. In 1932, Milton voters decided to merge with Fulton County.

For 74 years, what's now Milton was unincorporated within Fulton County. That changed when citizens decided they wanted more local control over community decisions and services provided. In an overwhelming show of support on July 18, 2006, 85% of voters approved the referendum to create a new City of Milton. On December 1, 2006, the City of Milton was incorporated. Located at the northernmost tip of Fulton County, it occupies 39.12 square miles and serves an estimated population of 41,606 according to the City's community profile prepared by Esri. The City has been celebrated nationally for its high quality of life with rankings in numerous surveys as one of Georgia's safest and most livable cities. Milton is a premier city recognized for its exceptionally high quality of life, strong sense of place and community, and dedication to preserving our rural heritage.

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GOVERNMENT PROFILE

Policy-making and legislative authority in Milton are vested in a governing City Council consisting of a Mayor and six Council members, all elected on a non-partisan basis. Each serves a four-year staggered term, with one-half of the Council seats up for election every two years. The Mayor, who can live anywhere in the city, is elected at large. Council members must live within the districts in which they are elected, though they serve all citizens of the city.

The City of Milton operates under a Council-Manager form of government, whereby the City Manager is appointed by the Mayor and Council. The City Manager has the authority and responsibility to carry out the policies set forth by the Council, provide for the effective and efficient delivery of municipal services, and direct and supervise the administration of all departments.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and parks and recreational programs. Sanitation services are provided through relationships with private operators. The City created a legally separate entity, the Public Building and Facilities Authority (PBFA), to assist with, among other things, capital funding. Financial information for the PBFA has been included within this document and additional information can be found in the Notes to the Financial Statements in Note 1A.

BUDGET BASIS AND STRUCTURE

An annual budget serves as the foundation for the City's financial plan and assists in control of the government's financial stability and health. 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 October 1 through September 30.

The budget is prepared by fund, function, and department. The official level of control (i.e. the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. Administrative transfers of appropriations within a department may be authorized by the City Manager. Transfers between departments or funds must be approved by the Mayor and Council.

In fiscal year 2024, the City maintained thirteen governmental funds. The budgets for the General Fund, Opioid Settlements Fund, Confiscated Assets Fund, Emergency 911 Fund, Operating Grant Fund, American Rescue Plan (ARP) Act Fund, and Hotel/Motel Tax Fund are all appropriated annually. While the Capital Projects Fund, Greenspace Bond Fund, TSPLOST Fund, Capital Grants Fund, Impact Fee Fund, and Revenue Bond Fund utilize project length budgets.

ECONOMIC CONDITION

The City is part of the Atlanta metropolitan area. However, it is unique as a municipality. While largely rural and suburban in character, a portion of the City lies within the major future-growth corridor along GA 400. Approximately 84.4% of the land area within the city can be developed only for residential or agricultural/equestrian purposes. Only 2.6% of the land area is planned for commercial development. The remaining 13% is comprised of right-of-way, wetlands, schools, cemeteries, and parkland.

The City wishes to maintain its position as a distinct community with a rural equestrian character in the Atlanta region. In order to do so, Milton has geographically identified its future development areas where economic growth can occur to create a sufficient tax base for government operations. These development areas include Downtown Milton/Crabapple, Deerfield/SR 9, Birmingham Crossroads, and potentially the Arnold Mill Road corridor. Preservation areas reflective of Milton's character have also been identified. Several methods are used to conserve our rural areas such as the transfer of development rights, impact fees, conservation tax incentives, rural viewshed zoning, as well as the 2016 citizen-approved Greenspace Bond.



While commercial properties comprise approximately 13% of the net tax digest, Milton is fortunate to have a stable list of large employers such as Fulton County Schools, Wal-Mart, Target, Publix, Home Depot, and Infor (US) Inc. According to the City's community Profile prepared by ESRI, Milton has a median age of 39.2 years, a per capita income of \$72,914 (with a median household income of \$158,455), and a median home value of \$706,264.

Milton has one of the most educated populations of any city its size in Georgia. Approximately 96% of residents over the age of 25 hold at least a high school degree, and 78.6% have a bachelor's degree or higher. More than 70% of the workforce is in the professional/management field, and Milton's unemployment rate is at 2.8%.

STRATEGIC FINANCIAL PLANNING

Although many economic factors are largely outside local government control, the Mayor, Council, City Manager, and department heads have displayed impressive financial stewardship over the years through an established philosophy of budgetary evaluation. This philosophy entails reviewing the City's needs relative to a standard that the services and associated costs should not be appropriated unless they are justified by organizational strategic goals and serve to accomplish our guiding principles. These values and controls haveaided the City throughout this past year.

Upon incorporation, the City also adopted a budgetary policy that requires the establishment of a fund balance reserve for working capital. The purpose of working capital is to address the cost of expenditures caused by unforeseen emergencies, to cover shortfalls due to revenue declines, and to eliminate any short-term borrowing for cash flow purposes. This reserve shall accumulate and then be maintained at an amount that represents no less than 25% of the subsequent year's budgeted revenues. Excess fund balances over reserve requirements can be used in subsequent periods as a funding source for that fund's budget in any given year. The utilization of fund balance shall be deemed a use of one-time revenues for budgeting purposes.

The City of Milton maintains a flexible yet thorough seven-year capital improvement plan, whereby capital needs are identified several years before funding and implementation to allow for adequate time for planning. This approach also provides for the orderly replacement of facilities and equipment.

The City's current seven-year Capital Improvement Plan (CIP) identified over \$98 million in projected funding through fiscal year 2031 (with no anticipated bond funding required). Approximately \$6.9 million of this is budgeted for the 2025 fiscal year through the City's pay-as-you-go funding program (setting aside incremental appropriations to pay for projects with money on hand rather than borrowing funds/incurring additional debt). Of this, \$3 million is designated for public works projects such as pavement management, bridge replacement, sidewalk repairs, trail expansion, and intersection improvements, as well as \$2.3 million for active and passive park land acquisition, site improvements, and equipment. The remaining fiscal year 2025 budget is slated for future replacement of city vehicles, the Fire department's advanced life support equipment, the continuation of the Milton gateway/wayfinding signage program, Information Services hardware replacements and a software upgrade for the Finance department. Fiscal year 2025's CIP also includes funding for all Transportation Local Option Sales Tax (TSPLOST) projects, greenspace bond related land purchases, and grant funded projects.

The City's sustainability relies on a diversification of revenue sources. Property taxes are the largest single source of revenue, with local option sales tax being a close second. Existing revenue sources are evaluated on an annual basis to ensure the underlying rate is reasonable and justifiable. Examples of revenue sources that are reevaluated annually include all user feebased revenue sources (i.e. permits, licenses, recreation fees, etc.). The City continues to collect impact fees on new development projects to offset the costs of providing City services to those new projects as well as to the residents and businesses they bring to Milton. These revenues, along with those generated through the voter approved TSPLOST initiatives, have allowed for accelerated timelines for project completions. As a result, intersection improvements, park improvements, and other capital projects are achieved sooner than would be possible under the City's traditional pay-as-you-go program.

MAJOR INITIATIVES

During fiscal year 2024, the City of Milton planned and implemented several major initiatives designed to meet citizens' and business owners' needs for services, improve the quality of life for residents, and adhere to the Mayor and Council's vision for the City.

In March 2021, the Council adopted the 2021-2025 Strategic Plan and later that year Milton's 2040 Comprehensive Plan was approved. Staff worked throughout fiscal year 2024 to act on these plans to achieve the initiatives set out for the fiscal year 2024 timeframe.

Increasing the capacity of both active and passive parks remains a top priority for the City of Milton, as reflected in various planning documents, including these two plans and other surveys conducted by the City. In collaboration with Public Works staff, the Parks & Recreation Department continues to make significant progress in this area through securing two significant grants for improvements at the Milton City Park and Preserve as well as the expansion of programming in recreation and active sports. The City has acquired approximately 21 acres of land on Deerfield Parkway, earmarked for the development of a future active park complex, which will include essential rectangular and diamond fields, among other amenities. Additionally, 10.5 acres of land have been purchased off Arnold Mill near Legacy Park. The plans for this site are still under development as staff engages with the City Council, committee members, and the community to explore opportunities for both active and passive park land. These efforts include initiatives such as the Greenprint – Milton's Greenspace Plan – and other public engagement processes.

In addition to park planning, 2024 saw the successful introduction of several key community planning initiatives. The Community Development staff collaborated closely with residents, boards, and the City Council to complete an update to the Windward/Highway 9 Area Strategic Master Plan. This updated plan outlines future opportunities for improving transportation access, facilitating the return of workers to office spaces, enhancing trails and connectivity, and supporting the local business district. Concepts derived from this plan, along with previous transportation, park, and community development initiatives, were integrated into the Deerfield Implementation Plan. This plan will serve as a dynamic and purposeful framework to ensure the area evolves into an inviting, vibrant, and uniquely Milton destination for both residents and visitors in the years ahead. Public outreach and feedback on the initiatives outlined in the Deerfield Implementation Plan will continue into fiscal year 2025, with completion anticipated by summer.

Furthermore, Community Development initiated a small area plan for Arnold Mill, aimed at providing a long-term vision for the area extending from the Roswell/Alpharetta line to Cherokee County. This plan seeks to highlight what makes this part of Milton distinctive, explore the most appropriate land uses, and incorporate feedback from local residents. In addition, the department completed the development of a Unified Development Code, streamlining and consolidating all development-related regulations into a single, more concise, and user-friendly policy document. This comprehensive update is designed to simplify processes and enhance clarity for developers and residents alike.

In fiscal year 2024, Public Works implemented a new recycling program for plastic film, obtained a new asset management software that will be fully implemented in fiscal year 2025, and made significant s trides in advancing a variety of key infrastructure projects. One of the major accomplishments was the completion of an update to the Comprehensive Transportation Plan (CTP). The feedback gathered during this update will play a critical role in guiding the allocation of TSPLOST II funds and will help prioritize future transportation projects.

Completed projects in fiscal year 2024 include the installation of a mini roundabout and a pedestrian crossing on Bethany Bend, sidewalk additions in the Deerfield area, and a multi-use path along Mayfield Road. Several other important initiatives are currently in the design and right-of-way (ROW) acquisition phases, such as the Birmingham Middle Bridge project, the Big Creek Greenway trail connection, turn lanes at Cogburn and Webb Roads, and streetscape enhancements along Crabapple Road. Additionally, intersection improvement projects at State Route 140 and Green Road, Freemanville Road and Redd Road, Bethany Road and Providence Road, and Cox Road are progressing through the design and ROW acquisition stages.

Construction has commenced on Phase II of the Morris Road Widening Project, and work on the Freemanville Road at Birmingham Road intersection project is nearing completion. The Public Works team is also focusing on sidewalk connectivity enhancements and a comprehensive bridge maintenance plan, both integral components of the TSPLOST program. Additionally, significant hydrology, trail, and passive park improvements are currently being implemented throughout Milton City Park and Preserve, aimed at enhancing both the functionality and environmental sustainability of this valued public space.

In 2024, Milton Fire-Rescue achieved international accreditation from the Commission on Fire Accreditation International (CFAI), a prestigious recognition for fire departments worldwide. This accreditation places Milton Fire-Rescue among an elite group of just 312 agencies globally, underscoring the department's dedication to upholding the highest standards in service delivery, aligning operations with community needs, and prioritizing continuous quality improvement. Milton Fire-Rescue joins the Milton Police Department (MPD), which has been nationally accredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA) since 2014 and accredited by the State of Georgia since 2010.

Milton's commitment to delivering exceptional services is reflected throughout the organization. In November 2023, the City was honored with the Voice of the People award from the International City/County Management Association (ICMA) and Polco for civic engagement in Transportation and Mobility. This award highlights the City's efforts to engage with residents and address their feedback regarding the movement of drivers, pedestrians, equestrians, and cyclists within the community. In May 2024, the City's communication efforts were further recognized with the Grassroots Marketing Campaign award from the National Association of Government Communicators, acknowledging the successful outreach associated with the 2023 elections. The pinnacle of the year came in July when the City was informed that it ranked #1 out of 385 local governments in citizen satisfaction, as determined by the bi-annual National Community Survey (NCS). The NCS is widely regarded as the gold standard in gauging public sentiment regarding local government services.

AWARDS AND ACKNOWLEDGEMENTS

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 Milton for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended September 30, 2023. This program recognizes those governments that go beyond the minimum requirements of generally accepted accounting principles to prepare ACFRs that represent the spirit of transparency and full disclosure. This was the fourteenth year the City has received this prestigious award. This award is valid for a period of one year only. We believe that our current ACFR continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. The City is committed to this effort and will strive to maintain and surpass these standards on future reports.

The preparation of this report would not have been possible without the efficient and dedicated services of all City departments. Their willingness to work together has enabled Milton to go beyond the ordinary, to be unique, and to strive to exceed expectations in financial reporting by producing a quality report that is readable, informative, and beneficial to our citizens. We also extend our appreciation and gratitude to our independent auditors, Mauldin & Jenkins, LLC, for their professional guidance and assistance in producing this technically sound document. Most importantly, we express our appreciation to our citizens as well as our Mayor and City Council member for their dedication, leadership, vision, and support in planning and conducting the City's affairs in a responsible and progressive manner, thus ensuring that Milton is a strong, well-rounded community to call home.

Respectfully submitted,

Steven Krokoff City Manager

Stacey R. Inglis
Deputy City Manager/ Treasurer

Bernadette Harvill Deputy City Manager

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Milton Georgia

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

Elected Officials



Peyton Jamison



Andrea Verhoff



Juliette Johnson



Jan Jacobus



Carol Cookerly



Doug Hene



Phil Cranmer

Listing of Principal Officials at September 30, 2024



City Manager Steven Krokoff



Deputy City Manager /City Treasurer Stacey Inglis



Deputy City Manager Bernadette Harvill



Finance Director
Karen Ellis



Public Works Director Sara Leaders



Human Resources Director Niki Graham



Parks and Recreation
Director
Tom McKIveen



Interim Community
Development Director
Diana Wheeler



Communications
Director
Greg Botelho



Chief of Police
Jason Griffin



Fire ChiefGabriel Benmoussa



City Clerk Tammy Lowit



Court Clerk
Brooke Lappin

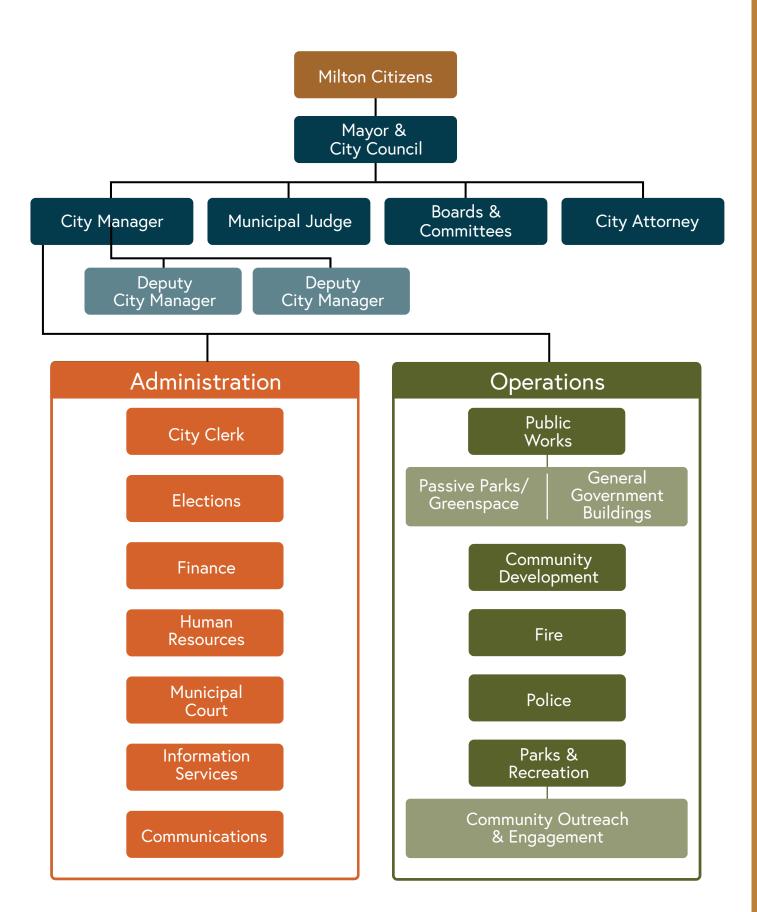


Information Services
Director
Ashley Smith

City Attorney Ken E. Jarrard, Esq.

City Auditors Mauldin & Jenkins, LLC

Milton Organizational Chart



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the City Council of the City of Milton, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **City of Milton, Georgia** (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position 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.

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.

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the General Fund and American Rescue Plan Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions, 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 combining and individual fund statements and schedules and the schedules of projects constructed with proceeds from transportation special purpose local option sales tax (the "supplementary information"), as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2025 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 & Jerkins, LLC

Atlanta, Georgia March 19, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Milton (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found at the beginning of this report, as well as the financial statements and notes to the financial statements that follow. All amounts within this document, unless otherwise indicated, are expressed in whole dollars.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$175,350,192 (total net position). Of this amount, \$15,690,850 (unrestricted net position) may be used to meet the ongoing obligations of the government.
- The City's total net position increased by \$10,903,081.
- As of the close of the fiscal year, the City's governmental funds reported a combined ending fund balance of \$92,002,194 -- a decrease of \$2,807,264 over the prior year. The primary factor contributing to this decrease is the City's pay-as-you-go funding approach within the Capital Projects Fund. A reduction of \$3,511,337 in the Capital Projects Fund is attributed to expenditures that were financed through operating transfers from the General Fund, which have accumulated over time to support cash payments for these expenses. This funding strategy results in an increase during years when funds are being set aside for future capital acquisitions and a decrease during years when significant expenditures are made for the acquisition or construction of capital assets.
- The unassigned fund balance in the General Fund at the end of the fiscal year was \$13,760,099. This represents approximately 30% of the fiscal year 2024 budgeted revenues. Milton's Fund Balance Policy requires current year unassigned fund balance to represent no less than 25% of the subsequent year's budgeted revenues. This requirement allows the City to maintain an adequate reserve to cover unforeseen emergencies and/or revenue shortfalls. Any surplus after such emergency reserve will allow the City to utilize excess fund balance as a funding source. Such utilization shall be deemed a use of one-time revenues for budgeting purposes.
- The City's total long-term, bonded debt as of September 30, 2024, consists of a revenue bond to fund the construction of the Public Safety Complex on Highway 9, the reconstruction of Fire Station 42 on Thompson Road, and a station-wide alerting system for the Fire Department. The bond also includes the refunding of the debt due on the Series 2014 revenue bond that was utilized for the construction of Bell Memorial Park. In addition, City debt consists of a general obligation bond to fund the purchase of greenspace properties. As of the close of fiscal year 2024, the balance of the long-term debt, net of original issuance premiums, was \$41,252,858.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Milton's basic financial statements. The statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. Financial reporting at this level uses a perspective like that found in the private sector, with its basis in accrual accounting and elimination or reclassification of activities between funds. These statements provide both long-term and short-term information about the City's overall financial status.

The statement of net position presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors, such as diversification of the taxpayer base or the condition of the City's 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 variations in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid time off). An important purpose of the design of this statement is to show the financial reliance of the City's distinct activities, or functions, on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish functions of the City principally supported by taxes and intergovernmental revenues (governmental activities). The City of Milton's governmental activities include general government, judicial, public safety, public works, culture and recreation, as well as housing and development. The City currently does not have any business-type activities.

The government-wide financial statements can be found on pages 31 and 32 of this report.

Fund financial statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be placed into one category: governmental funds.

Governmental funds

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

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

In fiscal year 2024, the City maintained four major and nine nonmajor governmental funds. The City's major governmental funds included the General Fund, American Rescue Plan Fund, Capital Projects Fund, and TSPLOST Fund. The nonmajor governmental funds included the Confiscated Assets Fund, Opioid Settlement Fund, Emergency 911 Fund, Operating Grant Fund, Hotel/Motel Tax Fund, Capital Grant Fund, Revenue Bond Fund, Greenspace Bond Fund and Impact Fees Fund.

The basic governmental fund financial statements can be found on pages 33 through 36 of this report.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 to 63 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, such as budgetary comparison schedules and the schedule of funding progress for the City's pension plan. The budgetary comparison schedules are intended to demonstrate the City's compliance with the legally adopted and amended budgets. Required supplementary information can be found on pages 65 through 71 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Following is a summary of the City's net position as found on page 31 of this report.

City of Milton, Georgia - Net Position

	Governmental Activities							
	2024	2023						
Assets								
Current and other assets	\$ 101,173,196	\$ 104,146,998						
Capital assets	165,012,802	151,963,340						
Total assets	266,185,998	256,110,338						
Deferred outflow of resources	3,637,953	3,749,673						
Total deferred outflow of resources	3,637,953	3,749,673						
Liabilities								
Current liabilities	14,013,078	13,090,544						
Non-current liabilities outstanding	78,170,602	79,903,007						
Total liabilities	92,183,680	92,993,551						
Deferred inflows of resources	2,290,079	2,419,349						
Total deferred inflows of resources	2,290,079	2,419,349						
Net position								
Net investment in capital assets	126,028,118	111,683,813						
Restricted for law enforcement	43,725	68,847						
Restricted for health and welfare	51,000	14,764						
Restricted for road and intersection improvements	33,262,927	32,573,312						
Restricted for park and trail expansion	180,736	95,663						
Restricted for fire facilities	54,556	-						
Restricted for general administration	37,624	80,439						
Restricted for federal programs	656	198,809						
Unrestricted	15,690,850	19,731,464						
Total net position	\$ 175,350,192	\$ 164,447,111						

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City of Milton reported a net position of \$175,350,192 at the close of the fiscal year. The largest portion of the net position (72%) reflects its net investment in capital assets (e.g., land, land improvements, buildings, infrastructure, right to use assets, and machinery and equipment, less any related debt used to acquire those assets that is still outstanding). 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 cannot be used to liquidate these liabilities.

An additional portion of the City's net position (19%) represents resources that are subject to external restrictions on how they may be used. At the close of fiscal year 2024, the City's restricted net position was\$33,631,224 representing:

• \$633,347 for impact fee funded projects across general administration (\$37,624), road and intersection improvements (\$360,429), culture and recreation (\$180,736), fire administration (\$54,556) and law enforcement (\$2).

• An additional \$43,725 in confiscated funds for law enforcement, \$51,000 in opioid settlement funds, \$656 in interest earnings related to the American Rescue Plan federal grant program, and \$32,902,496 in funding for public works road and intersection improvements.

The remaining portion of the City's net position represents unrestricted net position. The statement reveals a surplus of \$15,690,850 (9%) at the end of this fiscal year. The evidence of a surplus does not mean that the City has resources available beyond its long-term commitments. Rather, it is the result of having currently available resources that are greater than long-term commitments.

At the end of fiscal year 2024, the City can report positive balances in all three categories of net position for the government as a whole. The same situation held true for the prior fiscal year.

The following condensed financial information was derived from the government-wide statement of adivities (page 32) and reflects how the City's net position changed during the fiscal period.

City of Milton, Georgia - Changes in Net Position

	 Govern Activ			
	2024	2023	Increase (Decrease)	Percent
Revenues				
Program revenues:				
Charges for services	\$ 4,661,770	\$ 4,758,870	(97,100)	-2.04%
Operating grants and contributions	152,692	1,578,613	(1,425,921)	-90.33%
Capital grants and contributions	10,597,886	9,898,762	699,124	7.06%
General revenues and extraordinary item:				
Property taxes	19,804,208	18,570,926	1,233,282	6.64%
Sales taxes	14,344,244	13,685,498	658,746	4.81%
Other taxes	7,763,384	7,275,267	488,117	6.71%
Interest	4,305,327	2,961,726	1,343,601	45.37%
Miscellaneous revenues	425,249	445,485	(20,236)	-4.54%
Extraordinary item	 	 (32,550,000)	32,550,000	100.00%
Total revenues and extraordinary item	 62,054,760	 26,625,147	35,429,613	133.07%
Expenses				
General Government	7,132,460	5,604,435	1,528,025	27.26%
Judicial	529,421	448,865	80,556	17.95%
Public Safety	21,049,685	16,784,600	4,265,085	25.41%
Public Works	15,370,053	10,250,316	5,119,737	49.95%
Culture and Recreation	3,198,984	4,948	3,194,036	64552.06%
Housing and Development	2,767,686	3,135,329	(367,643)	-11.73%
Interest on long-term debt	1,103,390	1,159,679	(56,289)	-4.85%
Total expenses	 51,151,679	 37,388,172	13,763,507	36.81%
Increase (decrease) in net position	10,903,081	(10,763,025)	21,666,106	-201.30%
Net position - beginning	 164,447,111	 175,210,136		
Net position - ending	\$ 175,350,192	\$ 164,447,111		

Revenues

Revenues increased by \$35,429,613 or 133.07% from prior year, which is primarily attributable to the accrual of an extraordinary item in fiscal year 2023. Interest earnings also played a significant role, increasing by \$1,343,601, or 45.37%, due to the availability of idle funds and the increase in interest rates during fiscal year 2024. Other revenue streams increased on a smaller scale such as property taxes by \$1,233,282 or 6.64% and capital grants by \$699,124 or 7.06%. These increases were driven by higher property values and new construction, along with the continued growth in the availability of state and federal funding, respectively.

Extraordinary Item

The City is a defendant in a civil lawsuit in which an estimated contingent litigation liability was accrued in the statement of net position in the amount of \$32,550,000 last fiscal year. In June 2023, the civil lawsuit was tried before a jury and Milton received an adverse verdict in the amount of \$32,550,000. The case was appealed to the Georgia Court of Appeals with no change in the verdict and is now up for consideration before the State Supreme Court. Insurance defense attorneys representing the City contended that the trial court committed errors in allowing the case to proceed to a jury verdict; and even if that portion of the proceedings is not reversed, the court did not follow precedent by allowing the City's monetary liability to exceed that of its insurance policy limits of \$2,000,000. Regardless, given the current known facts and status of the case, the entire amount of the exposure is being reflected in the City's financial statements.

Expenses

Total expenses increased by \$13,763,507, or 36.81%, compared to the prior year. Keycontributors to this increase include a \$5,119,737 (49.95%) rise in public works expenses, primarilyassociated with pavement management activities, including TSPLOST-funded pavement projects whichwere not underway in fiscal year 2023; a \$4,265,085 (25.41%) increase in public safety expenses, drivenby various equipment related expenses, personnel costs, vehicle expenses, and design work for the futureFire Station 45; and a \$3,194,060 (64,552%) increase in culture and recreation expenses, largely due to adecrease in significant fund-level expenditures related to land and capital asset acquisitions as compared to fiscal year 2023 as well as an increase in attributable depreciation expense within the function.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2024, the City reported governmental funds combined ending fund balance of \$90,002,194, a decrease of \$2,807,264 from the prior year. Of this balance, \$36,899,231 is assigned forcapital projects (assigned fund balances 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); \$43,725 is restricted forlaw enforcement; \$32,743,108 is restricted for public works, road and intersection improvements; \$180,736 is restricted for future park and trail enhancements; \$37,624 is restricted for general administration; \$5,284,056 is restricted for capital projects including greenspace bond funded land purchases; \$656 is restricted for federal programs; \$759,238 is nonspendable for prepaids; \$188,165 is nonspendable as a netlease receivable; and \$13,760,099 is considered unassigned and can be used to meet the near-termoperating needs of the City.

General Fund

The General Fund is Milton's primary operating fund. It accounts for many of the City's core services, such as law enforcement, fire protection, planning, roads and streets, and administration. At theend of the current fiscal year, the total fund balance was \$14,395,814 -- a decrease of \$416,828 from the prior fiscal year. As a measure of liquidity, total fund balance represents 30% of fiscal year 2024 budgetedrevenues.

Approximately 4.4% of the total fund balance, or \$635,715, constitutes nonspendable fund balance for prepaids and a net lease receivable. The remaining 95.6% of total fund balance, or \$13,760,099, constitutes unassigned fund balance. This unassigned balance represents approximately 29% of fiscal year 2025 budgeted revenues. By ordinance, the City has mandated that fund balance be no less than 25% of budgeted revenues. This requirement allows the City to maintain an adequate reserve to cover unforeseen emergencies and/or revenue shortfalls. The City Code of ordinances allows for utilization of surplus fund balance in excess of 25% of the subsequent year's budgeted revenues as a funding source for that fund's budget in any given year. The utilization of fund balance is considered a use of one-time revenues for budgeting purposes.

City of Milton, Georgia - Revenues Classified by Source - General Fund

							Increa	se	
		FY 2024			FY 20	23	(Decrease)		
	-		% of			% of		% of	
		Amount	Total		Amount	Total	Amount	Change	
Revenues by Source:	-								
Taxes	\$	39,952,861	88.2%	\$	37,602,650	90.0%	\$ 2,350,211	6.3%	
Licenses and permits		1,457,133	3.2%		1,415,856	4.5%	41,277	2.9%	
Charges for service		725,056	2.0%		843,084	2.2%	(118,028)	-14.0%	
Fines and Forfeitures		851,789	1.7%		712,235	1.6%	139,554	19.6%	
Other		3,256,662	4.9%		2,074,402	1.7%	1,182,260	57.0%	
Total	\$	46,243,501	100.0%	\$	42,648,227	100.0%	\$ 3,595,274	8.4%	

The following provides an explanation of the changes in revenues by source from fiscal year 2023 to 2024:

- Taxes. An increase of approximately \$1.2 million was recognized in real and personal property taxes and public utility tax as a result of property values and new construction throughout Milton. The local option sales taxes category saw an increase of \$674,535 related to increased consumer spending as well as increased prices on goods. Additionally, insurance premium tax increased by \$276,786 and business and occupation related taxes increased \$155,145 year-over-year inclusive of penalties and interest in delinquent filings.
- Licenses and permits. This category remained fairly consistent year-over-year with the contributor of the slight increase being related to land disturbance permits \$42,981 and alcohol beverage licenses \$10,213 being offset by an overall reduction in building permitting \$10,794 related to the cyclical nature of the building cycle.
- Charges for service. The charges for service category showed a slight decrease in fiscal year 2024. One contributing factor to the decrease within charges for service is the reclassification of cash bond revenues previously recorded within this category that were released at the conclusion of the work required \$50,522. Plan review fees were also down year-over-year \$32,028 and athletic and recreation programming participation increases were offset by deferred revenue collections from 2022 activity that were recognized in 2023 which did not recur in the current fiscal year.
- Fines and forfeitures. In fiscal year 2024 there was an increase in this category of \$139,554 attributable to increased violations adjudicated.
- Other. The significant increase in other revenues is attributable to an increase in investment earnings of approximately \$1,116,184. With interest rates continuing to rise along with the availability of idle funds able to be invested, this continues to improve this revenue category. Additionally, intergovernmental grants from FEMA for storm damage \$44,489 and the DOJ bulletproof vest partnership \$8,859 were recognized in fiscal year 2024.

City of Milton, Georgia - Expenditures by Function - General Fund

								Increa	se	
		FY 2024			FY 202	23		(Decrease)		
			% of			% of			% of	
		Amount	Total		Amount	Total		Amount	Change	
Expenditures by	-	_		-	_					
Function:										
General Government	\$	5,429,325	15.3%	\$	4,433,866	18.7%	\$	995,459	22.5%	
Judicial		447,334	1.3%		367,675	1.5%		79,659	21.7%	
Public Safety		17,446,863	53.8%		15,565,358	55.6%		1,881,505	12.1%	
Public Works		3,216,147	10.7%		3,103,076	11.2%		113,071	3.6%	
Culture and Recreation		2,156,490	6.7%		1,940,413	6.1%		216,077	11.1%	
Housing and Development		2,397,291	7.4%		2,133,595	6.9%		263,696	12.4%	
Capital outlay		1,040,666	2.3%		655,249	0.0%		385,417	100.0%	
Debt service		932,239	2.5%		723,159	0.0%		209,080	100.0%	
Total	\$	33,066,355	100.0%	\$	28,922,391	100.0%	\$	4,143,964	14.3%	
							_			

The following provides highlights explaining the significant changes from the prior period in expenditures by function:

- Public safety expenses saw an increase of \$1,881,505. The majority of this increase—approximately \$1,757,388—is attributed to salaries and benefits, which include market adjustments, the implementation of a new performance management system, and the addition of a School Liaison Officer, two Sergeants, and a full-time Records Clerk in the Police Department, as well as one firefighter position in the Fire Department. Other significant increases include radio system fees of \$55,546 related to the North Fulton Regional Radio System Authority and \$156,956 associated with the taser financedpurchase agreement in the Police Department.
- General government expenses increased by \$995,459. A substantial portion of this increase \$353,901
 — was attributed to salaries and benefits, reflecting market adjustments and the implementation of a
 new performance management system. Additional increases included costs related to communications
 connectivity (\$203,913), legal fees (\$143,935), and software purchases and upgrades (\$180,878).

American Rescue Plan Fund

In June 2021, the Georgia Department of Community Affairs created a new special revenue fund called the American Rescue Plan Fund. Milton will record all revenues received through the American Rescue Plan (ARP) Act within this fund. In fiscal year 2024, Milton has recognized intergovernmental revenue of \$223,602 for eligible incurred expenditures and interest earnings in the amount of \$204,105, \$656 of which is reported as restricted fund balance for federal programs. Of the \$223,601 recognized and approved by Council, \$5,984 was utilized to outfit a Fire CARES vehicle that was obtained with ARPA funds in a prior fiscal year, \$8,000 for single audit advisory services, and \$209,618 in eligible stormwater expenses including hydrology work at the Milton City Park and Preserve. The remaining \$1.6 million will be reviewed and approved by Council once future eligible expenditures arise.

Capital Projects Fund

Annually, the City Council approves a seven-year capital program as part of the budget process. The funding for these projects is primarily derived from the available fund balance of the General Fund and is accounted for within the Capital Projects Fund. During fiscal year 2024, \$13,874,954 was transferred to this fund from the General Fund, representing an increase from the \$12,840,456 transfer in fiscal year 2023. This increase is directly attributable to the transfer of fund balance exceeding the required reserves, which was applied to one-time projects in accordance with City policy. Overall expenditures on capital outlays, including land acquisition and pavement management, led to a decrease in fund balance of \$3,511,337, resulting in a year-end fund balance of \$35,962,607.

TSPLOST Fund

In November 2016, voters approved a five-year implementation of transportation-related projects funded by a Transportation Local Option Sales Tax (TSPLOST). On November 2, 2021, the TSPLOST referendum (TSPLOST II) was approved by Fulton County voters for another five-year program. All TSPLOST transactions are kept in a separate fund and qualify as a major fund in fiscal year 2024. Expenditures within this fund amount to \$9,804,907 and can be attributed to design, preconstruction services, and construction on several intersection and pedestrian improvement projects, a road widening project, and bridge projects/maintenance. The increase in fund balance accounted for in the TSLPOST Fund is a result of the revenue collection timeline versus the project construction timelines. Each intersection project goes through several phases including design and engineering, right-of-way acquisition, and construction; the latter two tend to be the more costly stages. As a result, revenue received has been invested until it will be needed to fund the right-of-way acquisition and construction phases of these projects. All TSPLOST funding received has been earmarked to a particular TSPLOST approved project in the City's seven-year Capital Improvement Plan. At year end, the City reported a fund balance of \$32,382,679 – anincrease of \$453,980 all of which is restricted to approved TSPLOST projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City employs a budget adjustment process consisting of, at a minimum, a mid-year and end-of-year amendment in order to realign appropriations made during the annual budget process with significant unexpected trends. This ensures adjustments facilitating appropriations are in alignment with expected resources. Differences between the original budget and final amended budget are summarized as follows:

- Total revenue and other financing sources appropriations increased by \$3,349,585.
 - The interest earned category saw an increase of \$1,300,000 as interest rates continue to rise as does the availability of idle funds to be invested at this time.
- The taxes category also saw an increase in appropriations in the amount of \$1,179,156. Primary contributions to this increase include local option sales tax in the amount of \$400,000, insurance premium tax in the amount of \$350,000, business and occupation tax in the amount of \$325,000, and title ad valorem tax in the amount of \$200,000. These increases were primarily attributable to improvement in consumer confidence/spending as well as cost increases across many industries.
- Total expenditure and other financing uses appropriations increased by \$6,357,055.
 - Expenditures increased by \$440,553 primarily due to an increase in legal expenses, salaries,
 computer software, and the newly approved ambulance subsidy.
 - Appropriations for other financing sources increased by \$5,916,502. Much of this increase is attributable to funding the buildout of Fire Station 45 and funding for active park land acquisition.
 - During the year, General Fund revenues exceeded budgetary projections, and expenditures were less than budgetary estimates. Actual revenues and other financing sources were \$1,885,531 higher than estimates, whereas expenditures and transfers out were \$581,668 lower than the final budgetary appropriations. Listed below are the major variances between actuals and appropriations.
- The variance of \$1,885,531 in revenues and other financing sources can be primarily attributed to the new requirements in recognizing the issuance of SBITAs (\$1,170,666) and a financed purchase (\$199,217) in addition to tax revenues, including property taxes, title ad valorem tax, franchise fees, and insurance premium tax, coming in higher than anticipated (\$356,494).
- The expenditures and other financing uses were \$581,668 below the final budgeted total, primarily due to conservative budget estimates, ongoing efforts by departments to minimize expenditures as a precautionary response to the uncertain economic environment, changes in project scope, and position vacancies. Notable favorable variances in expenditures included Public Works, which spent \$312,986 less than the final budget, and Culture and Recreation, which spent \$240,439 less than the final budget.

City of Milton, Georgia Revenues, Expenditures and Changes in Fund Balance Budget and Actual (GAAP Basis) General Fund

	В	udget		Variance
	Original	Final	Actual	with Final
Revenues and other				
financing sources:				
Taxes	\$ 38,417,210	\$ 39,596,366	\$ 39,952,861	\$ 356,495
Licenses and permits	1,554,174	1,502,174	1,457,133	(45,041)
Charges for services	544,274	730,820	725,056	(5,764)
Fines and forfeitures	650,000	750,000	851,789	101,789
Intergovernmental	5,000	10,540	58,347	47,807
Contributions	6,500	43,888	57,404	13,516
Interest earned	1,385,709	2,685,709	2,715,662	29,953
Miscellaneous	243,798	411,137	425,249	14,112
Other financing sources	133,100	558,716	1,931,380	1,372,664
Total	\$ 42,939,765	\$ 46,289,350	\$ 48,174,881	\$ 1,885,531
Expenditures and other				
financing uses:				
Expenditures	32,883,752	33,324,305	33,066,355	257,950
Other financing uses	9,932,570	15,849,072	15,525,354	323,718
Total	42,816,322	49,173,377	48,591,709	581,668
Change in fund balance	\$ 123,443	\$ (2,884,027)	\$ (416,828)	\$ 2,467,199

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

As of September 30, 2024, the City's investment in capital assets for its governmental activities totaled \$165,012,802 (net of accumulated depreciation and amortization). This investment in capital assets includes land, improvements to land, buildings, vehicles, equipment, construction in progress, and infrastructure. Larger additions to the capital assets in fiscal year 2024 include:

- Deerfield Area Sidewalks (\$399,591)
- Fire apparatus/pumper truck (\$723,000)
- Deerfield Parkway and Arnold Mill/Providence Road land acquisition (\$9.8 million)

Additional information on the City's capital assets can be found in Note 6 on page 51 of this report.

City of Milton, Georgia Capital Assets (net of accumulated depreciation and amortization) Fiscal Years 2024 and 2023

	2024	2023
Land	\$ 36,136,777	\$ 36,136,777
Land Improvements	7,933,816	8,789,860
Buildings	32,653,793	33,777,072
Vehicles, Equipment & Other	6,579,798	6,455,546
Construction In Progress	19,765,860	5,416,234
Infrastructure	59,763,296	59,602,387
Right-to-use assets - subscriptions	2,179,462	1,785,464
Total	\$ 165,012,802	\$ 151,963,340

Long-term debt.

At the end of fiscal year 2024, the City's total outstanding bonded debt was \$41,252,858. Total outstanding debt consists of \$20,885,000 of direct placement revenue bond debt and \$17,975,000 of greenspace bond debt, including premiums related to each of the bonds.

Further information on the City's long-term debt can be found in Note 7 on pages 52 and 54 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

All these factors were considered in preparing the City's budget for the 2025 fiscal year.

- Sustainability of Existing Services. The City has adhered to a philosophy of budgetary evaluation that reviews the needs of the citizens to a standard that realizes services and associated costs should not be appropriated if they are not justified by long-term goals. This philosophy is solidified 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 informed decision-making.
- Cost of Government. The operating millage rate of 4.731 mills is statutorily set and cannot be increased without a referendum. As part of the financial strategic plan, the government is committed to a consistent millage rate for property taxes to facilitate the provision of City services. The Mayor and Council adopted a millage rate of 4.389 mills for maintenance and operating (M&O) for fiscal year 2025.
- Infrastructure Improvements. The City provided substantial capital funding to continue the work started in prior years to begin addressing a significant backlog of existing infrastructure deficiencies. Funding was allocated for a repaving program, intersection improvements, parks, buildings, machinery and equipment, sidewalks, culverts, equipment, and signage.
- **Economic Impact.** The City's revenues and expenditures were appropriated with a conservative approach to reflect the economic conditions that are expected to continue through 2025.
- The City restricts the use of one-time revenues to capital and other nonrecurring projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Milton's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Department

City of Milton 2006 Heritage Walk Milton, GA 30004

or by calling 678-242-2500.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION SEPTEMBER 30, 2024

	Primary Government Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 85,031,476
Accounts receivable	4,326,879
Taxes receivable, net	2,293,509
Due from other governments	861,017
Restricted cash and cash equivalents	5,555,932
Lease receivable, due within one year	45,150
Lease receivable, due in more than one year	2,299,995
Prepaids	759,238
Capital assets:	
Nondepreciable	55,902,637
Depreciable, net of accumulated depreciation and amortization	109,110,165
Total assets	266,185,998
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	3,637,953
LIABILITIES	
Accounts payable	2,381,510
Retainage payable	771,806
Accrued liabilities	1,617,747
Deposits payable	2,332,352
Unearned revenue	2,081,607
Compensated absences, due within one year	1,137,632
Bonds payable, due within one year	2,030,000
Bonds payable, due in more than one year	39,222,858
SBITA liability, due within one year SBITA liability, due in more than one year	1,103,775 973,173
Financed purchase, due within one year	38,649
Financed purchase, due in more than one year	123,045
Claim liability, due within one year	518,000
Claim liability, due in more than one year	32,550,000
Net pension liability, due in more than one year	5,301,526
Total liabilities	92,183,680
15141 11421111155	
DEFERRED INFLOWS OF RESOURCES	
Lease related deferred inflows	2,156,980
Pension related items	133,099
Total deferred inflows of resources	2,290,079
NET POSITION	
Net investment in capital assets	126,028,118
Restricted for law enforcement	43,725
Restricted for health and welfare	51,000
Restricted for road and intersection improvements	33,262,927
Restricted for park and trail enhancements	180,736
Restricted for fire facilities	54,556
Restricted for general administration	37,624
Restricted for federal programs	656
Unrestricted	15,690,850
Total net position	\$ 175,350,192

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2024

					Progr	am Revenu	es			Expenses and Changes in Net Position
			_			perating		Capital		
			C	Charges for		rants and		Grants and	G	Sovernmental
Functions/Programs		Expenses		Services	Cor	ntributions	С	ontributions	Activities	
Primary government:										
Governmental activities:										
General government	\$	7,132,460	\$	542,138	\$	58,347	\$	-	\$	(6,531,975)
Judicial		529,421		851,789		-		-		322,368
Public safety		21,049,685		1,693,533		36,941		-		(19,319,211)
Public works		15,370,053		15,760		-		10,597,886		(4,756,407)
Culture and recreation		3,198,984		370,209		57,404		-		(2,771,371)
Housing and development		2,767,686		1,188,341		-		-		(1,579,345)
Interest on long-term debt		1,103,390								(1,103,390)
Total governmental activities		51,151,679		4,661,770		152,692		10,597,886		(35,739,331)
Total primary government	\$	51,151,679	\$	4,661,770	\$	152,692	\$	10,597,886		(35,739,331)
	Gei	neral revenues:								
	F	roperty taxes								19,804,208
		ales taxes								14,344,244
	H	lotel/Motel taxes	3							60,718
	F	ranchise taxes								2,504,469
	В	usiness taxes								5,198,197
	L	Inrestricted inve	stme	ent earnings						4,305,327
	N	liscellaneous re	venu	ies						425,249
		Total general re	even	ues						46,642,412
		Change in ne	et po	sition						10,903,081
		position, beginn	_	•						164,447,111
	Net	position, end of	yea	r					\$	175,350,192

BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2024

ASSETS	• •		TSPLOST Fund				Nonmajor overnmental Funds	Go	Total overnmental Funds			
Cash and cash equivalents	\$	11,927,154	\$	2,082,263	\$	36,211,452	\$	32,621,185	\$	2,189,422	\$	85,031,476
Accounts receivable		4,035,448		-		18,304		-		273,127		4,326,879
Taxes receivable, net		2,277,852		-		-		-		15,657		2,293,509
Intergovernmental receivable		5,939		-		-		855,078		-		861,017
Restricted cash and cash equivalents		-		-		-		-		5,555,932		5,555,932
Due from other funds		314,985		-		-		-		-		314,985
Lease receivable		2,345,145		-		-		-		-		2,345,145
Prepaids		447,550				<u>-</u>	_			311,688		759,238
Total assets	\$	21,354,073	\$	2,082,263	\$	36,229,756	\$	33,476,263	\$	8,345,826	\$	101,488,181
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES												
LIABILITIES												
Accounts payable	\$	1,274,072	\$	-	\$	214,252	\$	573,765	\$	319,421	\$	2,381,510
Retainage payable		-		-		52,897		357,174		361,735		771,806
Accrued liabilities		1,062,320		-		-		-		-		1,062,320
Due to other funds		-		-		-		-		314,985		314,985
Deposits payable		2,332,352		-		-		-		-		2,332,352
Unearned revenue		-		2,081,607		-		-		-		2,081,607
Total liabilities		4,668,744		2,081,607		267,149		930,939		996,141		8,944,580
DEFERRED INFLOWS OF RESOURCES												
Unavailable revenues - property taxes		69,875		-		-		-		68,782		138,657
Unavailable revenues - intergovernmental		-		-		-		162,645		-		162,645
Unavailable revenues - other		62,660		-		-		-		20,465		83,125
Lease related deferred inflows		2,156,980		-		-				-		2,156,980
Total deferred inflows of resources		2,289,515				-	_	162,645		89,247		2,541,407
FUND BALANCES												
Fund balances:												
Nonspendable:												
Prepaids		447,550		-		-		-		311,688		759,238
Lease receivable, net		188,165		-		-		-		-		188,165
Restricted:												
Law enforcement		-		-		-		-		43,725		43,725
Health and welfare		-		-		-		-		51,000		51,000
Road and intersection improvements		-		-		-		32,382,679		360,429		32,743,108
Park and trail enhancements		-		-		-		-		180,736		180,736
Fire facilities		-		-		-		-		54,556		54,556
General administration		-		-		-		-		37,624		37,624
Capital projects		-		-		-		-		5,284,056		5,284,056
Federal programs		-		656		-		-		-		656
Assigned:						25 000 007				000 004		20,000,004
Capital projects		12 760 000		-		35,962,607		-		936,624		36,899,231
Unassigned Total fund balances		13,760,099 14,395,814		656		35,962,607	_	32,382,679		7,260,438		13,760,099 90,002,194
Total liabilities, deferred inflows of	-	14,393,014	-	000	_	30,902,007	_	32,302,019	-	1,200,438	-	90,002,194
resources, and fund balances	\$	21,354,073	\$	2,082,263	\$	36,229,756	\$	33,476,263	\$	8,345,826	\$	101,488,181

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of net position are different because	e:		
Total governmental fund balances			\$ 90,002,194
Capital assets used in governmental activities are not current financial resources, and, therefore, are not reported in the funds.			
Cost	\$	201,992,295	
Less accumulated depreciation and amortization		(36,979,493)	165,012,802
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.			
SBITA payable		(2.076.948)	
Compensated absences (i.e. paid time off)		(1,137,632)	
Accrued interest		(555,427)	
Financed purchase payable		(161,694)	
Bonds payable, net of premium		(41,252,858)	
Litigation liability		(33,068,000)	(78,252,559)
Some revenues are not available in the current period, and, therefore, are deferred in the funds.			
Property taxes		138,657	
Other revenues		83,125	
Intergovernmental revenues		162,645	384,427
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 available financial resources, and, therefore, are not reported in the funds.			
Net pension liability		(5,301,526)	
Pension related deferred outflows of resources		3,637,953	
Pension related deferred inflows of resources		(133,099)	(1,796,672)
1 STOCK TOLKING GOTTON ITHIOWING OF TOUGHTOUG		(100,009)	 (1,730,072)
Net position - governmental activities			\$ 175,350,192

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

		General Fund		American Rescue Plan Fund		Capital Projects Fund		TSPLOST Fund		Nonmajor Governmental Funds		Total Governmental Funds	
Revenues:													
Property taxes	\$	18,101,249	\$	-	\$	-	\$	-	\$	1,637,626	\$	19,738,875	
Sales taxes		14,344,244		-		-		-		-		14,344,244	
Hotel/Motel taxes		-		-		-		-		60,718		60,718	
Franchise taxes		2,309,171		-		195,298		-		-		2,504,469	
Business taxes		5,198,197		-		-		-		-		5,198,197	
Licenses and permits		1,457,133		-		-		-		-		1,457,133	
Charges for services		725,056		-		48,040		-		1,644,311		2,417,407	
Fines and forfeitures		851,789		-		-		-		-		851,789	
Intergovernmental		58,347		223,602		-		9,159,705		1,134,082		10,575,736	
Contributions		57,404		-		-		-		-		57,404	
Interest earned		2,715,662		204,105		2,610		1,098,882		284,068		4,305,327	
Miscellaneous		425,249										425,249	
Total revenues		46,243,501		427,707		245,948		10,258,587		4,760,805		61,936,548	
Expenditures:													
Current:													
General government		5,429,325		-		-		-		-		5,429,325	
Judicial		447,334		-		-		-		-		447,334	
Public safety		17,446,863		-		-		-		1,040,555		18,487,418	
Public works		3,216,147		-		4,996,503		9,804,607		1,004,995		19,022,252	
Culture and recreation		2,156,490		-		-		-		144,996		2,301,486	
Housing and development		2,397,291		-		203,314		-		-		2,600,605	
Capital outlay		1,040,666		-		12,122,485		-		425,351		13,588,502	
Debt service:													
Principal		875,895		-		-		-		1,930,000		2,805,895	
Interest		56,344		<u> </u>				-		1,433,638		1,489,982	
Total expenditures		33,066,355		-		17,322,302		9,804,607		5,979,535		66,172,799	
Excess (deficiency) of revenues													
over expenditures		13,177,146		427,707		(17,076,354)		453,980		(1,218,730)		(4,236,251)	
Other financing sources (uses):													
Proceeds from sale of capital assets		59,104		-		-		_		-		59,104	
Issuance of financed purchase		199,217		-		-		_		-		199,217	
Issuance of SBITA		1,170,666		-		-		_		-		1,170,666	
Transfers in		502,393		_		14,090,556		-		2,175,939		16,768,888	
Transfers out		(15,525,354)		(625,860)		(525,539)		-		(92,135)		(16,768,888)	
Total other financing sources (uses)	_	(13,593,974)	_	(625,860)		13,565,017				2,083,804		1,428,987	
Net change in fund balances		(416,828)		(198,153)		(3,511,337)		453,980		865,074		(2,807,264)	
Fund balances, beginning of year		14,812,642		198,809	_	39,473,944		31,928,699		6,395,364		92,809,458	
Fund balances, end of year	\$	14,395,814	\$	656	\$	35,962,607	\$	32,382,679	\$	7,260,438	\$	90,002,194	

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

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		\$ (2,807,264)
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 and amortization expense in the current period.		
Capital outlay	\$ 18,779,206	
Depreciation and amortization expense	 (5,729,744)	13,049,462
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	65,333	
Other revenues	52,879	118,212
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. Issuance of SBITA Issuance of financed purchase Litigation liability payable Bonds payable - principal retirement Financed purchase payable - principal retirement SBITA payable - principal retirement	(1,170,666) (199,217) (518,000) 1,930,000 37,523 838,372	918,012
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. Compensated absences (i.e. paid time off) Pension expense Amortization of bond premium Accrued interest	(50,409) (711,524) 345,800 40,792	 (375,341)
Change in net position - governmental activities		\$ 10,903,081

CITY OF MILTON, GEORGIA NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Milton, 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 operates under a charter adopted December 1, 2006, as a municipal corporation governed by an elected mayor and a six-member council. The government provides such services as police protection, fire and rescue services, cultural and recreational activities, housing and development, and public works.

The City of Milton Public Buildings and Facilities Authority (the "PBFA") exists to obtain favorable financing and funding for public facilities, land, buildings, equipment, roads, bridges, sidewalks and services exclusively for the City of Milton. The PBFA is governed by a seven-member board of directors consisting of the mayor and all members of the City Council. Although it is legally separate from the City, the PBFA is reported as a blended component unit and all of its debt and assets are reported as a form of the City's debt and assets.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. The statement of net position includes noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation and amortization expense on the City's capital, including right-to-use assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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 revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Issuance of long-term debt and financing through subscription-based IT arrangements are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, 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 Nonexchange Transactions," the corresponding assets (receivables) in nonexchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accordance with GASB Statement No. 34, major individual governmental funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The American Rescue Plan Fund is used to account for the grant funds from the American Rescue Plan act and the allowable expenditures.

The **Capital Projects Fund** is used to account for the capital expenditures made by the City on long-term projects.

The **Transportation SPLOST (TSPLOST) Fund** is used to account for the proceeds of the transportation special purpose local option sales tax for the various improvement projects as approved by the voter referendum.

Additionally, the City reports the following fund types:

The **special revenue funds** account for revenues that are legally restricted to expenditures for specific purposes.

The **capital projects funds** are used to account for resources collected by the City to fund capital expenditures made on long-term projects.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Encumbrances

The City employed encumbrance accounting during the year. All appropriations lapse at year end. Encumbered amounts for specific purposes for which resources already have been restricted, committed, or assigned would be reported as restricted, committed, or assigned, as applicable. Furthermore, encumbered amounts for specific purposes for which amounts have not been previously restricted, committed, or assigned, would be included within committed or assigned fund balance, as appropriate. Encumbrances do not constitute expenditures or liabilities. There were no encumbrances outstanding at September 30, 2024, and none were recorded.

E. Cash, Investments, and Restricted Cash

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance of pooled cash accounts is available to meet current operating requirements. The City also has restricted cash related to unspent bond proceeds from long-term debt issued in the Greenspace Bond Fund and Revenue Bond Fund. These proceeds are held to be disbursed as costs are incurred on capital projects.

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

F. Receivables

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

G. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds."

H. Prepaid Items

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital and Right-to-Use Assets

Capital assets, which include buildings, improvements, machinery and equipment, and infrastructure assets, and right-to-use assets are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The City has reported all infrastructure which it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

Capital assets, including right-to-use subscription-based information technology arrangement (SBITA) assets of the City, are depreciated/amortized using the straight-line method over the following useful lives:

Buildings	20-40 years
Vehicles, Equipment, and Other	5-12 years
Infrastructure	15-60 years
Land Improvements	10-40 years
Right-to-Use SBITAs	5-10 years

Fully depreciated assets still in service are carried in the capital asset accounts.

J. Leases

Lessor

The City is a lessor for noncancellable cell tower 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 \$10,000 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 on a straight-line basis.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Leases (Continued)

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.

K. Subscription-Based Information Technology Arrangements (SBITAs)

The City is a subscriber in various subscription-based information technology arrangements. The City recognizes a subscription liability and an intangible right-to-use asset in the government-wide financial statements. The City recognizes SBITA liabilities with an initial, individual value of \$10,000 or more.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

- The City uses the interest rate charged by the vendor as the discount rate. When the
 interest rate charged by the vendor is not provided, the City generally uses its estimated
 incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the City is reasonably certain to exercise.

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

Subscription (i.e. right-to-use) assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

L. Deferred Outflows and Deferred Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future period(s) 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, intergovernmental and other sources as these amounts are deferred and will be recognized as an 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 in which 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

M. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off (PTO). All PTO is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, because of employee resignations and retirements.

N. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium. Bond issuance costs are reported as expenses in the period in which they are incurred.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Equity and Net Position

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

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

Restricted – Fund balances are reported as restricted when 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 of the City Council. Commitments will only be used for specific purposes pursuant to the adoption of an ordinance of the City Council. A majority vote is required to approve or remove a 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. The ordinance adopted by the City Council that established the City's fund balance policy stipulates that the Finance Director has the authority to assign amounts to be used for specific purposes.

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 will maintain a minimum unassigned fund balance in its General Fund of 25% of the subsequent year's budgeted revenues. When fund balance falls below this threshold, the City will replenish fund balance over a period not to exceed three (3) years. The General Fund is the only fund of the City that will report a positive unassigned fund balance. Any deficits in fund balance in other funds will be reported as unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Equity and Net Position (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

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

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

P. 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 Milton 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.

Q. Use of Estimates

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

NOTE 2. LEGAL COMPLIANCE – BUDGETS

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

Transfers of appropriations within a department budget or within a nondepartmental expenditure category require only the approval of the Finance Director and the City Manager. Increases in appropriations in a departmental budget or in a nondepartmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution.

The following fund had excesses of actual expenditures over appropriations for the fiscal year ended September 30, 2024:

General Fund

General government:	
Risk management	\$ 7,797
Capital outlay:	213,645
Debt service:	
Principal	875,895
Interest	56,344
Confiscated Assets Fund	
Public safety	\$ 849

Expenditures in excess of appropriations were funded by expenditure savings within other departments, revenues collected in excess of appropriations and use of fund balance.

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits as of September 30, 2024 are summarized as follows:

Statement of Net Position:

Cash and cash equivalents Restricted cash and cash equivalents	\$ 85,031,476 5,555,932
	\$ 90,587,408
	 _
Cash deposited with financial institutions	\$ 22,808,069
Fidelity Treasury Portfolio Money Market Fund	5,537,678
Fidelity Government Portfolio Money Market Fund	838
Local government investment pool - Georgia Fund 1	62,240,823
Total cash and cash equivalents	\$ 90,587,408

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk: State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

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

The Fidelity Treasury Portfolio and the Fidelity Government Portfolio trade exclusively in short-term cash equivalents and U.S. Treasury securities and are rated AAAm by Standard & Poor's criteria. As of September 30, 2024, the weighted-average maturity was 25 days for the Fidelity Treasury Portfolio and 21 days for the Fidelity Government Portfolio.

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) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) by participation in the State of Georgia Secure Deposit Program. As of September 30, 2024, 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, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of September 30, 2024, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

NOTE 3. DEPOSITS AND INVESTMENTS (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 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 the investment in the Georgia Fund 1 within the fair value hierarchy.

The Fidelity Treasury Portfolio and the Fidelity Government Portfolio are money market mutual funds and are classified in level 1 of the hierarchy. They are valued using prices quoted in active markets for the exact same money market mutual funds.

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

NOTE 4. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. Tax notices are mailed on or about October 1 of each year based on the assessed value of property as listed on January 1 and are due 60 days following the billing date. The billings are considered past due if the payment is not rendered within the 60-day period after the respective tax billing date, at which time penalties and interest are assessed. Delinquent taxes subject the property to lien. Property taxes levied in 2023 are for fiscal year 2024.

Receivables at September 30, 2024, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

						N	lonmajor
	General	Capital Projects		TSPLOST		Go	vernmental
Receivables:							
Accounts	\$ 4,035,448	\$	18,304	\$	-	\$	273,127
Taxes	2,361,304		-		-		32,995
Intergovernmental	5,939				855,078		<u>-</u> _
Total receivables	 6,402,691		18,304		855,078		306,122
Less allowance for uncollectible	83,452						17,338
Net total receivable	\$ 6,319,239	\$	18,304	\$	855,078	\$	288,784

NOTE 5. LEASE RECEIVABLE

The City is a lessor for two cell towers. The City receives monthly payments that escalate over the life of the lease terms from \$1,824 to \$7,115, and \$3,167 to \$6,631, respectively. These payments include the principal and interest components of the lease arrangements. As the leases do not contain a specified interest rate, the City has used an estimated discount rate of 1.50%, approximating the 20-year Daily Treasury Long-Term Bond Rate.

For the current year, the City recognized \$61,442 in lease revenues and \$35,421 in interest revenues. The City reports a deferred inflow of resources associated with the leases that will be recognized over the lease terms, which conclude in fiscal years 2047 and 2050. This deferred inflow of resources has a balance of \$2,156,980 as of September 30, 2024. As of September 30, 2024, the City's receivable for lease payments was \$2,345,145. The City also receives variable payments based on a percentage of revenues received by the lessee cell tower operators for tower use. These variable payments based on future performance of the leases are not included in the lease receivable, and the City received \$14,400 of such payments in fiscal year 2024.

The principal and interest payments to maturity of the leases are as follows:

Fiscal year ending September 30,	 Principal	Interest		 Total
2025	\$ 45,150	\$	34,894	\$ 80,045
2026	52,645		34,142	86,787
2027	56,062		33,329	89,391
2028	59,609		32,464	92,072
2029	63,290		31,545	94,835
2030-2034	376,702		141,893	518,595
2035-2039	491,662		109,531	601,193
2040-2044	629,210		67,737	696,947
2045-2049	549,523		19,600	569,123
⁻ 2050	21,291		53	21,344
	\$ 2,345,145	\$	505,187	\$ 2,850,332

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Nondepreciable capital assets:					
Land	\$ 36,136,777	\$ -	\$ -	\$ -	\$ 36,136,777
Construction in progress	5,416,234	15,350,893	-	(1,001,267)	19,765,860
Total	41,553,011	15,350,893		(1,001,267)	55,902,637
Capital assets, being depreciated:					
Buildings	38,426,640	-	-	-	38,426,640
Land improvements	13,642,017	-	-	-	13,642,017
Infrastructure	74,474,469	399,591	-	1,001,267	75,875,327
Vehicles, equipment, and other	13,215,481	1,858,056	(490,423)	-	14,583,114
Right-to-use assets - subscriptions	2,426,268	1,170,666	(34,374)		3,562,560
Total	142,184,875	3,428,313	(524,797)	1,001,267	146,089,658
Less accumulated depreciation/ amortization for:					
Buildings	(4,649,568)	(1,123,279)	-	-	(5,772,847)
Land improvements	(4,852,157)	(856,044)	-	-	(5,708,201)
Infrastructure	(14,872,082)	(1,239,949)	-	-	(16,112,031)
Vehicles, equipment, and other	(6,759,935)	(1,733,804)	490,423	-	(8,003,316)
Right-to-use assets - subscriptions	(640,804)	(776,668)	34,374		(1,383,098)
Total	(31,774,546)	(5,729,744)	524,797		(36,979,493)
Total capital assets being depreciated, net	110,410,329	(2,301,431)		1,001,267	109,110,165
Governmental activities capital assets	\$ 151,963,340	\$ 13,049,462	\$ -	\$ -	165,012,802
Total capital assets, net as reported in the statement of net position					\$ 165,012,802

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

Governmental activities:	
General government	\$ 1,171,845
Judicial	76,221
Public safety	2,057,304
Public works	1,293,903
Culture and recreation	1,032,798
Housing and development	 97,673
Total depreciation and amortization expense - governmental activities	\$ 5,729,744

NOTE 7. LONG-TERM DEBT

Changes in Long-Term Liabilities

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

	Beginning Balance	 Additions	 Reductions	Ending Balance	 Due Within One Year
Governmental activities					
Direct placement bonds payable	\$ 21,780,000	\$ -	\$ (895,000)	\$ 20,885,000	\$ 940,000
General obligation bonds payable	19,010,000	-	(1,035,000)	17,975,000	1,090,000
Original issue premium	2,738,658	-	(345,800)	2,392,858	_
Bonds payable, net	43,528,658	-	(2,275,800)	41,252,858	2,030,000
SBITA liability	1,744,654	1,170,666	(838,372)	2,076,948	1,103,775
Financed purchases	-	199,217	(37,523)	161,694	38,649
Claim liability	32,550,000	518,000		33,068,000	518,000
Net pension liability	4,663,541	3,124,220	(2,486,235)	5,301,526	_
Compensated absences	1,087,223	1,718,441	(1,668,032)	1,137,632	1,137,632
Total governmental activities			· · · · ·		
long-term liabilities	\$ 83,574,076	\$ 6,730,544	\$ (7,305,962)	\$ 82,998,658	\$ 4,828,056

The net pension, claim liability, and compensated absences are generally liquidated by the General Fund. The City has reported 100% of the compensated absence liability as due in one year, as historical usage patterns show employees use earned vacation within one year.

Bonds Payable

In May 2017, the City issued \$23,495,000 of General Obligation Bonds (Series 2017) for the purpose of acquiring land for parks, trails, and greenspace including conservation land, wildlife habitat, and natural areas for the City. The bonds were issued at a premium of \$1,881,842 and interest rates ranging from 3.00% to 5.00%. The interest payments are due semiannually beginning October 1, 2017 and annual principal payments beginning April 1, 2019. The bonds are scheduled to mature on April 1, 2037. As of September 30, 2024, the outstanding balance of the bond is \$17,975,000.

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

Fiscal year ending September 30,		Principal	Interest			Total
2025	\$	1,090,000	\$	623,375	\$	1,713,375
2026	Ψ	1,145,000	Ψ	568,875	Ψ	1,713,875
2027		1,200,000		511,625		1,711,625
2028		1,260,000		451,625		1,711,625
2029		1,295,000		413,825		1,708,825
2030-2034		7,150,000		1,406,125		8,556,125
2035-2037		4,835,000		299,175		5,134,175
	\$	17,975,000	\$	4,274,625	\$	22,249,625

NOTE 7. LONG-TERM DEBT (CONTINUED)

Bonds payable (Continued)

In October 2019, the Public Building Facilities Authority issued \$24,210,000 of direct placement Revenue Bonds (Series 2019) for the purpose of refunding the Series 2014 Revenue Bonds and to finance certain capital projects. The bonds were issued at a premium of \$2,653,663 and interest rates ranging from 2.13% to 5.00%. The interest payments are due semiannually beginning December 1, 2019 and principal payments are due annually beginning December 1, 2020. The bonds are scheduled to mature on December 1, 2039. As of September 30, 2024, the outstanding balance of the bond is \$20,885,000. The refunding transaction undertaken by the City resulted in an economic gain (net present value of aggregate debt service savings) of \$416,730.

The City's debt service requirements to maturity on the direct placement revenue bonds payable are as follows:

Fiscal year ending September 30,	Principal		Interest		_	Total
2025	\$	940,000	\$	707,719	\$	1,647,719
2026		990,000		659,469		1,649,469
2027		1,040,000		608,719		1,648,719
2028		1,095,000		555,344		1,650,344
2029		1,150,000		499,219		1,649,219
2030-2034		6,525,000		1,713,847		8,238,847
2035-2040		9,145,000		738,313		9,883,313
	\$	20,885,000	\$	5,482,630	\$	26,367,630

NOTE 7. LONG-TERM DEBT (CONTINUED)

Subscription-Based Information Technology Arrangements (SBITAs)

The City has entered into several subscription-based information technology arrangements for the use of various software. The total initial subscription liability was recorded in the amount of \$1,771,019. As of September 30, 2024, the total value of the subscription liabilities was \$2,076,948. The City is required to make annual variable principal and interest payments ranging from \$710 to \$40,100. The City utilized average incremental borrowing rates ranging from 2.43% to 3.12%.

The debt service requirements to maturity are as follows:

Year Ending September 30,	Principal	Interest		Total
2025	\$ 1,103,775	\$	51,090	\$ 1,154,865
2026	277,065		21,351	298,416
2027	278,753		21,579	300,332
2028	262,285		12,680	274,965
2029	138,063		4,238	142,301
2030	17,007		413	17,420
Total	\$ 2,076,948	\$	111,351	\$ 2,188,299

Financed Purchases from Direct Borrowings:

The City has entered into a financed purchase arrangement for the acquisition of equipment used in the public safety operations of the City. The purchase agreements contain a stated interest rate of 3.00%. As of September 30, 2024, the City has equipment under financed purchases with a cost of \$199,217 and accumulated depreciation of \$43,500 for a net book value of \$161,694. Annual depreciation of these assets is included in depreciation expense.

As of September 30, 2024, the future payments for the financed purchases form direct borrowings are as follows:

Year Ending September 30,	Principal			Interest	Total		
2025	\$	38,649	\$	4,851	\$	43,500	
2026		39,809		3,691		43,500	
2027		41,003		2,497		43,500	
2028		42,233		1,267		43,500	
Total	\$	161,694	\$	12,306	\$	174,000	

NOTE 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Receivable Entity	Payable Entity	 Amount
General Fund	Nonmajor governmental funds	\$ 314,985
		\$ 314,985

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

Interfund transfers:

Transfers In	_	Amount	
General Fund	American Rescue Plan Fund	\$	410,258
General Fund	Nonmajor governmental funds		92,135
			502,393
Capital Projects Fund	General Fund		13,874,954
Capital Projects Fund	American Rescue Plan Fund		215,602
			14,090,556
Nonmajor governmental funds	General Fund		1,650,400
Nonmajor governmental funds	Capital Projects Fund		525,539
			2,175,939
		\$	16,768,888

Transfers are used to move: (1) unrestricted investment earnings revenues from the American Rescue Plan Fund to the General Fund and revenues from the American Rescue Plan Fund to the Capital Projects Fund for allowable capital projects (2) revenues from the Hotel/Motel Tax Fund to the General Fund to pay for the promotion of tourism through special events within the City (3) unrestricted General Fund revenues to finance local match requirements for various grants that the City must account for in other funds and (4) revenues from the General Fund and Capital Projects Fund to various nonmajor capital project funds to fund various projects within those funds.

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments

For the fiscal year ended September 30, 2024, the City has contractual commitments on uncompleted contracts of \$15,290,711 primarily for intersection improvements, public and safety related projects, and culture and recreation related projects.

Litigation

The City is a defendant in various lawsuits in which management and legal counsel believe that the risk of monetary exposure to be remote and is not expected to have a material adverse effect on the financial condition of the City. The City is also a defendant in two cases in which the City has accrued a total, estimated contingent claim liability in the accompanying statement of net position in the amount of \$33,068,000.

NOTE 10. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Milton Retirement Plan), covering all of the City's full-time employees hired prior to July 1, 2014. The City's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent, multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, and death benefits to plan members and beneficiaries. All employees, excluding elected officials, who work thirty-five hours or more per week, are eligible to participate after one year. Benefits vest after seven years of service. A City employee may retire at age 65 with five years of service. The benefit is calculated based on total years of service and 2.75% multiplier times their final average earnings for the 5 highest consecutive years of service. An employee may elect early retirement at age 55 at a reduced benefit provided they have 10 years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Effective July 1, 2014, the plan was closed to new entrants and all City employees hired on or after that date are automatically enrolled in a newly established defined contribution pension plan, which is discussed in further detail in Note 10.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Membership. As of January 1, 2024, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	26
Inactive plan members entitled to but not receiving benefits	31
Active plan members	58
	115

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members (3.00%), as determined by the City Council. For the fiscal year ended September 30, 2024, the City's recommended contribution rate was 11.69% of annual payroll; actual contributions came to 12.68%.

City contributions to the Plan were \$720,000 for the fiscal year ended September 30, 2024. Employees of the City of Milton contributed \$179,511 to the Plan.

Net Pension Liability of the City

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

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

Inflation 2.25% Salary increases 2.25% - 8.50% including inflation Investment rate of return 7.38%, net of pension plan investment expense, including inflation

Mortality rates for the January 1, 2023 valuation were based on the sex-distinct Pri-2012 Headcount Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

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

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Cost of living adjustments were assumed to 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized in the following table:

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

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

Discount rate. The discount rate used to measure the total pension liability was 7.38%, which was the same as the prior year rate. 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.

Amounts reported for the year ended September 30, 2024 and later reflect assumption changes based on an actuarial study conducted in November and December 2019. This study recommended changes in mortality tables, retirement rates, and inflation rate changes from 2.75% to 2.25%.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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

	Total Pension			n Fiduciary	Ne	et Pension	
	Liability			t Position		Liability	
		(a)		(b)	(a) - (b)		
Balances at 9/30/23	\$	16,644,658	\$	11,981,117	\$	4,663,541	
Changes for the year:							
Service cost		411,270		-		411,270	
Interest		1,241,761		-		1,241,761	
Differences between expected and actual							
experience		1,444,129		-		1,444,129	
Contributions—employer		-		725,732		(725,732)	
Contributions—employee		-		173,523		(173,523)	
Net investment income		-		1,586,980		(1,586,980)	
Benefit payments, including refunds of employee contributions		(436,984)		(436,984)		-	
Administrative expense		-		(27,060)		27,060	
Net changes		2,660,176		2,022,191		637,985	
Balances at 9/30/24	\$	19,304,834	\$	14,003,308	\$	5,301,526	

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

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.38%, 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%) or 1-percentage-point higher (8.38%) than the current rate:

				Current		
	1 _	% Decrease (6.38%)	_	Discount Rate (7.38%)	_	1% Increase (8.38%)
City's net pension liability	\$	8,459,310	\$	5,301,526	\$	2,713,257

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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

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

For the fiscal year ended September 30, 2024, the City recognized pension expense of \$1,091,704. At September 30, 2024, the City reported deferred outflows 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	\$	1,714,432	\$ (133,099)
Changes in assumptions		520,559	-
Net difference between projected and actual earnings on pension plan investments		682,962	-
City contributions subsequent to the measurement date		720,000	
Total	\$	3,637,953	\$ (133,099)

City contributions subsequent to the measurement date of \$720,000 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30:

-	•	
2025		\$ 751,991
2026		747,386
2027		1,060,008
2028		 225,469
	Total	\$ 2,784,854

NOTE 11. DEFINED CONTRIBUTION PENSION PLANS

The City of Milton maintains two (2) single employer defined contribution plans established and administered by the City for all employees.

The first plan was established by resolution of the City Council and the plan, including contribution requirements, may also be amended by resolution of the same. This plan covers all City employees who are eligible to participate in the City's defined benefit pension plan. At September 30, 2024, there were 54 full-time and 21 part-time plan members. The City matches 100% for each dollar of employee contributions up to 3.75% of the employee's salary. Employees are required to contribute 3.75% of their compensation to the Plan. Employees are eligible after one month of employment and are fully vested immediately. For the fiscal year ended September 30, 2024, employer and employee contributions to the Plan totaled \$502,274.

The second plan was established by resolution of the City Council and the plan, including contribution requirements, may also be amended by resolution of the same. This plan covers all City employees hired on or after July 1, 2014. At September 30, 2024, there were 122 plan members. Employees are required to contribute 6.2% of their compensation to the Plan and the City also contributes 6.2% of each participating employee's salary. Employees are eligible at the time of employment and are fully vested immediately. For the fiscal year ended September 30, 2024, employer and employee contributions to the Plan totaled \$1,180,707.

The City of Milton also maintains two (2) Internal Revenue Code Section 457 Plans which are deferred compensation plans and qualify as defined contribution plans. These plans are administered by ICMA-RC and cover all full-time employees. Separate audited financial statements for each plan are not issued.

At September 30, 2024, there were 46 members in the first deferred compensation plan that covers all employees who are eligible to participate in the City's defined benefit pension plan and 109 members in the second deferred compensation plan that covers all employees hired on or after July 1, 2014. Employees are not required to contribute to either plan. Employees may contribute a portion of their gross salary up to the maximum amount allowed by the IRS to either plan. For the first plan, the City matches at a rate of 50% of the employee's contribution up to 1% of the employee's salary. For the second plan, the City matches at a rate of 200% of the employee's contribution up to 12% of the employee's salary. For the fiscal year ended September 30, 2024, the City contributed \$51,312 to the first plan, \$957,581 to the second plan, and employees contributed a total of \$1,072,449 to these defined contribution plans.

NOTE 12. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which Fulton County has paid on behalf of the City of Milton. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 229 Peachtree Street NE, STE 100, Atlanta, Georgia 30303.

The cities of Alpharetta, Milton, Roswell, and Sandy Springs 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 Statement No. 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 Milton is responsible for approximately \$2.4 million pursuant to the intergovernmental agreement between the cities. For the fiscal year ended September 30, 2024, the City of Milton contributed \$473,459 to the Authority. As of June 30, 2024, the Authority's fiscal year end, the Authority did not have any long-term debt. 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 13. HOTEL/MOTEL LODGING TAX

The City has levied a 3% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied of 5% to be expended or obligated contractually for the promotion of tourism, conventions, or trade shows at a rate equal to or greater than that of the prior year. During the year ended September 30, 2024, the City collected \$60,718 in hotel/motel tax revenues, which were transferred to the General Fund and used for the promotion of special events and City operations.

NOTE 14. RISK MANAGEMENT

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

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

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

Settled claims have not exceeded the coverage in the last three years.

The City carries commercial insurance for other risks of losses. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the last three years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MILTON, GEORGIA REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

		2024		2023		2022		2021		2020
Total pension liability										
Service cost	\$	411,270	\$	469,080	\$	483,457	\$	455,122	\$	510,117
Interest on total pension liability		1,241,761		1,163,014		1,057,933		936,469		760,844
Differences between expected and actual experience		1,444,129		(111,335)		220,484		489,329		236,629 1,315,213
Changes of assumptions Benefit payments, including refunds of employee contributions		(436.094)		(353 303)		(291,973)		(222 505)		
Other		(436,984)		(353,392)		(291,973)		(232,585)		(196,436)
Net change in total pension liability	-	2,660,176	-	1,167,367	-	1,469,901	-	1,648,335	-	2,626,367
Total pension liability - beginning	_	16,644,658	_	15,477,291	_	14,007,390	_	12,359,055	_	9,732,688
Total pension liability - ending (a)	\$	19,304,834	\$	16,644,658	\$	15,477,291	\$	14,007,390	\$	12,359,055
Plan fiduciary net position										
Contributions - employer	\$	725,732	\$	716,485	\$	554,567	\$	551,902	\$	568,384
Contributions - employee		173,523		182,674		174,860		184,036		247,612
Net investment income		1,586,980		(2,269,108)		2,574,221		912,997		267,371
Benefit payments, including refunds of member contributions		(436,984)		(353,392)		(291,973)		(232,585)		(196,436)
Administrative expenses		(27,060)		(26,488)		(26,240)		(25,128)		(22,630)
Net change in plan fiduciary net position		2,022,191		(1,749,829)		2,985,435		1,391,222		864,301
Plan fiduciary net position - beginning		11,981,117		13,730,946		10,745,511		9,354,289		8,489,988
Plan fiduciary net position - ending (b)	\$	14,003,308	\$	11,981,117	\$	13,730,946	\$	10,745,511	\$	9,354,289
, .										
City's net pension liability - ending (a) - (b)	\$	5,301,526	\$	4,663,541	\$	1,746,345	\$	3,261,879	\$	3,004,766
Plan fiduciary net position as a percentage of the total pension liability		72.54%		71.98%		88.72%		76.71%		75.69%
Covered payroll	\$	5,065,497	\$	5,475,904	\$	5,970,395	\$	5,658,582	\$	5,992,597
City's net pension liability as a percentage of covered payroll		104.66%		85.16%		29.25%		57.64%		50.14%
		2019		2018		2017		2016		2015
Total pension liability										
Service cost	\$	462,718	\$	610,771	\$	626,371	\$	641,036	\$	643,340
Interest on total pension liability		699,326		582,698		490,807		403,952		304,844
Differences between expected and actual experience		(176,621)		232,500		84,089		123,781		207,605
Changes of assumptions		-		58,060		-		-		158,963
Benefit payments, including refunds of employee contributions Other		(228,717)		(53,459)		(38,065) 30,190		(58,073)		(13,790)
Net change in total pension liability		756,706		1,430,570		1,193,392		1,110,696		1,300,962
Total pension liability - beginning		8,975,982		7,545,412		6,352,020		5,241,324		3,940,362
Total pension liability - ending (a)	\$	9,732,688	\$	8,975,982	\$	7,545,412	\$	6,352,020	\$	5,241,324
Plan fiduciary net position										
Contributions - employer	\$	775,831	\$	458,718	\$	658,776	\$	704,034	\$	431,357
Contributions - employee		192,290		208,531		224,626		224,501		221,303
Net investment income		713,379		872,762		511,779		14,721		295,411
Benefit payments, including refunds of member contributions Administrative expenses		(228,717) (25,513)		(53,459) (27,344)		(38,065) (14,873)		(58,073) (16,708)		(13,790) (12,896)
Net change in plan fiduciary net position		1,427,270		1,459,208		1,342,243		868,475		921,385
not only go plan nationally not position		., .2.,2.0		1,100,200		1,012,210		000,110		021,000
Plan fiduciary net position - beginning		7,062,718		5,603,510		4,261,267		3,392,792		2,471,407
Plan fiduciary net position - ending (b)	\$	8,489,988	\$	7,062,718	\$	5,603,510	\$	4,261,267	\$	3,392,792
City's net pension liability - ending (a) - (b)	\$	1,242,700	\$	1,913,264	\$	1,941,902	\$	2,090,753	\$	1,848,532
Plan fiduciary net position as a percentage of the total pension liability		87.23%		78.68%		74.26%		67.09%		64.73%
Covered payroll	\$	6,289,001	\$	7,132,601	\$	7,121,076	\$	7,248,961	\$	6,430,661
City's net pension liability as a percentage of covered payroll		19.76%		26.82%		27.27%		28.84%		28.75%

CITY OF MILTON, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN SCHEDULE OF CITY CONTRIBUTIONS

	2024	2023	2022	2021	2020
Actuarially determined contribution Contributions in relation to the actuarially determined contribution	\$ 601,932	\$ 628,066	\$ 607,798	\$ 528,031	\$ 439,735
	720,000	720,000	720,000	554,567	551,902
Contribution deficiency (excess)	\$ (118,068)	\$ (91,934)	\$ (112,202)	\$ (26,536)	\$ (112,167)
Covered payroll Contributions as a percentage of covered payroll	\$ 5,679,513	\$ 5,065,497	\$ 5,475,904	\$ 5,970,395	\$ 5,658,582
	12.68%	14.21%	13.15%	9.29%	9.75%
	2019	2018	2017	2016	2015
Actuarially determined contribution Contributions in relation to the actuarially determined contribution	\$ 397,551	\$ 430,981	\$ 422,510	\$ 417,023	\$ 413,913
	568,384	585,577	645,975	658,776	704,034
Contribution deficiency (excess)	\$ (170,833)	\$ (154,596)	\$ (223,465)	\$ (241,753)	\$ (290,121)
Covered payroll Contributions as a percentage of covered payroll	\$ 5,992,597	\$ 6,289,001	\$ 7,132,601	\$ 7,121,076	\$ 7,248,961
	9.48%	9.31%	9.06%	9.25%	9.71%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date January 1, 2023 Cost Method Projected Unit Credit

Actuarial Asset Valuation Method Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of

the amounts that the value exceeds or is less than the fair value at the end of the year. The actuarial value is adjusted, if necessary,

to be within 20% of fair value.

Assumed Rate of Return on Investments 7.38%

Projected Salary Increases 2.25% - 8.25% (including 2.25% for inflation)

Cost-of-Living Adjustment 0.00%

Amortization Method Closed level dollar for unfunded liability

Remaining Amortization Period None remaining

CITY OF MILTON, GEORGIA GENERAL FUND

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

	Buc	Budget		Variance With
	Original	Final	Actual	Final Budget
Revenues:		-		
Property taxes	\$ 17,752,548	\$ 17,822,204	\$ 18,101,249	\$ 279,045
Sales taxes	13,971,256	14,471,256	14,344,244	(127,012)
Franchise taxes	2,286,686	2,186,686	2,309,171	122,485
Business taxes	4,406,720	5,116,220	5,198,197	81,977
Licenses and permits	1,554,174	1,502,174	1,457,133	(45,041)
Charges for services	544,274	730,820	725,056	(5,764)
Fines and forfeitures	650,000	750,000	851,789	101,789
Intergovernmental	5,000	10,540	58,347	47,807
Contributions	6,500	43,888	57,404	13,516
Interest earned	1,385,709	2,685,709	2,715,662	29,953
Miscellaneous	243,798	411,137	425,249	14,112
Total revenues	42,806,665	45,730,634	46,243,501	512,867
Expenditures:				
Current:				
General government:				
Mayor and council	214,086	214,086	180,051	34,035
City manager	958,995	975,453	955,640	19,813
General administration	53,404	76,804	72,691	4,113
Elections	50,106	67,291	67,260	31
Finance department	899,009	921,910	895,823	26,087
Legal services	460,000	715,000	699,775	15,225
City clerk	181,138	192,168	180,638	11,530
Information technology	1,982,709	1,326,589	1,132,072	194,517
Human resources	605,710	596,443	533,209	63,234
Risk management	359,154	359,154	366,951	(7,797)
Public information	495,931	474,281	345,215	129,066
Total general government	6,260,242	5,919,179	5,429,325	489,854
Judicial:				
Municipal court	479,464	486,384	447,334	39,050
Total judicial	479,464	486,384	447,334	39,050
Public safety:				
Police department	7,863,616	7,858,327	7,846,563	11,764
Fire department	9,710,038	9,712,908	9,600,300	112,608
Total public safety	17,573,654	17,571,235	17,446,863	124,372
Public works	3,556,146	3,526,181	3,216,147	310,034
Culture and recreation:				
Recreation	2,199,658	2,187,658	2,042,861	144,797
Passive parks/greenspace	226,633	226,633	113,629	113,004
Total culture and recreation	2,426,291	2,414,291	2,156,490	257,801
Housing and development:				
Planning and zoning	2,587,955	2,580,014	2,397,291	182,723
Total housing and development	2,587,955	2,580,014	2,397,291	182,723
				

Continued

CITY OF MILTON, GEORGIA

GENERAL FUND

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

		Budget					Variance With		
	Original Final		Final		Actual	Final Budget			
Capital outlay	\$		\$	827,021	\$	1,040,666	\$	(213,645)	
Debt service:									
Principal		-		_		875,895		(875,895)	
Interest						56,344		(56,344)	
Total debt service						932,239		(932,239)	
Total expenditures		32,883,752		33,324,305		33,066,355		257,950	
Excess of revenues over expenditures		9,922,913		12,406,329		13,177,146		770,817	
Other financing sources (uses):									
Proceeds from the sale of capital assets		20,600		47,768		59,104		11,336	
Issuance of financed purchase		-		_		199,217		199,217	
Issuance of SBITA		-		_		1,170,666		1,170,666	
Transfers in		112,500		510,948		502,393		(8,555)	
Transfers out		(9,932,570)		(15,849,072)		(15,525,354)		323,718	
Total other financing sources (uses)		(9,799,470)		(15,290,356)		(13,593,974)		1,696,382	
Net change in fund balances		123,443		(2,884,027)		(416,828)		2,467,199	
Fund balances, beginning of year		14,812,642		14,812,642		14,812,642			
Fund balances, end of year	\$	14,936,085	\$	11,928,615	\$	14,395,814	\$	2,467,199	

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

	Budget						Variance With	
	Original		Final		Actual		Final Budget	
Revenues:								
Intergovernmental	\$	223,602	\$	223,602	\$	223,602	\$	-
Interest earned		200,000		200,000		204,105		4,105
Total revenues		423,602		423,602		427,707		4,105
Excess of revenues over expenditures		423,602		423,602		427,707		4,105
Other financing uses:								
Transfers out	-	(622,411)		(622,411)		(625,860)	-	(3,449)
Total other financing uses		(622,411)		(622,411)		(625,860)		(3,449)
Net change in fund balance		(198,809)		(198,809)		(198,153)		656
Fund balances, beginning of year		198,809	_	198,809		198,809		
Fund balances, end of year	\$		\$		\$	656	\$	656

CITY OF MILTON, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION SEPTEMBER 30, 2024

NOTE 1. BUDGETS

Formal budgetary accounting is employed as a management control device for the General Fund, special revenue funds, and capital projects funds of the City. The governmental funds' budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds, with the exception of capital projects funds for which project length budgets are adopted. During the fiscal year ended September 30, 2024, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

All unencumbered budget appropriations lapse at the end of each year.

NONMAJOR GOVERNMENTAL FUNDS

Confiscated Assets Fund – To account for the use of confiscated assets by the City's Police Department.

Opioid Settlement Fund – To account for the restricted funds received from legal settlements related to the nationwide opioid epidemic.

Emergency 911 Fund – To account for the monthly 911 charges to help fund the cost of providing emergency 911 services.

Operating Grant Fund – To account for various operating grant revenues and expenditures of the City.

Hotel/Motel Tax Fund – To account for the occupancy tax collected by the City from area hotels and motels, and distributed based upon state statute. The government is currently collecting this tax at a rate of 3%.

Capital Grant Fund – To account for capital grant revenue and expenditures made by the City for public works, culture and recreation, and community development projects.

Revenue Bond Fund – To account for the proceeds from revenue bonds that will be issued for the purpose of funding expenditures made by the City for capital projects.

Greenspace Bond Fund – To account for the proceeds of the General Obligation Bonds, Series 2016, issued by the City and the related capital projects.

Impact Fees Fund – To account for impact fees restricted for the acquisition or construction of specific capital projects.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2024

				Sp	ecial F	Revenue Fund	ls				_			Capital Pr	ojects	Funds				
ASSETS	C	Confiscated Assets Fund		Opioid Settlement Fund	Emergency 911 Fund		Operating Grant Fund		· -	Hotel/Motel Tax Fund		Capital Grant Fund		Revenue Bond Fund		Greenspace Bond Fund		npact Fees Fund		Total Nonmajor overnmental Funds
Cash	\$	43,723	\$	51,000	\$	_	\$		\$		\$	1,430,467	\$		\$	17,251	\$	646,981	\$	2,189,422
Accounts receivable				-		171,873				-		20,465		3		80,786		-		273,127
Taxes receivable, net		-		-		-		-		4,945		-		-		10,712		-		15,657
Prepaids		-		-		-		-		-		-		-		311,688		-		311,688
Restricted cash and cash equivalents			-					-	- —		_	<u>-</u>	_	15,262		5,540,670			_	5,555,932
Total assets	\$	43,723	\$	51,000	\$	171,873	\$	-	\$	4,945	\$	1,450,932	\$	15,265	\$	5,961,107	\$	646,981	\$	8,345,826
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES																				
LIABILITIES																				
Accounts payable	\$	-	\$	-	\$	171,873	\$	-	\$	-	\$	132,108	\$	-	\$	1,806	\$	13,634	\$	319,421
Retainage payable		-		-		-		-		-		361,735		-		-		-		361,735
Due to other funds		-		-		-		-		4,945	_					310,040		-	_	314,985
Total liabilities		-		-		171,873		-	- —	4,945	_	493,843				311,846		13,634		996,141
DEFERRED INFLOWS OF RESOURCES																				
Unavailable revenues - property taxes		-		-		-		-		-				-		68,782		-		68,782
Unavailable revenues - other					_						_	20,465			_				_	20,465
Total deferred inflows of resources			_					-			_	20,465				68,782			_	89,247
FUND BALANCES																				
Nonspendable:																				
Prepaids		-		-		-		-		-		-		-		311,688		-		311,688
Restricted:																				
Law enforcement		43,723		-		-		-		-		-		-		-		2		43,725
Health and welfare		-		51,000		-		-		-		-		-		-		-		51,000
Road and intersection improvements		-		-		-		-		-		-		-		-		360,429		360,429
Park and trail enhancements		-		-		-		-		-		-		-		-		180,736		180,736
Fire protection		-		-		-		-		-		-		-		-		54,556		54,556
Capital projects General administration		-		-		-		-		-		-		15,265		5,268,791		37,624		5,284,056 37,624
Assigned:		-		-		-				-		-		-		-		37,024		31,024
Capital projects		-		-		-		-		_		936,624		-		-		-		936,624
Total fund balances	_	43,723		51,000				-	_		_	936,624		15,265		5,580,479		633,347		7,260,438
Total liabilities, deferred inflows of																				
resources, and fund balances	\$	43,723	\$	51,000	\$	171,873	S		S	4,945	\$	1,450,932	\$	15,265	\$	5,961,107	\$	646,981	S	8,345,826

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

		Sp	ecial Revenue Fund	ds			Capital Pr	rojects Funds		
	Confiscated Assets Fund	Assets Settlement Emerg		Operating Grant Fund	Hotel/Motel Tax Fund	Capital Grant Fund	Revenue Bond Fund	Greenspace Bond Fund	Impact Fees Fund	Total Nonmajor Governmental Funds
REVENUES										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 60,718	\$ -	\$ -	\$ 1,637,626	\$ -	\$ 1,698,344
Charges for services	-		1,026,701	-	-	-	-	-	617,610	1,644,311
Intergovernmental	-	36,941	-	-	-	1,097,141	-	-	-	1,134,082
Interest	5_					47	2,577	281,401	38_	284,068
Total revenues	5	36,941	1,026,701		60,718	1,097,188	2,577	1,919,027	617,648	4,760,805
EXPENDITURES										
Current:										
Public safety	13,149	705	1,026,701			-				1,040,555
Public works	-		-	-	-	951,837	-	-	53,158	1,004,995
Culture and recreation			-	-	-	144,996	-	-	-	144,996
Capital outlay			-	-		-		8,658	416,693	425,351
Debt service:										
Principal			-	-	-	-	895,000	1,035,000	-	1,930,000
Interest			-	-	-	-	755,400	678,238		1,433,638
Total expenditures	13,149	705	1,026,701			1,096,833	1,650,400	1,721,896	469,851	5,979,535
Excess (deficiency) of revenues										
over expenditures	(13,144)	36,236			60,718	355	(1,647,823)	197,131	147,797	(1,218,730)
OTHER FINANCING SOURCES (USES)										
Transfers in			-	-		525,539	1,650,400		-	2,175,939
Transfers out			-	(1,639)	(60,718)	-			(29,778)	(92,135)
Total other financing										
sources (uses)				(1,639)	(60,718)	525,539	1,650,400		(29,778)	2,083,804
Net change in fund balances	(13,144)	36,236		(1,639)		525,894	2,577	197,131	118,019	865,074
FUND BALANCES,										
beginning of year	56,867	14,764		1,639		410,730	12,688	5,383,348	515,328	6,395,364
FUND BALANCES, end of year	\$ 43,723	\$ 51,000	\$ -	<u>s -</u>	<u>s -</u>	\$ 936,624	\$ 15,265	\$ 5,580,479	\$ 633,347	\$ 7,260,438

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

		Bu	dget				Varia	nce With
	С	riginal		Final	Actual		Final Budget	
Revenues:								
Interest	\$	-	\$	_	\$	5	\$	5
Total revenues						5		5
Expenditures:								
Public safety		12,300		12,300		13,149		(849)
Total expenditures		12,300		12,300		13,149		(849)
Net change in fund balances		(12,300)		(12,300)		(13,144)		(844)
Fund balances, beginning of year		56,867		56,867		56,867		
Fund balances, end of year	\$	44,567	\$	44,567	\$	43,723	\$	(844)

CITY OF MILTON, GEORGIA OPIOID SETTLEMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS) FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Bu	dget				Vari	ance With
	Original		Final	Actual		Fin	al Budget
Revenues:							
Intergovernmental	\$ 24,758	\$	24,758	\$	36,941	\$	12,183
Total revenues	 24,758		24,758		36,941		12,183
Expenditures:							
Public safety	 39,522		39,522		705		38,817
Total expenditures	 39,522		39,522		705		38,817
Net change in fund balances	(14,764)		(14,764)		36,236		51,000
Fund balances, beginning of year	 14,764		14,764		14,764		
Fund balances, end of year	\$ 	\$		\$	51,000	\$	51,000

CITY OF MILTON, GEORGIA EMERGENCY 911 FUND

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

	Budget					Variance With		
	Original			Final	Actual		Final Budget	
Revenues:		_		·				
Charges for services	\$	1,200,000	\$	1,050,000	\$	1,026,701	\$	(23,299)
Total revenues		1,200,000		1,050,000		1,026,701		(23,299)
Expenditures:								
Public safety		1,200,000		1,050,000		1,026,701		23,299
Total expenditures		1,200,000		1,050,000		1,026,701	-	23,299
Net change in fund balances		-		-		-		-
Fund balances, beginning of year								
Fund balances, end of year	\$		\$		\$		\$	

CITY OF MILTON, GEORGIA OPERATING GRANT FUND

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

	Bud	get		Variance With		
	Original	Final	Actual	Final Budget		
Other financing uses:						
Transfers out	(1,639)	(1,639)	(1,639)	-		
Total other financing uses	(1,639)	(1,639)	(1,639)			
Net change in fund balances	(1,639)	(1,639)	(1,639)	-		
Fund balances, beginning of year	1,639	1,639	1,639			
Fund balances, end of year	\$ -	\$ -	<u>\$ -</u>	<u> </u>		

CITY OF MILTON, GEORGIA HOTEL/MOTEL TAX FUND

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

	Budget					Variance With		
		Original		Final	Actual	Final Budget		
Revenues:								
Taxes	\$	67,000	\$	62,000	\$ 60,718	\$	(1,282)	
Total revenues		67,000		62,000	60,718		(1,282)	
Other financing uses:								
Transfers out		(67,000)		(62,000)	 (60,718)		1,282	
Total other financing uses		(67,000)		(62,000)	(60,718)		1,282	
Net change in fund balances		-		-	-		-	
Fund balances, beginning of year					 			
Fund balances, end of year	\$		\$	<u>-</u>	\$ 	\$	<u>-</u>	

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

	ESTIMA	TED COST		EXPENDITURES					
PROJECT	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	COMPLETION			
TSPLOST TIER 1									
Morris Road Widening, Windward Parkway, NE Crabapple Connector	\$ 9,540,000	\$ 11,550,808	\$ 5,402,931	\$ 2,427,199	\$ 7,830,130	67.79 %			
Hopewell Road at Bethany Bend/Way Intersection Improvements, Freemanville Road at Birmingham Road Intersection Improvements, Charlotte Road at Mayfield Road Intersection Improvements, Hopewell Road at Thompson Road/South Thompson Road Intersection Improvements, Hopewell Road at Hamby Road Intersection Improvements, SR 140/Arnold Mill Road at Green Road Intersection Improvements	16,900,000	16,900,000	9,345,355 (3	a) 1.313,061	10.658,416	63.07°			
Toda at Green Toda intersection improvements	10,900,000	10,900,000	9,040,000 (0	1,313,001	10,030,410	03.07 /			
Birmingham Road Middle Bridge	1,610,000	1,610,000	173,713	183,314	357,027	22.18 %			
Pedestrian Improvements	3,372,490	3,259,800	1,620,824	573,188	2,194,012	67.31 %			
TSPLOST TIER 2									
Bethany Road at Providence Road Intersection Improvements, Freemanville Road at Redd Road Intersection Improvements	3,445,145	641,035	364,282	203,337 (1)	567,619	88.55 %			
Pedestrian Improvements	2,100,000	2,100,000	-	-	-	0.00 %			
TSPLOST TIER 3									
Road Paving and Reconstruction	3,000,000	3,000,000	-	-	-	0.00 %			
Quick Response	775,160	775,160	-	-	-	0.00 %			
Bridge Repair and Replacement	791,865	791,865	-	-	-	0.00 %			
Pedestrian Improvements	1,000,000	1,000,000				0.00 %			
TOTAL TSPLOST	\$ 42,534,660	\$ 41,628,668	\$ 16,907,105	\$ 4,700,099	\$ 21,607,204				
		Total TSD	LOST Expenditures	\$ 4,700,099 94,638 (2) \$ 4,794,737					

^{(1) -} The City typically intends to complete Tier 1 projects before beginning Tier 2, but the Bethany Road project has been allocated some initial, associated planning costs as this project began earlier than anticipated. Fulton County allows for subsequent tier project expenditures once the previous tier projects become fully funded.

^{(2) -} In fiscal year 2024, \$94,638 of intergovernmental revenue funding was expended for Green Road Intersection Improvements and Pedestrian Improvements.

^{(3) -} The prior expended balance was revised by management in fiscal year 2024 to exclude the use of intergovernmental revenue funding for these projects.

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

	ESTIMAT	ED COST			PROJECT	
PROJECT	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	COMPLETION
TSPLOST TIER 1						
Operations and Safety	\$ 11,000,000	\$ 11,000,000	\$ 191,952 (3)	\$ 966,284	\$ 1,158,236	10.53 %
Pedestrian/Bike Improvements	6,000,000	6,000,000	108,659	550,304	658,963	10.98 %
Bridges	4,000,000	4,000,000	37,400	766,391	803,791	20.09 %
Maintenance and Safety	8,000,000	8,000,000	43,880	2,298,911	2,342,791	29.28 %
Quick Response	1,000,000	1,000,000	-	-	-	0.00 %
Program Management	657,809	657,809	133,304	131,726	265,030	40.29 %
TSPLOST TIER 2	•					
Operations and Safety	3,000,000	3,000,000	-	-	-	0.00 %
Pedestrian/Bike Improvements	2,410,202	2,410,202	-	-	-	0.00 %
TSPLOST TIER 3						
Operations and Safety	2,000,000	2,000,000	-	-	-	0.00 %
Pedestrian/Bike Improvements	2,410,202	2,410,202	-	-	-	0.00 %
Quick Response	1,000,000	1,000,000				0.00 %
TOTAL TSPLOST II	\$ 41,478,213	\$ 41,478,213	\$ 515,195	\$ 4,713,616	\$ 5,228,811	

Total TSPLOST II expenditures

\$ 4,713,616 296,254 \$ 5,009,870

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Milton'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	84-93
These schedules contain trend information to help the reader understand how the financial performance and well-being have changed over time.	government's
Revenue Capacity	94-100
These schedules contain information to help the reader assess the government's molecular revenue source, property tax.	ost significant
Debt CapacityThese schedules present information to help the reader assess the afforda government's current levels of outstanding debt and the government's ability to iss debt in the future.	ability of the
Demographic and Economic Information	
Operating Information	stand how the

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

FINANCIAL TRENDS

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

	 2024		2023		2022	2021
Primary government:	 _	-				_
Net investment in capital assets	\$ 126,028,118	\$	111,683,813	\$	99,168,375	\$ 91,930,919
Restricted for law enforcement	43,725		68,847		144,855	102,332
Restricted for health and welfare	51,000		14,764	(3)	-	-
Restricted for fire facilities	54,556		-		-	403,966
Restricted for intersection improvements	33,262,927		32,573,312		26,333,414	21,047,678
Restricted for park and trail enhancements	180,736		95,663		1,299,141	3,195,715
Restricted for emergency 911 services	-		-		-	-
Restricted for general administration	37,624		80,439		95,095	77,252
Restricted for capital projects	-		-		-	-
Restricted for federal programs	656		198,809		35,064	176
Unrestricted	15,690,850		19,731,464	(4)	48,134,192	29,178,813
Total primary government net position	\$ 175,350,192	\$	164,447,111	\$	175,210,136	\$ 145,936,851

- (1) Beginning with fiscal year 2016, the City began collecting impact fees on new development projects.
- (2) Ending net position for 2016 was restated due to a change in accounting principle.
- (3) Newly reported restriction is due to collection of opioid settlement funds.
- (4) Decrease attributable to accrual for litigation liability.

2020	 2019	2018		2017		2016	_	2015
\$ 84,118,811	\$ 80,745,558	\$	72,722,062	\$	69,411,003	\$ 64,343,200	\$	55,192,124
99,835	155,178		129,305		152,198	130,265		202,497
-	-		-		-	-		-
314,357	253,633		210,654		92,926	82,142	(1)	-
17,784,583	14,163,212		8,684,559		3,447,341	16,095	(1)	-
1,836,522	2,492,082		1,565,418		802,887	671,394	(1)	-
-	-		-		-	3		67,349
49,123	33,331		2,980		-	-		-
-	-		39,315		-	-		-
-	-		-		-	-		-
 24,838,051	17,142,141		15,856,331		12,522,984	11,380,667	(2)	24,709,939
\$ 129,041,282	\$ 114,985,135	\$	99,210,624	\$	86,429,339	\$ 76,623,766	\$	80,171,909

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

(accrual basis of accounting)

Firmanasa		2024		2023		2022		2021	
Expenses General government	\$	7,132,460	\$	5,604,435	\$	6,478,807 (5)	æ	2,399,187	
Judicial	Ψ	529,421	Ψ	448,865	Ψ	445,751	Ψ	449,656	
Public safety		21,049,685		16,784,600		16,467,302		14,890,233	
Public works		15,370,053 (7)	10,250,316 (7)	4,871,921		9,753,321 (4)	,
Culture and recreation		3,198,984	,	4,948	,	3,419,045		3,292,831	
Housing and development		2,767,686		3,135,329		1,797,021		1,883,006	
Interest on long-term debt		1,103,390		1,159,679		1,187,487		1,253,596	
Total expenses	\$	51,151,679	\$	37,388,172	\$	34,667,334	\$	33,921,830	
Program revenues									
Charges for services:									
General government	\$	542,138	\$	860,589	\$	854,663	\$	666,516	
Judicial		851,789		712,235		643,863		502,864	
Public safety		1,693,533		1,887,754		2,078,406		2,428,863	
Public works		15,760		12,849		68,529		193,269	
Culture and recreation		370,209		127,207		184,752		211,336	
Housing and development		1,188,341		1,158,236		1,582,648		923,342	
Operating grants and contributions		152,692		1,578,613		11,691,229 (6)		1,661,366	
Capital grants and contributions		10,597,886		9,898,762		8,484,510		9,738,779	
Total program revenues	\$	15,412,348	\$	16,236,245	\$	25,588,600	\$	16,326,335	
Net expense	\$	(35,739,331)	\$	(21,151,927)	\$	(9,078,734)	\$	(17,595,495)	
General Revenues and Other Changes in Net Position									
Taxes:									
Property taxes	\$	19,804,208	\$	18,570,926	\$	18,060,795	\$	17,481,251	
Sales taxes		14,344,244		13,685,498		12,409,149		10,561,589	
Other taxes		7,763,384		7,275,267		6,986,090		6,179,936	
Unrestricted investment earnings		4,305,327		2,961,726		416,786		26,010	
Miscellaneous revenues		425,249		445,485		479,199		242,278	
Gain on sale of capital assets		-		-		-		-	
Extraordinary item		-		(32,550,000) (8)	-		-	
Total	\$	46,642,412	\$	10,388,902	\$	38,352,019	\$	34,491,064	
Change in Net Position	\$	10,903,081	\$	(10,763,025)	\$	29,273,285	\$	16,895,569	
							_		

- (1) Increase is due to the City's new bonds (Revenue Bonds in 2016; General Obligation Greenspace Bond in 2017).
- (2) Increase is due to the first full year of collections of TSPLOST revenues.
- (3) Increase is due to an increase in assessed real and personal tax values.
- (4) Increase is due to general increase in TSPLOST project activity as well as large paving project performed in 2021.
- (5) Increase is attributable to various capital asset disposals in 2022.
- (6) Increase is attributable to American Rescue Plan (ARP) grant revenue.
- (7) Increase is attributable to increased capital project and TSPLOST activity.
- (8) The infrequent and unusual nature of the litigation ruling and magnitude of contingent liability resulted in reporting an extraordinary item in 2023.

	2020		2019		2018		2017		2016	_	2015
\$	3,194,222	\$	3,894,038	\$	3,997,068	\$	4,170,454	\$	3,968,796	\$	-, ,
	467,942		420,623		415,488		281,485		274,716		264,812
	14,304,063		12,318,540		12,561,228		12,004,373		11,443,382		11,892,288
	5,019,146		6,621,990		5,227,627		3,175,710		5,028,701		4,148,056
	3,781,670		2,104,060		2,031,619		2,337,624		1,827,479		1,721,516
	1,812,726		1,498,236		1,452,928		1,148,734		780,282		811,019
Φ.	1,366,516	\$	941,731 27,799,218	\$	1,028,911 (1) <u> </u>	585,362 (1	\$ 	350,429	(1) \$	91,967
\$	29,946,285	<u>\$</u>	21,199,218	<u>\$</u>	26,714,869	<u>\$</u>	23,703,742	<u>\$</u>	23,673,785	<u> </u>	24,147,459
\$	471,818	\$	559,413	\$	451,519	\$	664,948	\$	562,416	\$	571,413
	284,382		432,196		411,582		472,717		508,130		565,331
	2,149,075		2,317,291		2,074,059		2,236,359		1,939,929		1,007,228
	205,205		109,758		137,889		237,089		242,835		387,487
	231,781		106,273		132,402		77,274		122,220		52,737
	395,605		516,686		452,200		449,848		628,511		757,319
	38,632		41,479		84,983		61,885		38,380		14,530
_	8,306,030		7,423,743		7,397,589 (2		3,503,628		1,025,050	_	2,881,702
\$	12,082,528	\$	11,506,839	\$	11,142,223	\$	7,703,748	\$	5,067,471	\$	6,237,747
\$	(17,863,757)	\$	(16,292,379)	\$	(15,572,646)	\$	(15,999,994)	\$	(18,606,314)	<u>\$</u>	(17,909,712)
\$	16,159,692	\$	15,004,421 (3)	\$	12,640,472	\$	11,531,051	\$	11,778,279	\$	11,665,484
	9,221,508		10,041,779		9,395,425		8,925,207		8,827,604		8,700,581
	5,882,679		5,799,663		5,615,462		5,130,291		4,874,826		4,709,152
	479,474		956,696		506,524		127,871		49,473		32,197
	176,551		212,228		164,808		91,147		119,195		214,624
			52,103		31,240		-		-		-
	-		32,103								
\$	- - 31,919,904	\$	32,066,890	\$	28,353,931	\$	25,805,567	\$	25.649.377	\$	25,322,038

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

(accrual basis of accounting)

Fiscal Year		Property Taxes	Sales Taxes	Н	otel/Motel Taxes	I	Franchise Taxes		Business Taxes		Total
- I Gai	_	Taxes	 Taxes		Taxes		Taxes	_	Taxes	-	Total
2015	\$	11,665,484	\$ 8,700,581	\$	72,020	\$	2,053,011	\$	2,584,121	\$	25,075,217
2016		11,778,279	8,827,604		66,218		2,064,983		2,743,625		25,480,709
2017		11,531,051	8,925,207		75,289		2,113,026		2,941,976		25,586,549
2018		12,640,472	9,395,425		78,498		2,349,574		3,187,390		27,651,359
2019		15,004,421 (1)	10,041,779		82,010		2,356,144		3,361,509		30,845,863
2020		16,159,692	9,221,508		39,624		2,320,090		3,522,965		31,263,879
2021		17,481,251	10,561,589		36,168		2,542,877		3,600,891		34,222,776
2022		18,060,795	12,409,149		55,847		2,503,904		4,426,339		37,456,034
2023		18,570,926	13,685,498		64,648		2,474,732		4,735,887		39,531,691
2024		19,804,208	14,344,244		60,718		2,504,469		5,198,197		41,911,836

⁽¹⁾ Increase is due to an increase in assessed real and personal tax values.

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

		2024		2023		2022		2021
General Fund	•	005.745	•	000.050	Φ.	054.050	Φ.	740.005
Nonspendable (prepaids and lease receivable) Assigned	\$	635,715	\$	689,952	\$	851,652 1,295,035	\$	710,805 1,052,886
Unassigned		13,760,099		14,122,690		11,711,982		10,752,832
Total general fund	\$	14,395,814	\$	14,812,642	\$	13,858,669	\$	12,516,523
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All Other Governmental Funds								
Nonspendable - prepaids	\$	311,688	\$	1,069,563	\$	1,537,888	\$	1,562,622
Restricted - health and welfare		51,000		14,764		-		-
Restricted - law enforcement		43,725		68,847		144,855		101,365
Restricted - fire facilities		54,556		-		-		403,966
Restricted - intersection improvements		32,743,108		32,257,584		26,140,377		20,699,556
Restricted - park and trail enhancements		180,736		95,663		1,299,141		3,195,715
Restricted - general administration		37,624		80,439		95,095		77,252
Restricted - emergency 911 services		-		-		-		-
Restricted - capital projects		5,284,056		5,058,473		7,498,298		8,478,503
Restricted - federal programs		656		198,809		35,064		176
Assigned - capital projects		36,899,231		39,152,674		35,412,256 (4)	16,883,913
Unassigned		-						(249,661)
Total all other governmental funds	\$	75,606,380	\$	77,996,816	\$	72,162,974	\$	51,153,407

⁽¹⁾ Beginning with fiscal year 2016, the City began collecting impact fees on new development projects.

⁽²⁾ Ending fund balance for 2016 was restated due to a change in accounting principle.

⁽³⁾ In fiscal year 2017, the City issued GO Bonds for the purpose of greenspace acquisition and preservation throughout the City.

⁽⁴⁾ Significant transfer in to the Capital Projects Fund resulted in increase in assigned fund balance in fiscal year 2022.

 2020	 2019	 2018	 2017	_	2016	-	 2015
\$ 535,746	\$ 1,055,070	\$ 708,884	\$ 591,974	\$	444,032		\$ 401,096
1,628,677	1,640,430	715,635	-		-		5,199,048
11,017,622	 7,871,084	 8,904,557	 2,777,080		(3,197,092)	(2)	4,511,805
\$ 13,182,045	\$ 10,566,584	\$ 10,329,076	\$ 3,369,054	\$	(2,753,060)	•	\$ 10,111,949
\$ 588,468	\$ 1,550,921	\$ 449,688	\$ 292,304	\$	-		\$ -
-	-	-	-		-		-
99,835	154,195	129,305	152,198		130,265		202,497
314,357	253,633	210,654	92,926		82,142	(1)	-
17,784,583	14,115,969	8,684,559	3,447,341		16,095	(1)	-
1,836,522	2,492,082	1,565,418	802,887		671,394	(1)	-
49,123	33,331	2,980	-		-		-
-	_	-	_		3		62,719
8,824,451	7,107,170	20,411,299	24,785,560	(3)	-		-
-	-	-	-		-		-
12,834,539	8,262,707	7,835,618	10,911,598		15,359,556		15,333,498
-	(1,546,652)	-	_		-		(2,082,969)
\$ 42,331,878	\$ 32,423,356	\$ 39,289,521	\$ 40,484,814	\$	16,259,455	-	\$ 13,515,745

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	 2024		2023	 2022	_	2021	_	2020
Revenues								
Taxes	\$ 41,846,503	\$	39,543,019	\$ 37,396,697	9	. , ,	\$	- ,- ,
Licenses and permits	1,457,133		1,415,856	1,783,318		1,136,559		567,765
Intergovernmental	10,575,736		11,637,358	20,612,001	(3)	9,844,341		6,953,713
Charges for services	2,417,407		2,753,471	2,928,581		3,088,902		2,543,907
Fines and forfeitures	851,789		712,235	643,863		502,864		310,114
Contributions	57,404		15,562	26,621		2,892		32,402
Interest earned	4,305,327		2,961,726	416,786		26,010		479,474
Miscellaneous	425,249		445,485	479,199		242,278		176,551
Total revenues	61,936,548		59,484,712	64,287,066	_	49,065,399	_	42,386,435
Expenditures								
Current:								
General government	5,429,325		4,504,914	4,651,973		4,163,296		3,905,514
Judicial	447,334		367,675	371,667		370,242		458,499
Public safety	18,487,418		17,656,222	15,562,304		13,678,570		13,463,420
Public works	19,022,252	(2)	10,882,666	6,440,875		14,335,310	(2)	5,601,369
Culture and recreation	2,301,486		2,156,433	1,818,274		1,903,960		1,621,664
Housing and development	2,600,605		2,221,331	1,759,217		1,869,053		1,844,546
Capital outlay	13,588,502		11,596,206	8,095,523		1,293,100		18,865,179
Debt service:								
Principal	2,805,895		2.516.614	1,750,000		1.665.000		1,206,760
Interest	1,489,982		1,566,251	1,613,206		1,697,456		1,397,326
Issuance costs	-		-	-		-		502,903
Total expenditures	66,172,799		53,468,312	42,063,039	_	40,975,987	_	48,867,180
Excess (deficiency) of revenues								
over expenditures	 (4,236,251)	_	6,016,400	 22,224,027	_	8,089,412		(6,480,745)
Other Financing Sources (Uses)								
Issuance of SBITA	1,170,666		655,249	-		-		24,210,000
Issuance of financed purchase	199,217		-	-		-		-
Payment to escrow	-		-	-		-		(7,251,627)
Advance refunding payment with existing resources	-		-	-		-		(630,000)
Premium from bond issuance	-		-	-		-		2,653,663
Proceeds from the sale of capital assets	59,104		116,166	127,686		66,595		22,692
Insurance recoveries	-		-	-		-		-
Transfers in	16,768,888		16,923,411	34,037,967		18,725,385		7,671,144
Transfers out	 (16,768,888)		(16,923,411)	 (34,037,967)		(18,725,385)	_	(7,671,144)
Total other financing sources (uses)	 1,428,987	_	771,415	127,686	_	66,595		19,004,728
Net change in fund balances	\$ (2,807,264)	\$	6,787,815	\$ 22,351,713	9	8,156,007	\$	12,523,983
Debt service as a percentage of noncapital expenditures	9.1%		11.7%	10.4%		10.4%		9.3%

⁽¹⁾ The increase is due to the payments starting on the City's Revenue Bond (issued in 2015), GO Greenspace Bond (issued in 2017), and the Series 2019 GO Bond.

⁽²⁾ The increase is due to general increase in TSPLOST project activity in 2021 and 2024 as well as large paving project performed in 2021.

⁽³⁾ The increase is due to American Rescue Plan (ARP) grant funding in 2022.

2019	2018	2017	2016	2015
\$ 30,824,036	\$ 27,651,993	\$ 25,574,393	\$ 25,369,042	\$ 24,866,343
700,580	628,090	616,148	784,946	911,175
7,599,533	7,152,012	3,587,194	2,630,337	1,069,828
2,817,577	2,718,438	2,945,872	2,624,623	1,802,052
448,244	422,670	494,891	560,305	621,737
25,157	47,363	40,281	21,725	114,530
956,696	506,524	127,871	49,473	32,197
212,228	164,808	91,147	119,195	214,624
43,584,051	39,291,898	33,477,797	32,159,646	29,632,486
3,781,995	3,720,541	3,948,213	3,665,105	3,813,711
428,571	411,698	279,811	275,541	269,768
12,411,953	11,910,598	11,136,499	10,656,256	11,580,507
7,232,342	5,600,294	2,617,819	5,664,758	7,430,685
1,498,976	1,397,855	1,470,156	2,017,771	9,993,915
1,514,934	1,440,247	1,134,524	785,949	820,585
20,617,186	7,131,436	6,362,409	9,449,319	1,758,152
1,771,394	928,010	897,038	152,767	320,081
1,151,028	1,017,730	317,454	221,706	80,951
		356,322		
50,408,379	33,558,409	28,520,245	32,889,172	36,068,355
(6,824,328)	5,733,489	4,957,552	(729,526)	(6,435,869)
-	-	23,495,000	689,868	8,910,132
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,881,842	-	-
168,100	31,240	13,079	5,313	30,416
27,571	-		-	
9,045,265	3,398,903	4,931,858	(33,585,858)	(11,349,902)
(9,045,265)	(3,398,903)	(4,931,858)	33,585,858	11,349,902
195,671	31,240	25,389,921	695,181	8,940,548
\$ (6,628,657)	\$ 5,764,729	\$ 30,347,473	\$ (34,345)	\$ 2,504,679
10.6% (1	6.8% (1) 5.6% (1	1.8%	1.9%

REVENUE CAPACITY

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

Fiscal Year	Property Taxes	Sales Taxes	Н	lotel/Motel Taxes	F	Franchise Taxes	Business Taxes	Total
2015	\$ 11,560,676	\$ 8,700,581	\$	72,020	\$	1,948,945	\$ 2,584,121	\$ 24,866,343
2016	11,562,546	8,827,604		66,218		2,169,049	2,743,625	25,369,042
2017	11,518,895	8,925,207		75,289		2,113,026	2,941,976	25,574,393
2018	12,641,106 (1)	9,395,425		78,498		2,349,574	3,187,390	27,651,993
2019	14,982,594 (1)	10,041,779		82,010		2,356,144	3,361,509	30,824,036
2020	16,218,322	9,221,508		39,624		2,320,090	3,522,965	31,322,509
2021	17,480,028	10,561,589		36,168		2,542,877	3,600,891	34,221,553
2022	18,001,458	12,409,149		55,847		2,503,904	4,426,339	37,396,697
2023	18,582,254	13,685,498		64,648		2,474,732	4,735,887	39,543,019
2024	19,738,875	14,344,244		60,718		2,504,469	5,198,197	41,846,503

⁽¹⁾ The increase is due to an increase in assessed values and the implementation of a debt service millage rate.

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN CALENDAR YEARS

(1)			Real	Pr	operty				Person	ıal	Property	
Calendar	Residential	С	onservation		Commercial	Pr	ivately Owned		Motor		Furni	ture,
Year	 Property	U	Ise Property		Property	Р	ublic Utilities		Vehicles	F	ixtures, a	nd Equip
2014	\$ 1,742,503,130	\$	11,051,350	\$	254,051,410	\$	12,028,354		\$ 110,057,590	\$	42	,298,840
2015	1,925,135,570		9,487,010		290,030,100		17,016,803		80,438,520		43	,798,770
2016	2,012,576,030		8,679,430		365,874,440		19,928,091		55,613,700		44	,691,780
2017	2,063,492,310		8,106,750		347,229,360		19,712,772		38,158,500		45	,080,170
2018	2,444,244,070		6,677,770		346,028,600		18,180,770		26,535,480		45	,040,150
2019	2,619,819,310		6,317,150		375,121,460		20,065,647	(4)	19,364,570		46	,540,440
2020	2,675,108,220		6,482,530		377,626,900		21,437,889	(4)	10,894,780		43	,773,680
2021	2,860,132,920		4,652,220		381,248,960		21,095,172	(4)	10,894,780		45	,321,640
2022	3,386,398,870		6,204,550		400,244,200		25,646,049		9,346,640		40	,130,590
2023	4,009,238,300		7,275,450		423,273,690		27,599,207		8,740,350		39	,307,640

Source: Fulton County Tax Commissioner.

Note: The total assessed value amounts are based on the original tax digest prior to additions, deletions, and corrections to accounts.

- (1) In fiscal year 2017, the City made a change in accounting principle with regard to when it recognizes revenue for property taxes. Property taxes are now budgeted to fund the upcoming fiscal year and therefore, the taxes levied each fall are for the fiscal period just commenced (i.e., taxes levied in August/September are budgeted to fund the upcoming fiscal period of October 1 through September 30). Thus, the 2019 calendar year tax levy is for the City's fiscal year 2020.
- (2) Increase is due to the overall increase in property values. The City has two exemption categories that exempt a taxpayer from 100% of City taxes. The exemption value is equivalent to the taxable property value (i.e. a home with a basic homestead exemption and a full property value exemption that has an increase in assessed value would have an increase in exemption value as well).
- (3) The increase in exemption values is the result of the implementation of the floating homestead exemption as required by law (HB 710).
- (4) The City revised the reported figures for 2019 2021.

 Less: Tax Exempt Real Property		Total Taxable Assessed Value	Total Direct Tax Rate	 Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 140,408,130	\$	2,031,582,544	4.731	\$ 5,429,976,685	40%
144,492,060		2,221,414,713	4.731	5,914,766,933	40%
145,509,390		2,361,854,081	4.731	6,268,408,678	40%
146,665,660		2,375,114,202	5.052	6,304,449,655	40%
165,379,290	(2)	2,721,327,550	5.061	7,216,767,100	40%
493,687,582	(3)	2,593,540,995	5.319	7,718,071,443	40%
471,697,815		2,663,626,184	5.269	7,838,309,998	40%
368,835,000		2,959,061,569	5.218	8,319,741,423	40%
540,727,893		3,327,243,006	4.392	9,669,927,248	40%
1,195,457,911		3,319,976,726	4.753	11,288,586,593	40%

CITY OF MILTON, GEORGIA PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN CALENDAR YEARS

(rate per \$1,000 of assessed value)

	(City of Milton			Fulton Cou	nty		School Dis	trict		
		Debt	Total		Debt	Total		Debt	Total		Total Direct and
Calendar	Operating	Service	City	Operating	Service	Fulton County	Operating	Service	School District		Overlapping
Year	Millage	Millage	Millage	Millage	Millage	Millage	Millage	Millage	Millage	State	Rates
2014	4.731		4.731	11.781	0.270	12.051	18.502		18.502	0.100	35.384
		-				12.051		-		0.100	
2015	4.731	-	4.731	10.500	0.250	10.750	18.502	-	18.502	0.050	34.033
2016	4.731	-	4.731	10.450	0.250	10.700	18.483	-	18.483	0.000	33.914
2017	4.731	0.321	5.052	10.380	0.250	10.630	18.546	-	18.546	0.000	34.228
2018	4.390	0.671	5.061	10.200	0.230	10.430	17.796	-	17.796	0.000	33.287
2019	4.731	0.588	5.319	9.899	0.220	10.119	17.796	-	17.796	0.000	33.234
2020	4.731	0.588	5.269	9.776	0.220	9.996	17.796	-	17.796	0.000	33.061
2021	4.731	0.487	5.218	9.330	0.210	9.540	17.590	-	17.590	0.000	32.348
2022	4.469	0.452	4.921	8.870	0.200	9.070	17.240	-	17.240	0.000	31.231
2023	4.389	0.364	4.753	8.870	0.180	9.050	17.140	-	17.140	0.000	30.943

Source: Fulton County Tax Commissioner

Note: As set forth in the City's charter, the operating millage rate cannot exceed 4.731 mills unless a higher limit is approved through a referendum by a majority of qualified voters of the City.

PRINCIPAL PROPERTY TAXPAYERS SEPTEMBER 30, 2024 CURRENT AND NINE YEARS AGO

			2024				2015	
Taxpayer		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
WRPV XIV Deerfield Village Mil	\$	41,065,040	1	1.23 %				
IMT Capital III Deerfield, LLC	Ψ	34.790.680	2	1.05				
Thirteen Five Sixty Morris Road Office Investors, LLC		30,578,400	3	0.92				
North Park Estates, LLC		28.740.320	4	0.86	\$	17,774,750	4	0.80 %
IMT Capital IV Stoneleigh at D, LLC		22,130,440	5	0.67	Φ	17,774,730	4	0.60 %
· · · · · · · · · · · · · · · · · · ·								
CSP Community Owner, LLC		19,280,000	6 7	0.58		40 000 400	7	0.00
Deerfield CC Delaware, LLC		16,139,000	· ·	0.49		13,688,160	-	0.62
Cellco Partnership		14,800,000	8	0.44		14,560,440	6	0.66
WB Holdings Deerfielf Place, LLC		11,733,680	9	0.35				
Sawnee EMC		10,693,806	10	0.32				
Strata Deerfield, LLC						32,602,080	1	1.47
Atlanta Preserve, LLC						21,004,960	2	0.95
TR Deerfield I, LLC						18,211,560	3	0.82
North Park GA, LLC						16,227,560	5	0.73
First Town, LP						7,483,000	8	0.34
Banyan Street Gap Deerfield Two						7,199,980	9	0.32
Scott H Lee TR						6,640,880	10	0.30
Totals	\$	229,951,366		6.91 %	\$	155,393,370		7.00 %

Source: Fulton County Tax Commissioner and City of Milton Finance Department

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Period	Period Tax		Taxes Levied Subsequent		Collected within the Total Fiscal Year of the Levy					Collections		Total Collections to Date			
Ended		for the		Years	Adjusted			Percentage	in Subsequent				Percentage		
September 30,	F	iscal Year	Adj	ustments	Levy		Amount	of Levy		Years		Amount	of Levy		
2015	\$	9,845,651	\$	29,000	\$ 9,874,651	\$	9,545,176	96.9 %	\$	328,192	\$	9,873,368	100.0 %		
2016		10,393,680		(43,996)	10,349,684		9,893,308	95.2		455,237		10,348,545	100.0		
2017	(1)	10,393,680		(43,996)	10,349,684		9,893,308	95.2		455,130		10,348,438	100.0		
2018		11,414,221		(15,121)	11,399,100		11,388,963	99.8		8,726		11,397,689	100.0		
2019		13,613,210		4,300	13,617,510		13,509,728	99.2		104,236		13,613,964	100.0		
2020		13,810,744		2,097	13,812,841		13,762,150	99.6		45,265		13,807,415	100.0		
2021		14,086,228		(1,750)	14,084,478		14,037,365	99.7		46,262		14,083,627	100.0		
2022		14,764,668		6,813	14,771,481		14,660,345	99.3		110,841		14,771,186	100.0		
2023		15,532,997		4,391	15,537,388		15,438,172	99.4		81,060		15,519,232	99.9		
2024		16,209,860		-	16,209,860		16,007,052	98.7		-		16,007,052	98.7		

Source: City of Milton Finance Department, Tax Collectors Report

⁽¹⁾ Due to the delayed receipt of the Fulton County tax digest, Milton property taxes were billed two and a half months later than usual, resulting in a billing cycle outside of fiscal year 2017. As a result the City decided to account for property taxes in the subsequent year rather than the prior year to avoid experiencing this issue at any point in the future. Therefore, 2019 figures are based on 2018 tax digest information for reporting purposes.

DEBT CAPACITY

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

				Gover	rnm	ental						
Fiscal				Act	ivit	ies						
Period			General		Financed		Total	Percentage				
Ended	Revenue			Obligation		Subscription		Purchases	Primary	of Personal		Per
September 30,	Bond			Bonds		Liability		Payable	Government	Income (1)	Capita (1)	
2015	\$	8,910,132	\$	_	\$	-	\$	174,340	\$ 9,084,472	0.46 %	\$	250.32
2016		9,600,000		-		-		1,464,922	11,064,922	0.54		293.05
2017		9,008,000		25,376,842		-		1,312,155	35,696,997	1.70		920.71
2018		8,400,000		25,235,588		-		1,007,117	34,642,705	1.60		887.82
2019		7,774,000		24,252,033		-		351,864	32,377,897	1.37		816.12
2020		26,712,515		23,231,294		-		-	49,943,809	2.00		1,248.60
2021		25,691,354		22,178,804		-		-	47,870,158	1.79		1,159.20
2022		24,641,489		21,089,950		1,771,019		-	47,502,458	1.61		1,151.32
2023		23,563,492		19,965,166		1,744,654		_	45,273,312	1.59		1,096.31
2024		22 452 973		18 799 885		2 076 948		161 694	43 491 500	1 43		1 045 32

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

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS

Fiscal Year	Oblig	neral gation nds	Less: Amounts Set Aside for Repayment of Debt Service		Total		Percentage of Estimated Actual Taxable Value of Property (1)	Ca	Per apita (2)
2015	\$	_	\$	_	\$	_	0.00%	\$	-
2016		-		-		-	0.00%		-
2017	25,3	376,842		-	25,	376,842	0.40%		654,532
2018	25,2	235,588		-	25,	235,588	0.40%		646,735
2019	24,2	252,033		-	24,	252,033	0.34%		611,298
2020	23,2	231,294		-	23,	231,294	0.30%		580,782
2021	22,1	178,804		_	22,	178,804	0.28%		537,069
2022	21,0	089,950		_	21,	089,950	0.25%		511,160
2023	19,9	965,166		-	19,	965,166	0.21%		483,465
2024	18,7	799,885		-	18,	799,885	0.17%		451,855

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

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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF SEPTEMBER 30, 2024

Governmental Unit	 Debt Dutstanding	Estimated Percentage Applicable (1)	 imated Share Overlapping Debt
Direct Debt:			
Revenue Bonds	\$ 22,452,973	100.00 %	\$ 22,452,973
GO (Greenspace) Bonds	18,799,885	100.00	18,799,885
Total direct debt	41,252,858		41,252,858
Overlapping Debt (1):			
Fulton County	216,173,662	4.27 %	9,225,750
Fulton County School District	-	7.77	-
Total overlapping debt	216,173,662		9,225,750
Total direct and overlapping debt	\$ 257,426,520		\$ 50,478,608

Source: Assessed value data used to estimate applicable percentages was provided by Fulton County Board of Assessors and debt outstanding provided by Fulton County.

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

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

CITY OF MILTON, GEORGIA LEGAL DEBT MARGIN INFORMATION SEPTEMBER 30, 2024

						Fiscal Year				
	_	2021	_	2020	_	2019	_	2018		2017
Assessed value of all taxable property	\$	3,134,981,282	\$	3,088,597,687	\$	2,886,706,840	\$	2,521,779,862	\$	2,507,363,471
Debt limit: 10% of assessed value		313,498,128		308,859,769		288,670,684		252,177,986		250,736,347
Total net debt applicable to limit	_	20,935,000		21,830,000		22,685,000	_	23,495,000	_	23,495,000
Legal debt margin	\$	292,563,128	\$	287,029,769	\$	265,985,684	\$	228,682,986	\$	227,241,347
Total net debt applicable to the limit as a percentage of debt limit		6.68%		7.07%		7.86%		9.32%		9.37%
	_	2024	_	2023		2022				
Assessed value of all taxable property	\$	4,515,434,637	\$	3,867,970,899	\$	3,327,896,569				
Debt limit: 10% of assessed value		451,543,464		386,797,090		332,789,657				
Total net debt applicable to limit	_	17,975,000		19,010,000		19,995,000				
Legal debt margin	\$	433,568,464	\$	367,787,090	\$	312,794,657				
Total net debt applicable to the limit as a percentage of debt limit		3.98%		4.91%		6.01%				
Legal Debt Margin Calculation for Fiscal Year 202	24									
Assessed value Add back: exempt real property Total assessed value	\$	3,319,976,726 1,195,457,911 4,515,434,637								
Debt limit: 10% of total assessed value Debt applicable to limit General Obligation Bond Less: Amount set aside for repayment of general obligation bond		451,543,464 17,975,000								
Total net debt applicable to limit Legal debt margin	\$	17,975,000 433,568,464								

NOTE 1: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

NOTE 2: Fiscal year 2017 was the first year in which the City issued general obligation bonds.

DEMOGRAPHIC AND ECONOMIC INFORMATION

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Period	Population	Personal Income (amounts expres ulation in thousands)		P	er Capita ersonal ncome	Median Age	School Enrollment	Unemploym Rate	ent
2015	36,291	\$	1,964,758	\$	54,139	39.0	10,107	5.2	%
2016	37,758		2,044,180		54,139	38.9	10,306	5.0	
2017	38,771		2,097,627		54,103	39.1	10,287	2.2	
2018	39,020		2,165,961		55,509	39.0	10,287	1.9	
2019	39,673		2,361,972		59,536	38.5	10,240	2.9	
2020	40,000		2,493,800		62,345	38.5	10,060	3.3	
2021	41,296		2,672,016		64,704	38.7	9,435	1.7	
2022	41,259		2,942,716		71,323	39.3	10,872	2.9	
2023	41,296		2,852,026		69,063	39.2	11,522	2.1	
2024	41,606		3,033,660		72,914	39.2	8,799	2.8	

⁽¹⁾ Source for fiscal year 2017 and prior data, except school enrollment and 2010 population: Georgia Power Economic Development research performed for Milton for Comprehensive Plan. Fiscal year 2018 data was provided by Esri.

⁽²⁾ Source for school enrollment: Fulton County Board of Education\Public School Review.

⁽³⁾ Source for population: U.S. Census Bureau.

⁽⁴⁾ Source for Unemployment Rate: Georgia Labor Market Explorer or Georgia Department of Labor

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

		2024		2015				
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment		
Fulton County Schools	893	1	14.0 %	928	2	9.4 %		
Walmart	269	2	4.2	397	4	4.0		
Target	225	3	3.5	135	9	1.4		
Publix	199	4	3.1					
Home Depot	195	5	3.1					
City of Milton	184	6	2.9					
Infor (US), Inc.	160	7	2.5	289	5	2.9		
Intelligrated Systems, LLC	137	8	2.2					
Country Financial	120	9	1.9	148	8	1.5		
Chick-Fil-A	100	10	1.6					
Verizon				1,913	1	19.3		
Philips Healthcare				440	3	4.4		
Outcomes Health Information Solutions				193	6	2.0		
Fry's Electronics				148	7	1.5		
Citrix				130	10	1.3		
Totals	2,482		39.0 %	4,721		47.7 %		

⁽¹⁾ Source: Employers

⁽²⁾ Source: City of Milton Business License Applications

OPERATING INFORMATION

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

						loyees as of S	•			
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Function										
General Government:										
Elected Officials	7	7	7	7	7	7	7	7	7	7
City Manager	4	4	4	4	3	3	4	4	4	4
City Clerk	1	1	1	1.5	2	2	2	2	2	2
Operations	13	13	11	12.5	13	13	10	10	10	11
Judicial	1.5	3	3	3	4	4	4	4	4	4
Public Safety:										
Administration	19	12	12	12	12	9	8	8	8	5
Police	41	41	41	37	37	35	37	36	35	35
Fire	57	59	59	56	55	56	55	55	53	58
Civilians	8.5	7	7	6	6	6	5	4	5	6
Public Works:										
Admin and Engineering	7	7	7	5	5	5	5	5	5	4
Highways and Streets	5	4.5	4.5	3	3	3	4	5	5	5
Culture and Recreation	5.5	5.5	4.5	4	3	2	2	2	2	2
Community Development	21	20	18	17	12	11	10	6	6	6
Total	191	184	179	168	162	156	153	148	146	149

Source: City of Milton Human Resources Department

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

					Fiscal	Year				
Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Number of property tax accounts:	44.040	40.070	40.004	40.000	40.704	40.040	40.400	40.005	40.005	40.000
Real property	14,043	13,976	13,884	13,883	13,704	13,643	13,429	13,235	13,235	12,806
Personal property	709	677	682	680	686	692	768	768	768	498
Public utility	11	11	11	11	12	10	8	8	9	7
City Clerk										
Ordinances adopted	21	19	27	33	49	25	51	40	27	36
Resolutions adopted	46	35	124	28	48	26	44	57	35	36
Council meetings (Reg/Work Sessions/Special Called)	37	33	39	34	37	37	40	30	43	39
Council meeting minutes (Pages) (3)	-	-	-	-	1,089	425	480	463	728	722
Total hours of council meetings	67	92	89	87	66	91	55	64	92	77
Judicial										
Cases processed	5,544	5,309	4,754	4,286	2.438	3,244	3,654	3.545	4.434	4.548
Cases closed	5,577	5,208	5,263	4,106	2,227	3,566	3,760	3,914	4,371	5,397
Non-jury trials	8	41	27	38	73	48	116	311	282	252
			21							
Warrants issued Police (1)	30	43	-	16	11	39	50	76	81	112
• •										
Calls for service	6,882	7,441	7,145	6,631	6,228	7,518	7,874	7,554	7,764	9,000
Alarms	537	689	845	496	1,279	1,642	1,752	1,715	1,723	2,115
Accidents	636	650	634	569	436	665	738	692	733	663
Traffic stops	10,198	10,507	8,552	8,240	7,094	7,254	7,492	7,454	7,608	7,874
Warnings issued	6,001	6,678	4,793	4,081	4,218	3,387	3,614	2,803	1,837	4,345
Citations issued	5,934	5,554	5,413	4,033	2,438	2,914	3,725	3,663	4,434	5,321
DUIs	35	52	34	52	41	42	41	75	92	56
Custodial arrests including traffic offenses (5)	400	329	99	108	167	413	447	553	709	693
Traffic arrests	229	187	10	12	52	150	179	275	321	309
Fire					02	.00		2.0	02.	000
Number of preplans completed	511	426	480	534	436	418	416	404	404	517
Hours of training	14.234	16,845	13,435	16,995	13,406	15,184	18,836	12,914	14,425	20.439
· · · · · · · · · · · · · · · · · · ·	14,234 95		13,433	92	13,400		10,030	12,914	96	20,438
Fire calls		63				59				
Rescue/EMS calls	2,035	2,020	1,762	1,548	1,127	1,108	1,233	1,146	1,092	1,218
Overpressure/Explosion	2	1	4.00	1.00	3.00	-	5	4	1	2
Hazardous conditions	96	94	80	121	94	81	91	79	85	84
Service call	491	437	421	381	284	244	384	318	302	304
Good intent call	579	678	592	868	1,080	712	664	570	560	385
False alarm	445	460	418	373	266	242	277	243	239	264
Severe weather	8	10	6	50	3	6	7	11	14	3
Special incident (other)	3	6	4	9	3	215	9	14	6	19
Community education in hours	252	256	146	457	922	1.764	484	519	685	466
Average response time	6:05 / 7:31	7:20	7:10	7:12	7:06	7:06	6:44	6:21	6:11	6:0
Safety issues (2)	N/A	N/A	N/A	NA	NA	NA	NA	115	-	187
Inspections (2)	1,515	1,095	1,158	1,049	886	808	822	637	642	101
Plan review (2)	313	291	308	152	85	175	137	142	109	
	3,393	2,979	2,958			2,863		2,525		2.240
Hydrants inspected				3,010	3,140		2,582		2,446	2,348
Investigations	6	7	5	6	11	5	18	19	17	19
Public Works										
Work requests	1,362	1,268	1,461	1,568	1,336	1,198	988	1,161	1,279	1,915
Potholes repaired	207	145	141	178	300	240	284	150	140	122
Shoulder restoration	17	15	33	42	70	72	65	38	64	31
Sign maintenance	49	173	274	197	259	62	71	210	115	168
New sign installation	33	69	38	49	44	68	52	40	61	72
Stormwater maintenance calls	90	83	154	151	116	61	108	30	29	56
Traffic signal preventative maintenance	16	16	16	16	15	21	20	8	12	1
Signal maintenance	80	50	17	8	12	13	20	16	115	15
•	72	70	71	70	69	69	71	71	71	7
Pavement condition index	72	70	71	70	69	69	/1	/1	/1	/

Continued

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year												
Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015			
Culture and Recreation	·												
Number of annual city-sponsored events	25	22	20	25	28	28	27	28	28	28			
Crabapple Fest attendance (4)	35,000	34,000	35,000	-	35,000	35,000	35,000	34,250	40,320	8,500			
Number of programs	139	84	54	60	43	43	41	33	32	38			
Attendance for recreation programs not including baseball	5,493	4,589	3,344	2,746	1,733	2,203	1,823	1,829	2,105	1,587			
Participants in youth baseball	1,736	1,811	1,693	1,433	728	1,047	917	818	497	270			
Housing and Development													
Business licenses issued	958	910	825	872	890	1,228	1,175	1,088	1,017	944			
Planning and Zoning													
Zoning certification letters	9	15	14	19	16	17	7	13	15	21			
Zoning modifications processed	-	1	-	-	2	3	1	3	1	1			
Special use permits processed	2	3	2	3	2	1	6	1	2	5			
Text amendments	4	6	20	4	19	1	15	16	12	18			
Rezoning requests processed	3	-	-	3	-	2	1	1	4	4			
Variances processed	20	19	32	35	16	13	25	23	16	33			
Land disturbance permits	30	21	15	11	13	52	44	60	65	45			
Final plats/minor plats signed	30	19	34	33	13	28	23	30	30	37			
Development inspections	870	4,586	5,401	8,730	7,505	4,758	2,031	2,759	2,817	2,751			
Building Inspections													
Building permits issued	1,200	1,334	2,023	2,168	2,017	1,380	1,499	1,747	1,679	1,452			
Certificates of occupancy issued	150	175	203	127	160	188	196	244	385	347			
Sign permits issued	60	83	66	60	74	86	119	68	80	90			
Code Enforcement													
Code enforcement inspection	1,100	1,151	1,094	997	722	803	878	984	964	901			
Notice of violations issued	200	239	165	145	136	121	101	129	132	6			
Citations issued	10	16	12	9	2	12	7	13	4	6			
Follow up Inspections	190	619	632	505	478	630	791	837	850	845			
Sign sweeps	37	44	36	24	28	22	16	21	8	18			

Source: Various City departments.

Notes:

- (1) The data for the Police department is on a calendar year basis.
 (2) New indicators the City started tracking in FY 2016 instead of "safety issues" to provide more appropriate data.
 (3) The City elected to discontinue tracking Council Minutes Meeting Pages in FY 2021.

- (5) The City expanded on its arrest tracking statistics.

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

					E '					
	2024	2023	2022	2021	Fiscal 2020	2019	2018	2017	2016	2015
Function/Program		2023	2022	2021	2020	2019	2010	2017	2016	2015
General government:										
Vehicles	1	1	1	1	2	2	2	2	2	2
Police:										
Vehicles	61	61	61	50	51	51	48	52	51	46
Fire:										
Vehicles	29	26	26	25	19	19	18	18	17	15
Stations	4	4	4	4	3	3	3	3	3	3
Tornado Siren	11	11	11	11	11	11	11	10	10	9
Public Works:										
Streets (miles)	181	180	180	187	187	187	180	180	180	158
Bridges	34	36	36	36	36	35	34	34	34	31
Traffic signals	16	16	16	16	15	15	16	16	16	11
Flashing beacons	9	9	9	9	9	9	9	9	9	9
Vehicles	10	7	8	7	7	7	6	6	5	7
Culture and Recreation:										
Park acreage	780	780	708	701	688	688	439	296	292	251
Recreational facilities	7	7	8	6	5	5	5	5	5	5
Parks (1)	9	9	8	8	6	6	6	4	4	3
Playgrounds (1)	3	3	3	3	3	3	3	3	2	-
Athletic fields	9	9	9	9	6	6	6	6	6	6
Vehicles	2	2	2	2	2	2	2	2	2	1
Housing and Development:										
Vehicles	7	7	6	3	1	1	1	2	2	2

Source: Various City departments.

Note: The City has entered into a sublease agreement with Fulton County for one of the fire stations.

⁽¹⁾ Parks and playgrounds were broken into two separate categories in FY 2016 to represent a more clear picture of the assets.

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

Honorable Mayor and Members Of City Council City of Milton, 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, each major fund, and the aggregate remaining fund information of the City of Milton, Georgia (the "City") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 19, 2025.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

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*.

The City's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 & Jerkins, LLC

Atlanta, Georgia March 19, 2025

CITY OF MILTON, GEORGIA SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED SEPTEMBER 30, 2024

SECTION I SUMMARY OF AUDITOR'S RESULTS

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?

Financial Statements

X yes ____ no

Significant deficiencies identified?

___ yes X_ none reported

Noncompliance material to financial statements noted?

____ yes X_ no

Federal Awards

There was not an audit of major federal award programs for the year ended September 30, 2024 due to the total amount of federal awards expended being less than \$750,000.

CITY OF MILTON, GEORGIA SCHEDULE OF FINDINGS AND RESPONSES SEPTEMBER 30, 2024

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2024-001 Property Taxes

Criteria: Internal controls should be in place to ensure property tax receivables, allowances for doubtful accounts, unavailable revenues and related revenues are properly reported in the City's general ledger and in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to detect misstatements in the reporting of property tax related accounts within the City's General Fund and Greenspace Bond Fund.

Context/Cause: During our testing of property taxes, we noted that adjustments were required in the reporting of the General Fund and Greenspace Bond Fund property tax related accounts to accurately report the results of the current fiscal year. The adjustments were as follows:

- An adjustment resulting in a net increase in the total property tax receivable balances for \$641,508 in the General Fund and \$618 in the Greenspace Bond Fund.
- An adjustment resulting in a net increase the allowance for doubtful accounts on outstanding property tax receivables for \$22,449 in the General Fund and \$12,620 in the Greenspace Bond Fund.
- An adjustment resulting in a net increase in the total property tax unavailable revenues (i.e. deferred inflows of resources) balances for \$485,400 in the General Fund and \$17,337 in the Greenspace Bond Fund.
- An adjustment resulting in a net increase in property tax revenues for \$118,809 in the General Fund and \$14,991 in the Greenspace Bond Fund.

Effects: Audit adjustments totaling \$1,268,166 and \$45,566 were required to properly report the City's property tax activity within the General Fund and Greenspace Bond Fund, respectively, as of and for the year ended September 30, 2024.

Recommendation: We recommend the City perform financial close out procedures specific to property tax reporting to carefully review reconciliations and the amounts reported within the general ledger.

Auditee's Response: The City concurs with the finding and acknowledges that the processes and procedures related to property tax collections and booking were modified in fiscal year 2024. These changes contributed to the issues encountered, and the City will revert to the original practices, which did not produce such outcomes.