



FINANCIAL REPORTING

FOR THE SIX MONTHS ENDED DECEMBER 31, 2024
(unaudited)

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Discussion and Analysis

This report provides a budgetary and financial update for the six-month period ending December 31, 2024 (the “Six-Month Period”). Earlier in 2024, the City of Roswell (the “City”) changed its fiscal year-end from June 30 to December 31. This report reflects our transition reporting to our new fiscal year-end. Our next twelve-month fiscal period will end on December 31, 2025. The audit report on our fiscal year ended June 30, 2024, was issued on December 30, 2024, and included an unmodified audit opinion from our auditors, CKH CPAs and Advisors, LLC. This is the highest-level audit report a city can receive. Our transition period audit for the Six-Month Period is currently underway and will be completed before June 30, 2025.

The preparation of financial statements requires management to make estimates that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources. These estimates also include contingent assets and liabilities as of the date of the financial reporting period. The revenue and expenditure amounts are unaudited and include various estimates. The figures represented herein are subject to change in accordance with accounting entries made during the closing process and the ongoing audit.

The Finance Department is currently in the process of closing the accounting books for the Six-Month Period. Therefore, this budgetary and financial update has not been audited.

General Fund Summary for the Six Months Ended December 31, 2024

General Fund		Amended Budget	As of Dec 31, 2024	Variance	Percentage of Variance
Revenue					
	Actual & Estimated	\$61,889,200	\$64,517,000		
Revenue Total		\$61,889,200	\$64,517,000	\$2,627,800	4%
Expenditure					
	Actual & Estimated	\$66,295,700	\$63,012,600		
	Encumbrances / Purchase Orders		\$1,420,000		
Expenditure Total		\$66,295,700	\$64,432,600	\$1,863,100	3%
Estimated Net Impact (Pending Audit)		(\$4,406,500)	\$84,400		

The financial summary for the General Fund reflects a stronger-than-expected performance compared to the amended budget. The General Fund is currently forecasting a net surplus for the six-month period of \$84,400 compared to an amended budget deficit of \$4,406,500 for the same period.

General Fund revenue collections of \$64,517,000 for the six-month period are expected to exceed the amended budget amounts of \$61,889,200 by \$2,627,800, or 4.2%. General Fund expenditures, inclusive of encumbrances, of \$64,432,600 for the six-month period are expected to be \$1,863,100 or 2.8% less than the amended budget amounts of \$66,295,700.

General Fund Revenue

	FY 2024 6-Months Amended Budget	FY 2024 6-Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Property taxes	\$29,694,800	\$30,662,100	\$967,300	3%
Sales and use taxes	\$15,771,000	\$16,349,700	\$578,700	4%
Business taxes	\$10,447,500	\$11,103,000	\$655,500	6%
Licenses and permits	\$1,662,000	\$1,595,600	(\$66,400)	-4%
Intergovernmental	\$130,000	\$163,600	\$33,600	26%
Charges for services	\$2,612,400	\$2,792,900	\$180,500	7%
Fines and forfeitures	\$606,300	\$638,300	\$32,000	5%
Investment earnings	\$476,000	\$475,100	(\$900)	0%
Miscellaneous	\$489,200	\$736,700	\$247,500	51%
Total	\$61,889,200	\$64,517,000	\$2,627,800	4%

Total General Fund revenue collections exceeded amended budget amounts for the Six-Month Period by \$2,627,800 or 4.2%. The positive performance is due primarily to property taxes, sales taxes, and business and occupation taxes exceeding amended budget amounts. Actual revenues are subject to change based on the closeout process.

Property Tax

Property tax revenue collections for the Six-Month Period exceeded the amended budget amount by \$822,700 or 3.1%. The Fulton County digest was slightly higher than the amount estimated in the budget. Title Ad Valorem Tax on the sale of vehicles of \$2.2 million exceeded the amended budget amount by \$172,700 or 8.6%. The Title Ad Valorem Tax amounts are provided by the Georgia Department of Revenue.

Sales Tax

Sales tax revenue for the Six-Month Period exceeded the amended budget amount by \$578,700 or 3.7%. The City's sales tax revenues are a product of an allocation of all Fulton County sales taxes, subject to a revenue sharing agreement between Fulton County and its various cities, including the City. The City's share of Fulton County's

total sales tax revenue was 8.2057% in 2024, a decrease from 8.4519% in 2023. However, total sales tax collections in Fulton County grew approximately 2% during the Six-Month Period, the net of which resulted in higher than expected sales tax revenues.

Other General Fund Revenues

Business tax revenue collections exceeded the amended budget amount primarily due to insurance premium tax and business occupation tax.

Insurance premium tax collections were \$8.9 million in the Six-Month Period, \$293,300 or 7.6% higher than the amended budget. These amounts are provided by the Georgia Department of Revenue.

Business occupation tax was \$498,000 in the Six-Month Period, which exceeded the amended budget amount of \$200,000. Since the annual due date for occupation taxes is in January, the budgeted amount for FY 2024 6-Month was minimal. The increase reflects payments from new businesses and early payers.

Business licenses and permits revenues of \$1.6 million were \$66,400 less than the amended budget amount. Business licenses and permits tend to be lower during the winter months.

General Fund Expenditures

	FY 2024 6-Months Amended Budget	FY 2024 6-Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Salaries & Benefits	\$34,855,800	\$33,337,000	\$1,518,800	4%
Operating	\$13,303,200	\$11,646,300	\$1,656,900	12%
Transfers & Other	\$18,136,700	\$18,029,300	\$107,400	1%
Total	\$66,295,700	\$63,012,600	\$3,283,100	5%

	FY 2024 6-Months Amended Budget	FY 2024 6-Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Admin	\$7,656,000	\$6,425,600	\$1,230,400	16%
Com. Dev	\$2,395,600	\$2,263,200	\$132,400	6%
Env/Public Works	\$1,574,100	\$1,569,900	\$4,200	0%
Finance	\$2,349,000	\$1,967,800	\$381,200	16%
Fire	\$8,599,300	\$8,349,700	\$249,600	3%
Police	\$17,039,100	\$16,596,500	\$442,600	3%
Rec and Parks	\$9,953,200	\$9,458,100	\$495,100	5%
Trans	\$5,442,300	\$5,101,000	\$341,300	6%
Non-department	\$11,287,100	\$11,280,800	\$6,300	0%
Total	\$66,295,700	\$63,012,600	\$3,283,100	5%

Total General Fund expenditures were less than amended budget amounts for the Six-Month Period by \$3.3 million or 5%. Overall, the amended budget amounts for the departments were \$66.3 million for the Six Month Period compared to actual expenditures of \$63.0 million. Actual expenditures are subject to change based on the close out process.

Under generally accepted accounting principles, encumbrances and purchase orders represent binding commitments to expend funds (in a future period) that have been budgeted in the Six-Month Period. \$1.4 million of encumbrances and purchase orders are included in the amended budget to actual comparison at the Fund level, but not the department level. Encumbrances and purchase orders of more than \$25,000 include \$363,300 for economic development, \$336,500 for River Parks dredging under Recreation and Parks, \$302,800 for outsourced services

(Chief Operating Officer, Animal Control, and Building Permitting), and \$71,600 for renovation plans of City Hall.

General fund salaries are less than the amended budget amounts for the Six-Month Period by \$1.5 million or 4%. The variance in salaries and benefits was primarily due to unfilled positions, particularly in areas such as Customer Service, Administration and Finance. These services account for \$820,000 of the savings in this category. Public Safety Departments spent 99% of the salaries budget, which left savings of \$220,000. The other departments spent, on average, 95% of the salaries budget.

Other Funds

Water and Sewer Fund

The Water and Sewer Fund experienced lower revenues compared to previous years in October and November. However, the fund ended the year on a positive note, exceeding the budget by \$266,900. Expenses in this fund were lower than revenue, which will likely result in a positive impact on the fund's net position.

Solid Waste Fund

The Solid Waste Fund tracked nearly even with projections all year, and it ended \$239,600 over budget. Expenses in this fund were less than budgeted, which will likely result in a positive impact on the fund's net position.

Stormwater Fund

Stormwater charges for service revenues tracked very closely to budgeted amounts. Investment earnings income through December came in over budget so that the total fund's revenues were \$24,400 over budget. Expenses in this fund were less than budgeted through December, which will likely result in a positive impact on the fund's net position.

Recreation Participation Fund

Recreation participation revenues are below the budgeted amount for the Six-Month Period by \$310,300. The final month of the calendar year is predictably low due to aligning revenues into the next fiscal year for programs that do not conclude before December 31. Consequently, over \$1.0 million in revenue that was received in the Six-Month Period will be moved and shown as Fiscal Year 2025 revenue. Through December, expenses remained below budgeted amounts by \$206,500.

Information Technology Fund

The Information Technology Fund was created in FY 2024 and covers IT-related expenses for all City departments. Because it is an internal service fund, the fund's static revenue is comprised of monthly transfers from each division. Expenses are below the budgeted amount through December. Encumbrances or purchase orders amount to \$346,700. These purchase orders are in process and will be shown as actual expenditures when the expense occurs. Purchase orders of more than \$25,000 are \$209,600 for server upgrade and \$57,600 for customer service software.

Hotel/Motel Fund

Hotel/Motel Fund revenues are above the budgeted amount for the Six-Month Period by \$39,400. Hotel/Motel Fund revenues are based on the hotel-motel activity in Roswell. Expenses are within budget.

E-911 Fund

E-911 revenues from telecommunication activities have continued their long-term trend of slight decreases. E-911 revenue is collected by the state and distributed to the City. General Fund funded E-911 activity with \$800,000 of transfers-in revenue. At the end of the year, E-911 fund revenues are \$55,600 less than budget and expenses are \$69,600 less than budget.

TSPLOST I Fund

TSPLOST I revenues are above the budgeted amount for the Six-Month Period by \$545,600. Expenses are below the budgeted amount through December. In TSPLOST I Fund, interest income is the only meaningful revenue source since TSPLOST I tax ended during FY 2023. Big Creek Phase I Construction will begin in calendar year 2025 using these funds.

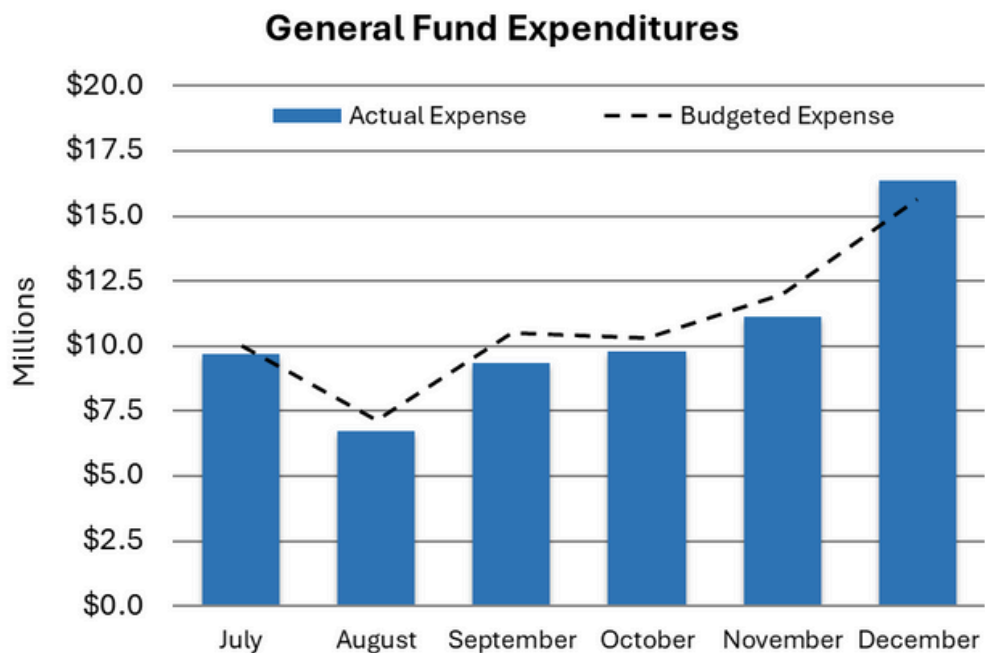
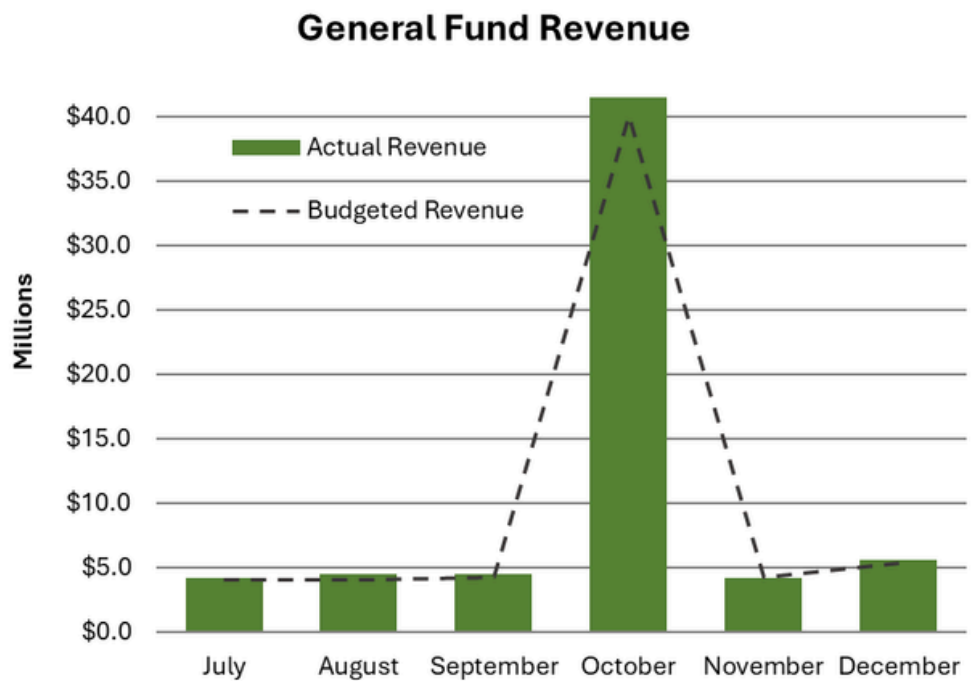
TSPLOST II Fund

TSPLOST II revenues are above the budgeted amount for the Six-Month Period by \$1,369,800. Expenses are below the budgeted amount through December. TSPLOST II sales tax outperformed the budget by \$393,400, or 3.8%. Compared to the same six months in 2023, TSPLOST sales tax largely held steady.

Other Funds Summary

	Amended Revenue Budget	Revenue Actual through 12/31/2024	Percent of Actual to Budget	Amended Expenditure Budget	Expenditure Actual through 12/31/2024	Percent of Actual to Budget
Confiscated Assets	\$27,000	\$96,100	355.9%	\$427,900	\$95,200	22.2%
E-911	\$2,141,800	\$2,086,200	97.4%	\$2,030,300	\$1,960,700	96.6%
CDBG Fund	\$1,289,100	\$82,800	6.4%	\$848,400	\$207,200	24.4%
Impact Fees	\$64,900	\$298,500	459.9%	\$4,530,300	\$362,300	8.0%
Soil and Erosion Control	\$7,600	\$15,900	209.2%	\$0	\$0	0.0%
Tree Bank Fund	\$100,000	\$65,000	65.0%	\$428,900	\$17,800	4.2%
Hotel/Motel	\$843,700	\$883,100	104.7%	\$678,900	\$678,300	99.9%
Auto Rental Excise Tax	\$156,300	\$234,300	149.9%	\$157,500	\$157,500	100.0%
Leita Thompson Rental	\$34,600	\$30,700	88.7%	\$40,200	\$38,100	94.8%
Special Events Fund	\$409,900	\$413,800	101.0%	\$471,300	\$337,800	71.7%
Recreation Pedestrian Bond	\$0	\$1,108,100	0.0%	\$33,335,100	\$1,024,400	3.1%
Public Safety Bond	\$0	\$126,600	0.0%	\$15,113,500	\$8,632,900	57.1%
Parking Bond	\$0	\$323,600	0.0%	\$13,527,300	\$751,400	5.6%
TSPLOST I Fund	\$467,200	\$1,012,800	216.8%	\$53,074,600	\$432,900	0.8%
TSPLOST II Fund	\$10,293,200	\$11,663,000	113.3%	\$39,378,700	\$361,100	0.9%
Capital Projects Fund	\$14,919,200	\$10,352,100	69.4%	\$30,878,800	\$6,668,700	21.6%
Debt Service	\$7,453,500	\$7,794,200	104.6%	\$4,931,000	\$318,500	6.5%
Water and Sewer	\$2,911,300	\$3,178,200	109.2%	\$3,921,200	\$3,293,000	84.0%
Stormwater Fund	\$2,433,700	\$2,458,100	101.0%	\$3,831,200	\$2,870,400	74.9%
Solid Waste	\$7,594,300	\$7,833,900	103.2%	\$8,696,500	\$7,495,800	86.2%
Recreation Participation	\$4,298,100	\$3,987,800	92.8%	\$4,201,200	\$3,994,700	95.1%
Workers Compensation	\$465,700	\$468,000	100.5%	\$538,500	\$494,800	91.9%
Group Health Insurance	\$6,100,000	\$5,148,800	84.4%	\$6,193,100	\$6,056,300	97.8%
Risk Management	\$954,000	\$954,100	100.0%	\$983,200	\$989,400	100.6%
Fleet Maintenance Fund	\$1,251,400	\$1,270,400	101.5%	\$1,305,800	\$1,178,600	90.3%
Information Technology	\$3,822,700	\$3,868,100	101.2%	\$3,951,700	\$3,433,800	86.9%
Scholarship	\$0	\$0	0.0%	\$0	\$0	0.0%
Total Other Funds	\$68,039,200	\$65,754,200	96.6%	\$233,475,100	\$51,851,600	22.2%

More Information: General Fund Trend



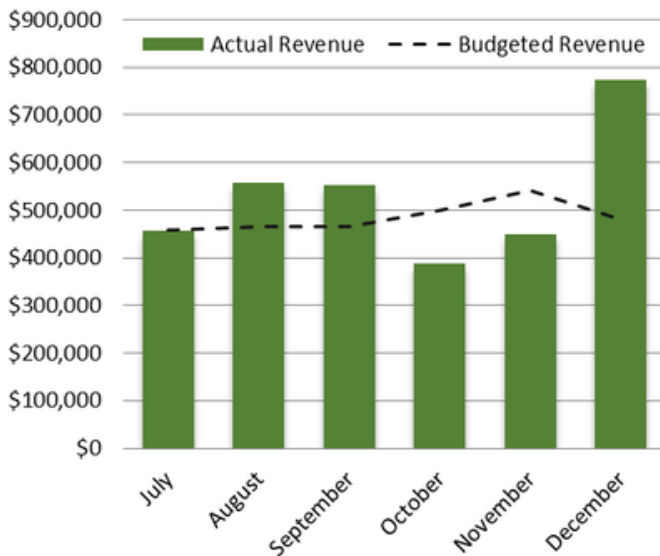
Water & Sewer

Fund 505 Revenues	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Charges for Service	\$2,882,826	\$3,144,300	\$261,474	9%
Investment Earnings	\$28,500	\$33,900	\$5,400	19%
Total	\$2,911,326	\$3,178,200	\$266,874	9%

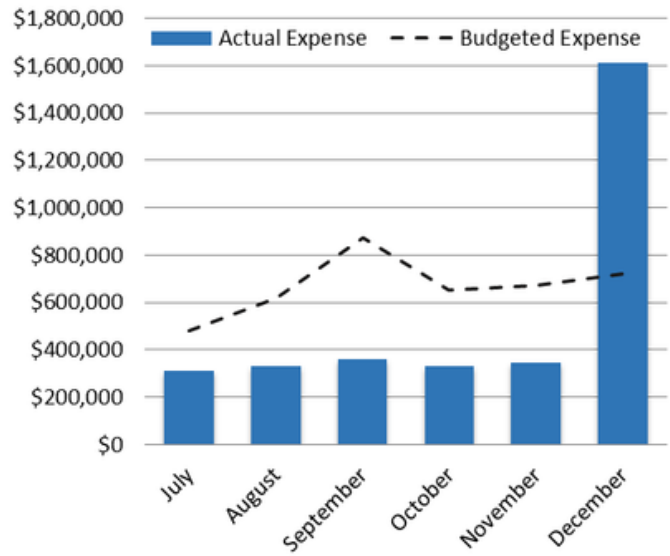
Water & Sewer

Fund 505 Expenses	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Salaries and Benefits	\$1,037,397	\$978,800	\$58,597	6%
Operating	\$701,386	\$474,900	\$226,486	32%
Transfers, Capital, Other	\$2,277,565	\$1,839,300	\$438,265	19%
Total	\$4,016,348	\$3,293,000	\$723,348	18%

Water and Sewer Revenue



Water and Sewer Expenditures



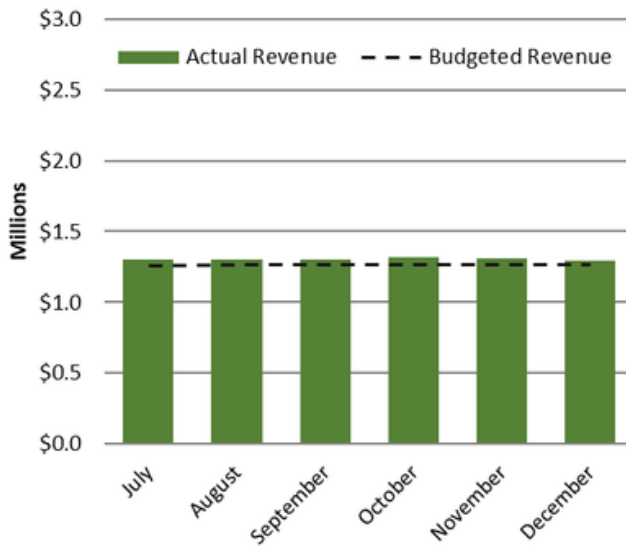
Solid Waste

Fund 540 Revenues	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Charges for Service	\$7,560,073	\$7,773,100	\$213,027	3%
Investment Earnings	\$34,200	\$60,300	\$26,100	76%
Miscellaneous	\$0	\$500	\$500	0%
Total	\$7,594,273	\$7,833,900	\$239,627	3%

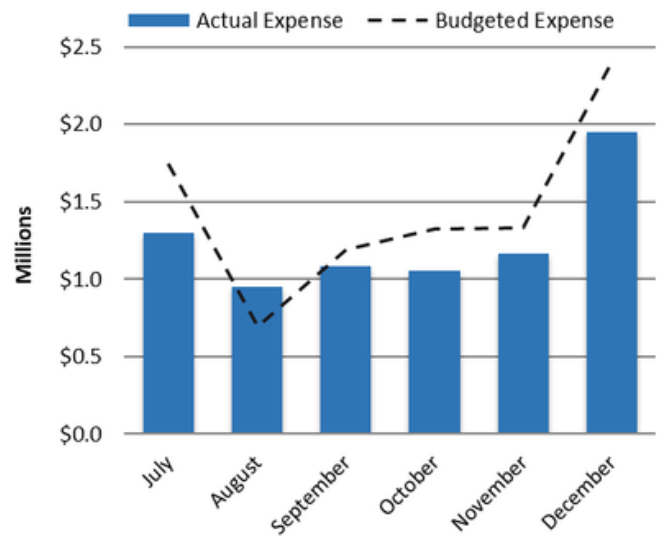
Solid Waste

Fund 540 Expenses	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Salaries and Benefits	\$2,338,516	\$2,221,900	\$116,616	5%
Operating	\$3,788,797	\$3,816,500	(\$27,703)	-1%
Transfers, Capital, Other	\$2,566,929	\$1,457,400	\$1,109,529	43%
Total	\$8,694,242	\$7,495,800	\$1,198,442	14%

Solid Waste Revenue

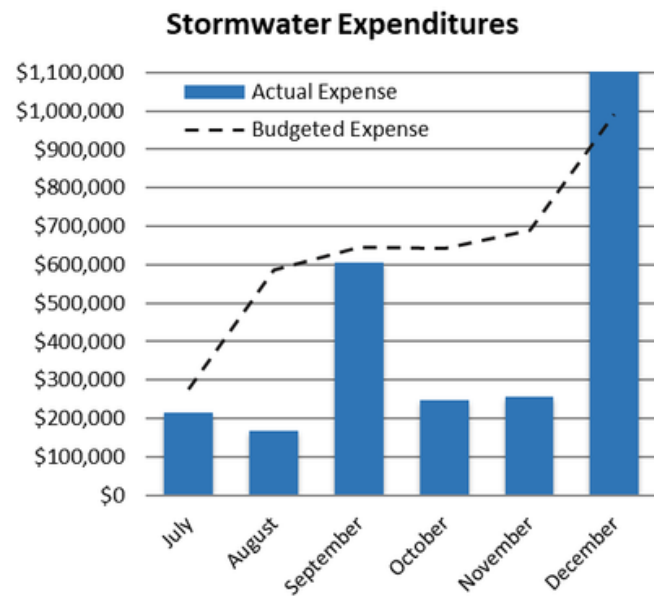
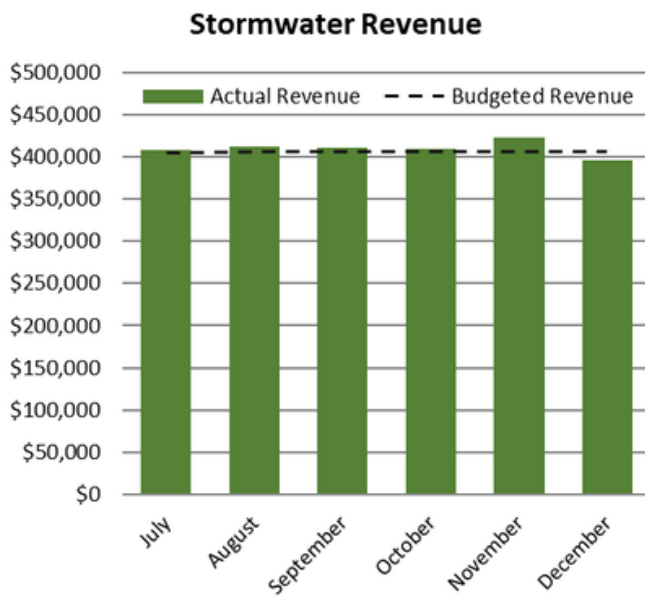


Solid Waste Expenditures



Stormwater	FY 2024		Variance from	
Fund 507	6-Months	FY 2024 6-	Budget to Actual	Percentage of
Revenues	Amended	Months	YTD	Variance
	Budget	Actual YTD	(Unfavorable)	
Charges for Service	\$2,397,258	\$2,390,200	(\$7,058)	0%
Investment Earnings	\$36,450	\$67,900	\$31,450	86%
Total	\$2,433,708	\$2,458,100	\$24,392	1%

Stormwater	FY 2024		Variance from	
Fund 507	6-Months	FY 2024 6-	Budget to Actual	Percentage of
Expenses	Amended	Months	YTD	Variance
	Budget	Actual YTD	(Unfavorable)	
Salaries and Benefits	\$930,031	\$750,600	\$179,431	19%
Operating	\$283,010	\$230,000	\$53,010	19%
Transfers, Capital, Other	\$2,618,170	\$1,889,800	\$728,370	28%
Total	\$3,831,210	\$2,870,400	\$960,810	25%



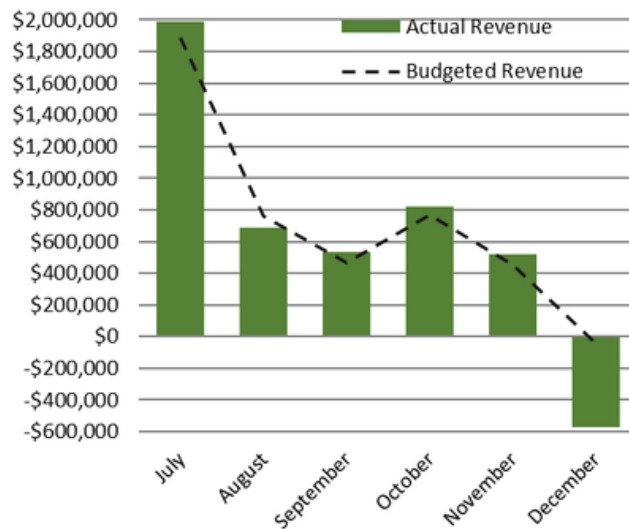
**Recreation
Participation**

Fund 555 Revenues	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Charges for Service	\$4,251,500	\$3,906,700	(\$344,800)	-8%
Investment Earnings	\$46,600	\$81,100	\$34,500	74%
Total	\$4,298,100	\$3,987,800	(\$310,300)	-7%

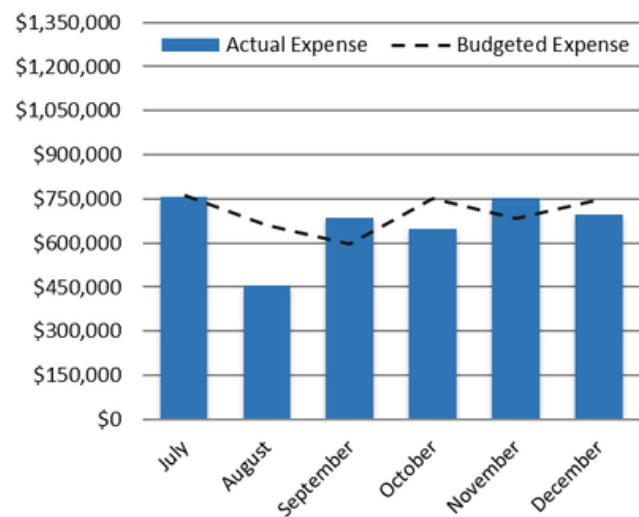
**Recreation
Participation**

Fund 555 Expenses	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Salaries and Benefits	\$2,061,550	\$1,986,700	\$74,850	4%
Operating	\$1,798,235	\$1,666,500	\$131,735	7%
Transfers, Capital, Other	\$341,435	\$341,400	\$35	0%
Total	\$4,201,220	\$3,994,600	\$206,620	5%

Recreation Participation Revenue



Recreation Participation Expenditures



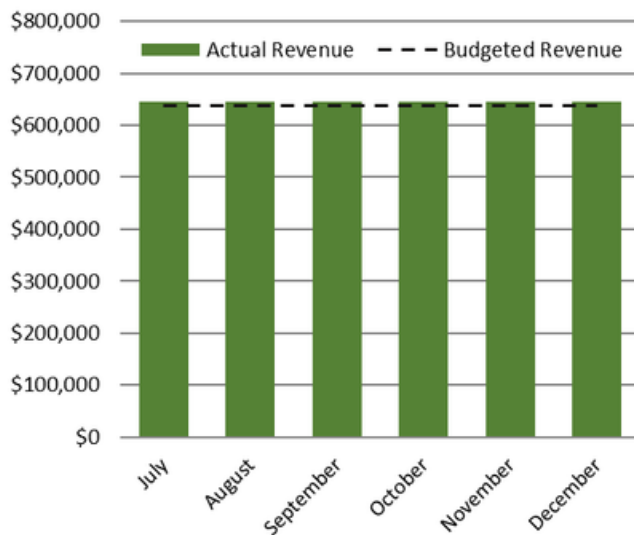
**Information
Technology**

Fund 605 Revenues	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Charges for Service	\$3,822,724	\$3,868,100	\$45,376	1%
Total	\$3,822,724	\$3,868,100	\$45,376	1%

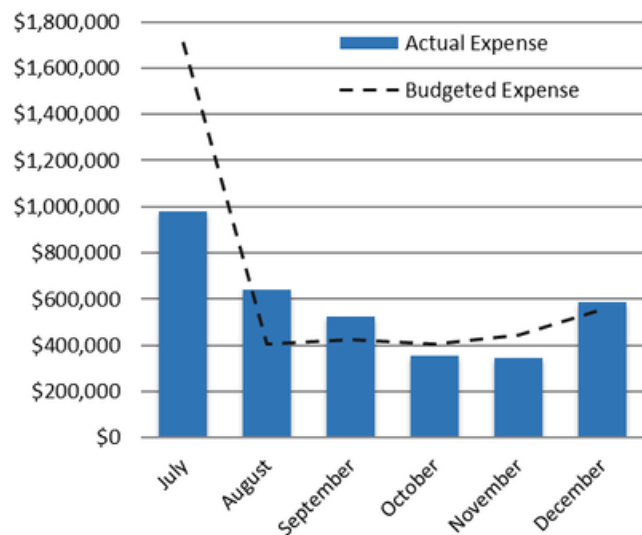
**Information
Technology**

Fund 605 Expenses	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Salaries and Benefits	\$867,553	\$730,700	\$136,853	16%
Operating	\$2,735,804	\$2,361,700	\$374,104	14%
Transfers, Capital, Other	\$346,039	\$341,400	\$4,639	1%
Total	\$3,949,396	\$3,433,800	\$515,596	13%

Information Technology Revenue

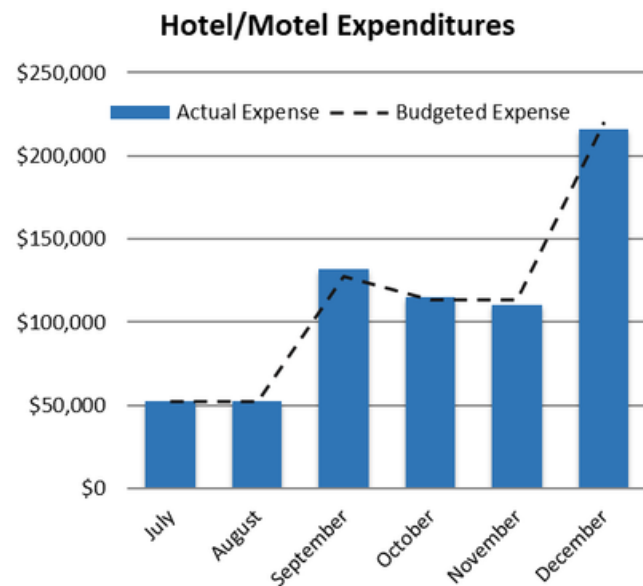
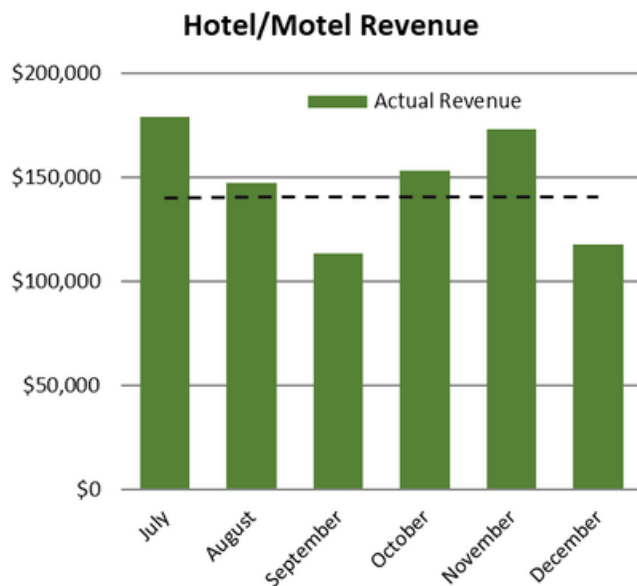


Information Technology Expenditures



<u>Hotel/Motel</u>	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Fund 275 Revenues				
Business Taxes	\$835,000	\$867,200	\$32,200	4%
Investment Earnings	\$8,650	\$15,900	\$7,250	84%
Total	\$843,650	\$883,100	\$39,450	5%

<u>Hotel/Motel</u>	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Fund 275 Expenses				
Operating	\$365,813	\$381,300	(\$15,487)	-4%
Transfers, Capital, Other	\$313,124	\$297,000	\$16,124	5%
Total	\$678,937	\$678,300	\$637	0%



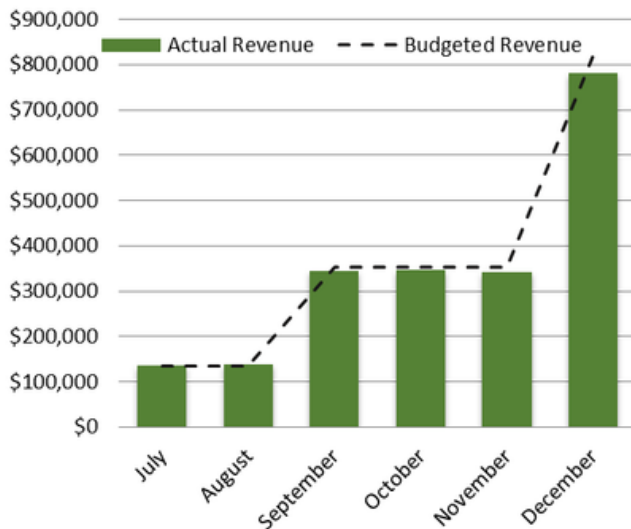
Emergency 911

Fund 215 Revenues	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Charges for Service	\$1,336,512	\$1,275,000	(\$61,512)	-5%
Transfers In	\$800,000	\$800,000	\$0	0%
Investment Earnings	\$5,300	\$10,000	\$4,700	89%
Business Taxes	\$0	\$1,200	\$1,200	0%
Total	\$2,141,812	\$2,086,200	(\$55,612)	-3%

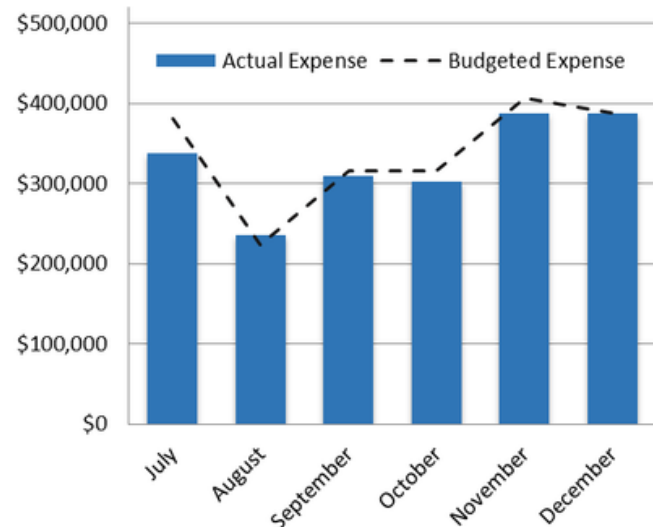
Emergency 911

Fund 215 Expenditures	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Salaries and Benefits	\$1,511,994	\$1,471,100	\$40,894	3%
Operating	\$84,703	\$56,100	\$28,603	34%
Transfers, Capital, Other	\$433,583	\$433,500	\$83	0%
Total	\$2,030,280	\$1,960,700	\$69,580	3%

E-911 Revenue

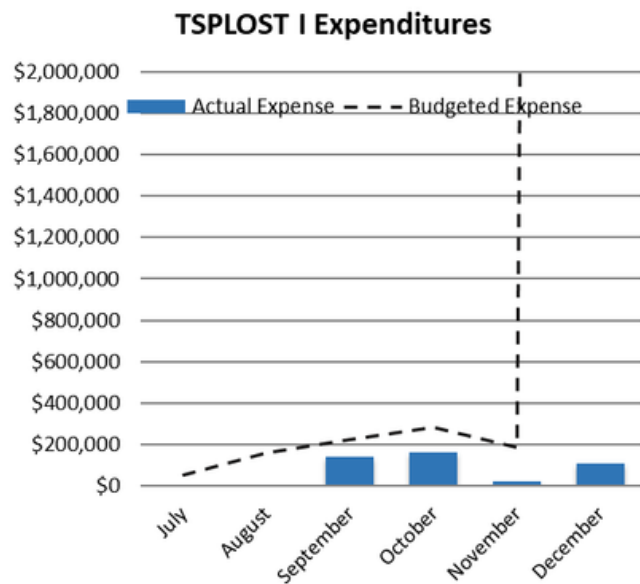
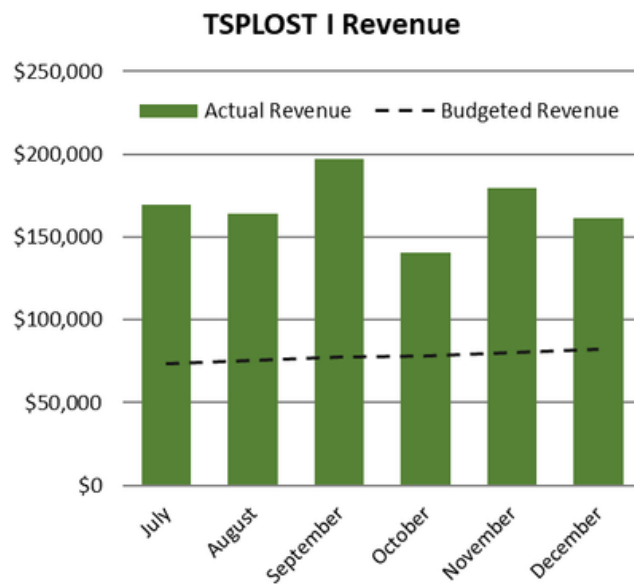


E-911 Expenditures



TSPLOST I	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Fund 336 Revenues				
Investment Earnings	\$467,150	\$1,012,800	\$545,650	117%
Total	\$467,150	\$1,012,800	\$545,650	117%

TSPLOST I	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Fund 336 Expenses				
Operating	\$498,675	\$50,900	\$447,775	90%
Transfers, Capital, Other	\$52,639,921	\$382,000	\$52,257,921	99%
Total	\$53,138,597	\$432,900	\$52,705,697	99%



TSPLOST II	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Fund 337 Revenues				
TSPLOST Sales Tax	\$10,293,213	\$10,686,700	\$393,487	4%
Investment Earnings	\$0	\$976,300	\$976,300	0%
Total	\$10,293,213	\$11,663,000	\$1,369,787	13%

TSPLOST II	FY 2024 6-Months Amended Budget	FY 2024 6- Months Actual YTD	Variance from Budget to Actual YTD (Unfavorable)	Percentage of Variance
Fund 337 Expenses				
Operating	\$1,943,302	\$91,400	\$1,851,902	95%
Transfers, Capital, Other	\$43,435,407	\$269,700	\$43,165,707	99%
Total	\$45,378,709	\$361,100	\$45,017,609	99%

