

City of Monroe, Georgia



2025

Annual Comprehensive Financial Report



For the Fiscal Year Ended December 31, 2025

CITY OF MONROE, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2025

Prepared by Authority of:
City Council, City of Monroe, Georgia
Beth Thompson, Finance Director

CITY OF MONROE, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2025

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June 8, 2026

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Monroe, Georgia:

The Annual Comprehensive Financial Report (ACFR) of the City of Monroe, Georgia for the fiscal year ended December 31, 2025, is hereby submitted as mandated by Official Code of Georgia §36-81-7. The financial statements were prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

City Management assumes full responsibility for the accuracy, completeness, and reliability of the presented data. To provide a reasonable basis for making these representations, management of the City of Monroe has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Monroe's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Monroe's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Mauldin & Jenkins LLC, a firm of certified public accountants, issued an unmodified opinion on the City of Monroe's financial statements for the year ended December 31, 2025. The independent auditor's report is located at the front of the financial section of this report.

If the threshold is met, the City of Monroe is required as part of the independent audit of the financial statements, to undergo a federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. Information related to the single audit if applicable, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued single audit report. For fiscal year 2025, a Single Audit was required.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Monroe's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Monroe incorporated in 1821, is in Northeast Georgia, approximately 40 miles east of Atlanta. Monroe is the county seat of Walton County. The City encompasses approximately 15 square miles and serves an estimated population of 16,270 as of 2025. The City of Monroe is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under a Mayor/Council form of government. Policy-making and legislative authority are vested in a governing Council consisting of the Mayor and eight other members. The Mayor is elected at large, two Council Members are elected from super districts and six Council Members are elected by districts. Council Members and the Mayor serve four-year staggered terms, with an election held every two years. City elections are conducted by the Walton County Board of Elections. The City Administrator, who is appointed by the Mayor and Council, is responsible for carrying out the policies and ordinances of the Council and for overseeing the day-to-day operations of the City of Monroe.

The City of Monroe provides a full range of municipal services in accordance with its charter and applicable state statutes. These services include public safety (police and fire protection), public works (street maintenance and solid waste collection), planning and development (building inspection, zoning, and code enforcement), and cultural and recreational services, including library operations. In addition to traditional governmental services, the City operates enterprise funds that provide electric, natural gas, water, wastewater, and stormwater utilities, as well as telecommunications services including internet and telephone. The City also owns and operates the Cy Nunnally Memorial Airport. Additionally, the City administers the Georgia Utility Training Academy, which provides technical training in electric, water, sewer, and natural gas utilities for municipal and private-sector personnel. Training is conducted by qualified City employees, further enhancing professional development within the utility industry.

The goal of the Mayor and City Council is to maintain the highest quality of citizen and business services while keeping the property tax millage rates at some of the lowest among surrounding areas.

Also included as part of the City's reporting are the City of Monroe Downtown Development Authority (DDA) and the Monroe Area Convention and Visitors Bureau Authority (CVB). While both are legally separate entities, they are included as component units in the City of Monroe's financial statements.

The annual budget serves as the foundation for the City of Monroe's financial planning and control. All departments are required to submit budget requests to the City Administrator and Finance Director, who compile the proposed operating and capital budgets. The City Administrator presents a proposed budget to the Council during their annual retreat work session. The final budget is adopted in accordance with state law. Budget to actual comparisons is provided in this report for each individual governmental fund for which an annual budget has been adopted.

Local Economy

2025 continued to see inflationary pressures have begun to creep into each facet of the city business adding pressures to current rate structures and services of all types. Rates were adjusted to account for some of these pressures but in other areas of services some cost-containment measures have been made as well to ensure fiscal stability.

Fortunately, the City has continued to see a great deal of positive local economic investment. The majority of the City's commercial development lies along the Highway US 78/GA 138 corridor with a new commercial expansion around the Highway 138 extension at Charlotte Rowell Boulevard with what is one of the largest retail projects under construction in the State in recent years. This commercial complex

opened in early 2022 with many additional store openings and outparcel construction continuing through 2025.

Among the top ten employers in the City, four are governments accounting for approximately 19% of the number of jobs in the top ten employers. Two of those government employers, Walton County Board of Commissioners and Walton County Board of Education, are also two of the City's top ten electric, water, gas, and sewer customers.

Economic development is one of the City's main priorities. Local Option Sales Tax (LOST) and Special Purpose Local Option Sale Tax (SPLOST) revenues have steadily increased over the last few years, which is a result of revitalizing our downtown area and with more consumer-friendly shopping online.

All elements of the City, from Downtown to other commercial and residential corridors have thrived through and during the post COVID eras, contributing to a robust and stable local economy, with Downtown Monroe alone attracting 2.1 million visitors in 2025.

Long-Term Financial Planning

The City began in 2018 a plan to create better walkability in our urban core that also links neighborhoods to downtown. The City has created an aggressive plan to rehabilitate and add miles of new standard sidewalk and streetscape sidewalk with local and State funding. Additionally, in 2018 the City applied for (and was later awarded in early 2019) a Transportation Alternatives Project (TAP) Grant that will link the N. Broad project with the rest of Downtown's streetscaping that will create over two continuous miles of downtown streetscaping along the Broad St. corridor. Construction began in late 2025. An additional TAP grant award for design and engineering was awarded in late 2022 for more streetscape to link the S. Madison Street area to the new Downtown Green as well as McDaniel Street to the Downtown area. Those areas are under design and engineering now. Additional SPLOST-funded plans for pedestrian sidewalk links in areas of the City are in process too.

In 2020, the City issued Combined Utility Revenue Bonds in the amount of \$43.7 million for several major projects throughout the City. The proceeds of the bonds will be used for construction, extending and/or improving the City's water, sewer, natural gas, and telecommunications systems. A great deal of progress on these projects has been made in 2025 with all projects completed by the end of Q2 2026.

Capital projects are generally financed using available grants and the SPLOST fund. A SPLOST continuation was passed by voters in 2018 with collections to begin in 2019. Capital Projects in the Enterprise Fund are paid from an Expansion and Repair fund and the Utility Municipal Competitive Trust fund. A SPLOST referendum for continuation of the tax passed the ballot measure in May, 2024 adding another six-year term for the SPLOST program.

Major Initiatives

The City of Monroe continues to work closely with Georgia Department of Transportation and Walton County to implement the area's transportation initiatives. The Highway US 78/GA 138 area's growth has seen the need to address traffic in this area. This is one example of the partnership to improve our local transportation network. Another example is the partnership between Monroe and Walton County to complete a truck by-pass around the historic downtown area. This much needed was completed in October, 2025 and operation on November 1, 2025. Additional intergovernmental partnership initiatives include an interchange signalization at Hwy 78 and Hwy 11 to align with the forthcoming truck connector, now under design, and potentially taking portions of SR11 and SR 10 off-system for greater local control in the core of the City. These projects aim to keep Monroe and Walton County traffic moving.

Additionally, the City has begun to address the public's need for quality passive parks. One of the major initiatives in this realm is the property acquisition and Brownfield completion of a new Downtown Green. This almost two-acre site along Church St. and S. Madison Ave. was recently redeveloped into an all-year park and entertainment space that features a splash pad, outdoor amphitheater, walking space, open green space, and tree plantings. The redevelopment of this site has helped to broaden the feel of the City's general downtown area just two blocks east of Broad St. Construction was completed in December 2023 and opened with First Friday night concerts beginning in May 2024. It has continued to prove as a catalyst for additional area redevelopment projects.

Other City Park initiatives involve rehabilitation of existing parks throughout the City such as Mathews Park and Pilot Club Park that were both recently completed as well as master planning the newly acquired 143-acre park along the Alcovy River, which will contain river access for canoeing, kayaking, and walking and bicycle trails. A grant was applied for to assist with River Park construction costs.

The City has continued to address slum and blight by acquiring properties along S. Madison Avenue where some of the buildings were demolished to make way for event overflow parking and some redevelopment opportunities, including a new well-branded boutique hotel, which is looking like a 2026 deal will be concluded.

The City of Monroe is also pursuing aggressive economic development initiatives and informally partners with the Walton County Development Authority to attract new cutting-edge industries and retain the thousands of industrial jobs that currently call Monroe home. Major industry announcements are expected in 2026.

To keep up with industry and immense housing demand, the City is currently designing and engineering a major wastewater treatment plant expansion to 6.8 million gallons per day, up from the currently permitted 3.4 million gallons per day. The entire project is expected to be completed in roughly three years but will likely take some external financing to complete. Financing will be completed in 2026.

Relevant Financial Policies

The purpose of the City of Monroe's financial management policy is to ensure that the City conducts its investment, cash, and debt management activities in a responsible manner in full compliance with Federal and State Law. The City is committed to providing adequate cash flows to meet all current and future obligations. Adherence to this policy has allowed the City to maintain financial stability, all cash funds are properly collateralized, and no short-term financing has been needed to meet operations.

Additionally, it is the City's policy to maintain budgetary controls to ensure compliance with legal requirements of the State of Georgia. Policies are amended and kept up to date as often as possible to ensure legality and efficiency in our controls. The budget development is led by the City Administrator who according to local ordinance shall prepare and submit the annual operating budget and capital budget to the Mayor and Council. Annually appropriated budgets are formally adopted for the General Fund and all special revenue funds. Project-length budgets are adopted for all capital projects funds, where appropriations remain active until project completion rather than lapsing annually. The annual appropriation resolution approved by the Mayor and Council is adopted for all fund types with the legal level of control at the department level. This means that department directors and management may transfer budget allocations within a single department without Council approval but cannot overspend a department's total bottom-line appropriation without formal amendment and approval from the City Council. Finally, a public hearing is advertised and held, and the final budget is advertised. The adopted budget may be revised during the year only by formal action of the City Council in a regular meeting and

no increase shall be made without provision also being made for financing same. During the year the budget was amended by Council; further details on these amendments can be found in the MD&A.

Awards and Acknowledgements

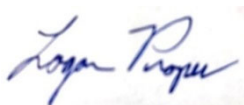
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe, Georgia, for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2024. This was the twenty-third consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Management believes that the current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2024. This was the twenty-first consecutive year that the City has received this award. To be awarded the PAFR Award, a governmental unit must publish a Popular Annual Financial Report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Management believes that the current PAFR continues to conform to the Popular Annual Financial Reporting Program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

The City received the Distinguished Budget Presentation Award for its annual budget for the fiscal year beginning January 1, 2025. This was the fourteenth consecutive year that the City has received this award. To receive the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The award is valid for a period of one year only. The City has submitted its annual budget for the fiscal year beginning January 1, 2026, to the GFOA for consideration in the Distinguished Budget Presentation Awards Program, and management believes the budget document continues to conform to program requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Monroe's finances and our Department Directors for ensuring funds are spent responsibly.

Respectfully submitted,



Logan Propes
City Administrator



Beth Thompson
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Monroe
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

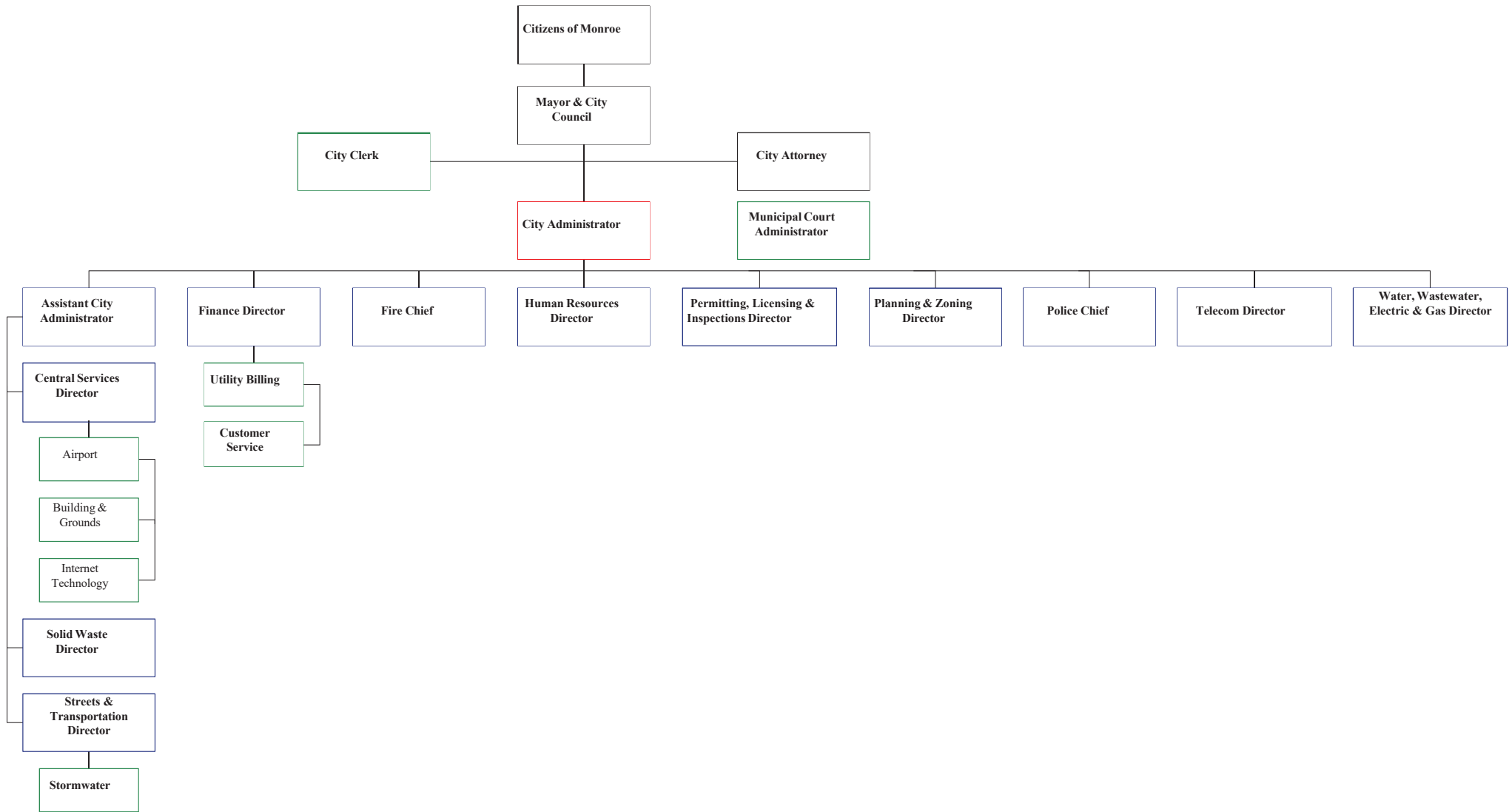
CITY OF MONROE, GEORGIA
LIST OF ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2025

ELECTED OFFICIALS

Mayor	John Howard
Council Member, District 1	Lee Malcom
Council Member, District 2	Myoshia Crawford
Council Member, District 3	Ross Bradley
Council Member, District 4	Julie Sams
Council Member, District 5	Adriane Brown
Council Member, District 6	Tyler Gregory
Council Member, District 7	Greg Thompson
Council Member, District 8	David Dickinson

APPOINTED OFFICIALS

City Administrator	Logan Propes
Assistant City Administrator	Chris Bailey
Electric, Gas, Sewer & Water Director	Rodney Middlebrook
Finance Director	Beth Thompson
Fire Chief	Andrew Dykes
Human Resources Director	Les Russell
Planning & Zoning Director	Brad Callendar
Police Chief	R.V. Watts
Solid Waste Director	Danny Smith
Streets & Transportation Director	Jeremiah Still
Telecommunications Director	Mike McGuire



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of City Council
City of Monroe, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Monroe, Georgia** (the "City") as of and for the year ended December 31, 2025, 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, Georgia, as of December 31, 2025, and the respective changes in financial position, and where applicable, cash flows thereof, and the budgetary comparison schedule for the General Fund 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. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions 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 nonmajor fund financial statements and schedules, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, as required by the Official Code of Georgia 48-8-121 (the "supplementary information"), 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 June 8, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 8, 2026

CITY OF MONROE, GEORGIA
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2025

As management of the City of Monroe, we offer readers of the City of Monroe's financial statements this narrative overview and analysis of the financial activities of the City of Monroe, Georgia (the "City") for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the City of Monroe exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$176,728,525 (reported as "net position"). Of this amount, \$26,799,189 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- Total net position increased by \$12,098,836 during 2025 resulting primarily from business-type activities.
- As of the close of the fiscal year, the City of Monroe's governmental funds reported combined fund balances of \$15,097,569 an increase of \$1,903,039 from the prior year. Approximately 56% or \$8,434,845 of this amount is available for spending at the government's discretion (unassigned fund balance). At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) for the General Fund was \$8,440,345 or approximately 40% of total General Fund expenditures.
- At the close of the fiscal year, assets and deferred outflows of resources in the City of Monroe's Utilities Fund exceeded its liabilities and deferred inflows by \$118,721,630. Of this, \$24,565,580 (unrestricted net position) is available to meet the Utilities' ongoing obligations to its customers and creditors.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the City of Monroe's net position changed during the fiscal year ended December 31, 2025. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the City include utilities (and utility training academy) and solid waste.

The government-wide financial statements include not only the City of Monroe itself (known as the primary government), but also a legally separate Downtown Development Authority and Convention & Visitors Bureau for which the City of Monroe exercises control over these component units by appointing its members. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 17-19 of this report.

Fund Financial Statements. The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Monroe, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary 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 balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Monroe maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered the only major, governmental fund. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements on pages 65 and 66 of this report.

The City adopts an annual appropriated budget for its General Fund and special revenue funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget and can be found on page 23 of this report. Budgetary comparisons for special revenue funds can be found on pages 67-70 of this report.

Proprietary Funds. The City of Monroe maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility, solid waste and training center operations. The Utilities and Solid Waste funds are considered major. They are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

The City's proprietary fund financial statements are presented on pages 24-26.

Notes to the 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 27-62 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Monroe's progress in funding its liability to provide pension benefits to its employees. Required supplementary information can be found on page 63 and 64 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. In the case of the City of Monroe, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$176,728,525 at the close of the most recent fiscal year.

By far the largest portion of the City's net position, \$139,565,914 (79%) reflects its investment in capital assets such as land, buildings, equipment, right-to-use assets, and infrastructure (streets, bridges, sidewalks and utility service lines) less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its 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.

The table on the following page summarizes the City's net position as of December 31, 2025 compared to the prior year-end.

CITY OF MONROE, GEORGIA

Net Position

Fiscal Years 2025 and 2024

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 18,256,675	\$ 15,469,755	\$ 42,226,060	\$ 50,422,349	\$ 60,482,735	\$ 65,892,104
Capital assets	51,452,043	51,498,177	141,895,002	124,808,991	193,347,045	176,307,168
Total assets	<u>69,708,718</u>	<u>66,967,932</u>	<u>184,121,062</u>	<u>175,231,340</u>	<u>253,829,780</u>	<u>242,199,272</u>
Total deferred outflows						
of resources	<u>2,360,961</u>	<u>1,883,345</u>	<u>2,368,794</u>	<u>1,937,332</u>	<u>4,729,755</u>	<u>3,820,677</u>
Long-term liabilities	12,499,018	11,823,701	60,373,196	60,448,355	72,872,214	72,272,056
Other liabilities	2,616,967	1,776,063	5,764,785	5,570,306	8,381,752	7,346,369
Total liabilities	<u>15,115,985</u>	<u>13,599,764</u>	<u>66,137,981</u>	<u>66,018,661</u>	<u>81,253,966</u>	<u>79,618,425</u>
Total deferred inflows						
of resources	<u>214,624</u>	<u>810,842</u>	<u>362,420</u>	<u>960,993</u>	<u>577,044</u>	<u>1,771,835</u>
Net Position:						
Net investment in capital assets	46,506,277	46,254,298	93,059,637	88,495,581	139,565,914	134,749,879
Restricted	6,481,325	5,180,878	3,882,097	3,881,308	10,363,422	9,062,186
Unrestricted	3,751,468	3,005,495	23,047,721	17,812,129	26,799,189	20,817,624
Total net position	<u>\$ 56,739,070</u>	<u>\$ 54,440,671</u>	<u>\$ 119,989,455</u>	<u>\$ 110,189,018</u>	<u>\$ 176,728,525</u>	<u>\$ 164,629,689</u>

An additional portion of the City’s net position (6%) represents resources that are subject to external restrictions on how they may be used. Finally, the remaining balance of net position, classified as unrestricted net position, totals \$26,799,189 (15%) and may be used to meet the government’s ongoing obligations to citizens and creditors.

Although the net position in our business-type activities represents 68% of total net position, the City generally can only use these resources to finance the continuing operations of the business-type activities.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position. The overall net position of the City increased \$12,098,836 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Changes in Net Position
Fiscal Years 2025 and 2024

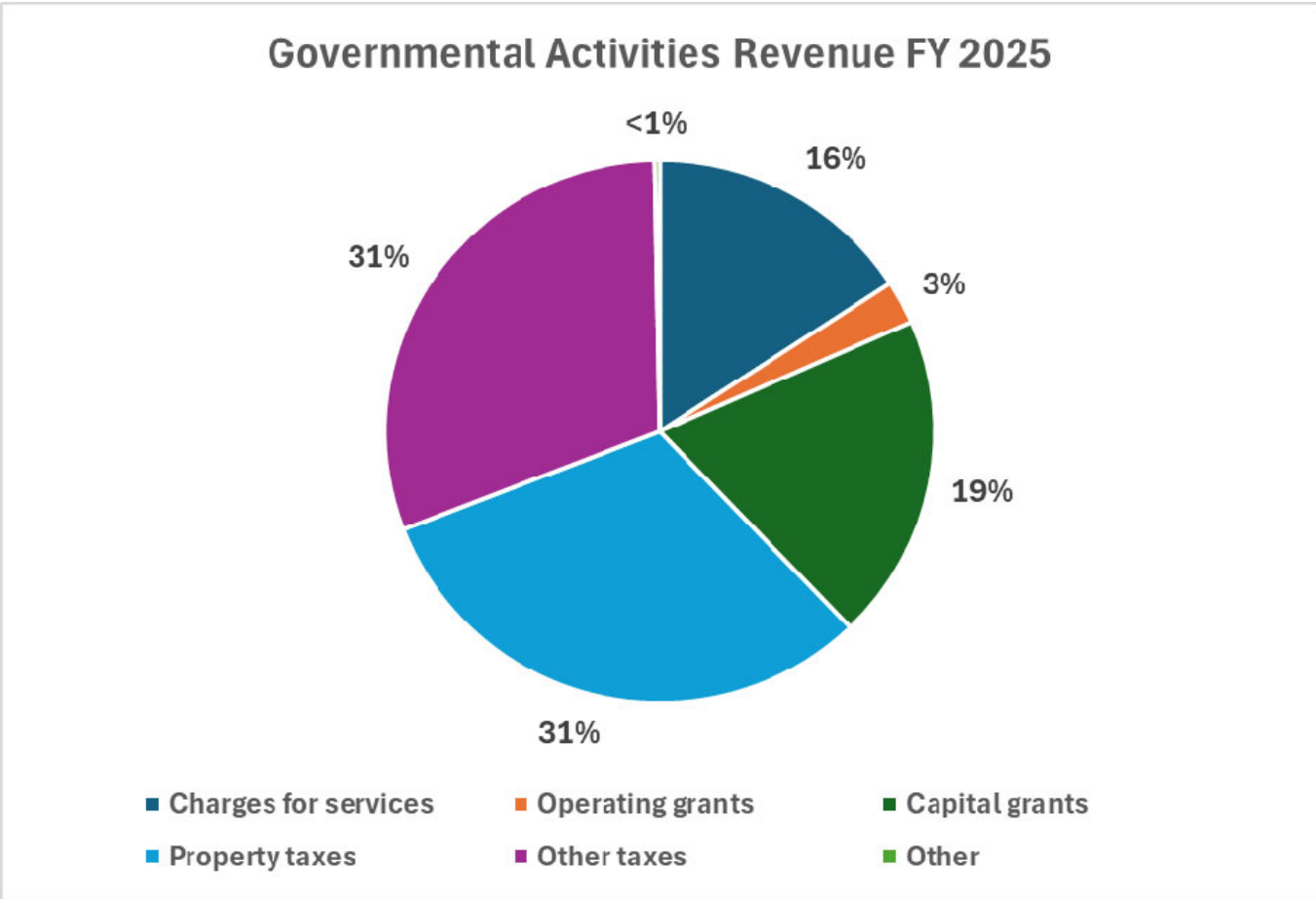
	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 3,348,571	\$ 2,652,188	\$ 62,284,400	\$ 54,103,856	\$ 65,632,971	\$ 56,756,044
Operating grants	546,174	532,738	-	-	546,174	532,738
Capital grants	4,109,005	8,184,226	4,068,651	1,162,235	8,177,656	9,346,461
General revenues:						
Property taxes	6,626,370	6,110,165	-	-	6,626,370	6,110,165
Other taxes	6,468,575	6,105,944	-	-	6,468,575	6,105,944
Gain on sale of assets	35,232	-	1,231	-	36,463	-
Other	28,875	85,276	1,653,589	1,880,375	1,682,464	1,965,651
Total revenues	21,162,802	23,670,537	68,007,871	57,146,466	89,170,673	80,817,003
Expenses:						
General government	2,087,497	2,179,953	-	-	2,087,497	2,179,953
Judicial	297,491	263,027	-	-	297,491	263,027
Public safety	12,970,449	11,145,931	-	-	12,970,449	11,145,931
Public works	4,042,720	3,375,615	-	-	4,042,720	3,375,615
Health and welfare	64,651	49,266	-	-	64,651	49,266
Culture and recreation	1,367,585	1,703,702	-	-	1,367,585	1,703,702
Housing and development	1,556,145	1,881,545	-	-	1,556,145	1,881,545
Interest on long-term debt	255,457	262,609	-	-	255,457	262,609
Utilities	-	-	45,864,254	43,067,864	45,864,254	43,067,864
Solid waste	-	-	8,565,588	7,971,288	8,565,588	7,971,288
Total expenses	22,641,995	20,861,648	54,429,842	51,039,152	77,071,837	71,900,800
Increase (decrease) in net position before transfers						
	(1,479,193)	2,808,889	13,578,029	6,107,314	12,098,836	8,916,203
Transfers	3,777,592	2,791,413	(3,777,592)	(2,791,413)	-	-
Increase in net position	2,298,399	5,600,302	9,800,437	3,315,901	12,098,836	8,916,203
Net position, beginning	54,440,671	48,840,369	110,189,018	106,873,117	164,629,689	155,713,486
Net position, ending	\$ 56,739,070	\$ 54,440,671	\$ 119,989,455	\$ 110,189,018	\$ 176,728,525	\$ 164,629,689

Governmental Activities. Governmental activities increased the City of Monroe’s net position by \$2,298,399. Key elements of this increase are as follows:

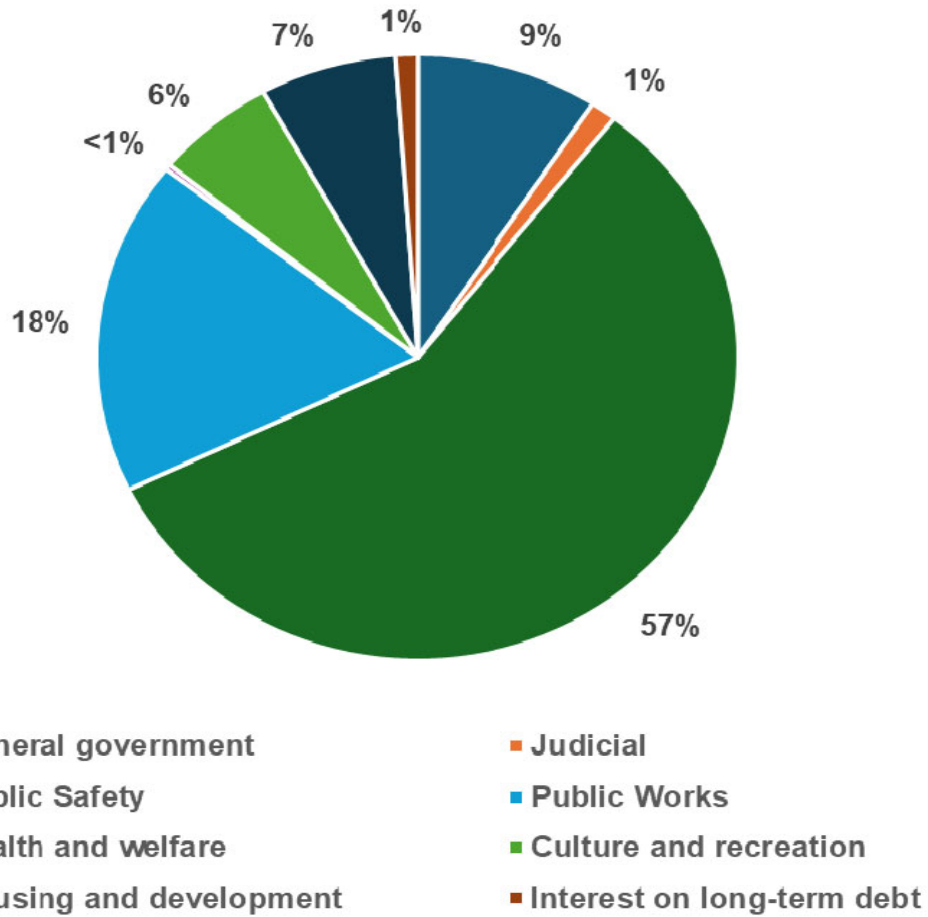
- Charges for services increased by \$696,363 in fiscal year 2025 compared to fiscal year 2024. The City’s revenues for entertainment shows such as car shows, concerts, fall festivals, Christmas parade, summer festivals and farmers market in fiscal year 2025 were \$35,617 more than it was in fiscal year 2024; Airport fuel fees and hangar rent revenues were \$73,055 more in 2025 than in 2024; Employee self-insurance fee increased by \$58,360; and Heath Insurance refund revenue was \$850,418 more in fiscal year 2025 than in fiscal year 2024. The City also started charging an impact fee in fiscal year 2025, total revenue earned was \$48,427.

- Capital grants revenue decreased by \$4,075,221 in fiscal year 2025 compared to fiscal year 2024 despite the City's receiving \$426,182 more in TAP grants than it did in fiscal year 2024 and collecting \$2,890,186 for SPLOST 2025. In fiscal year 2024, the City received various large grants including American Rescue Plan Grant for \$1,939,862; FEMA fire fighter's grant for \$25,423 and collected \$4,009,564 in the final year of SPLOST 2019.
- Taxes - Ad Valorem property tax revenue increased by \$516,205 due to increased growth in property tax digest and the 0.273mil increase in millage rate from 6.661 in fiscal year 2024 to 6.934 in fiscal year 2025; Other taxes increased by \$362,631 due to steady economy growth in the City. Other taxes include Local Option Sales and Use tax increased by \$33,822; Business and Occupational tax increased by \$78,536; and Insurance Premium increased by \$199,454.
- Transfers in from business-type activities totaled \$3,777,592, an increase of \$986,178 (35%) due to an increase in revenue contribution from the Utility Fund from 6% to 7% and from the Solid Waste Fund from 5% to 6.5% in fiscal year 2025 as compared to fiscal year 2024.
- Governmental expenses overall increased \$1,780,347. This is primarily attributable to an increase in personnel and benefits for public safety employees that increased by \$1,468,489 partly due to a 2% increase in salaries for certified police officers and a 5% increase for the fire fighters' salaries. Also, sidewalk and street repairs increased by \$353,962 in fiscal year 2025.

The following graphs show the breakdown by percentage of governmental activities revenues and expenses:

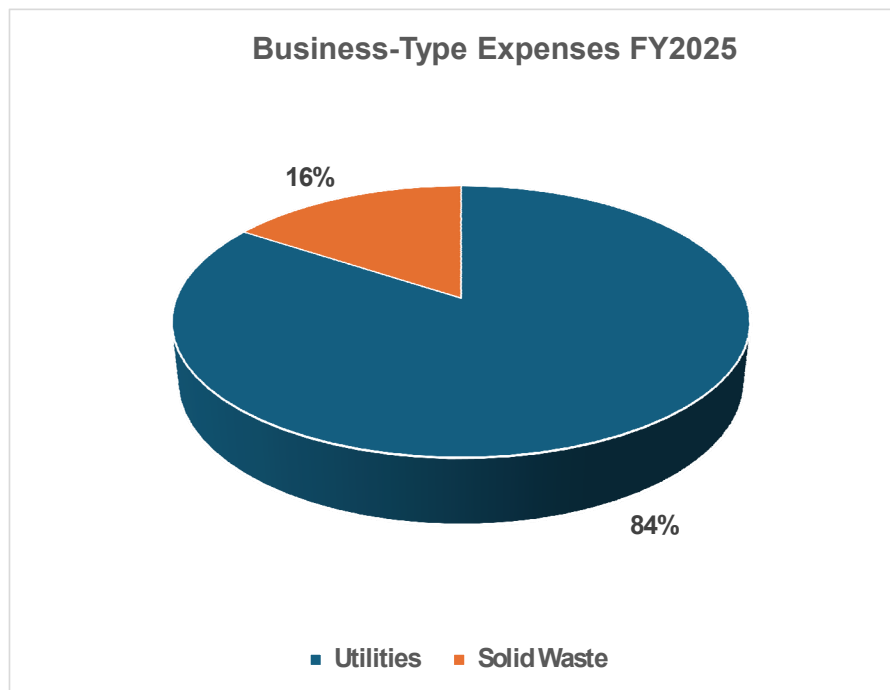
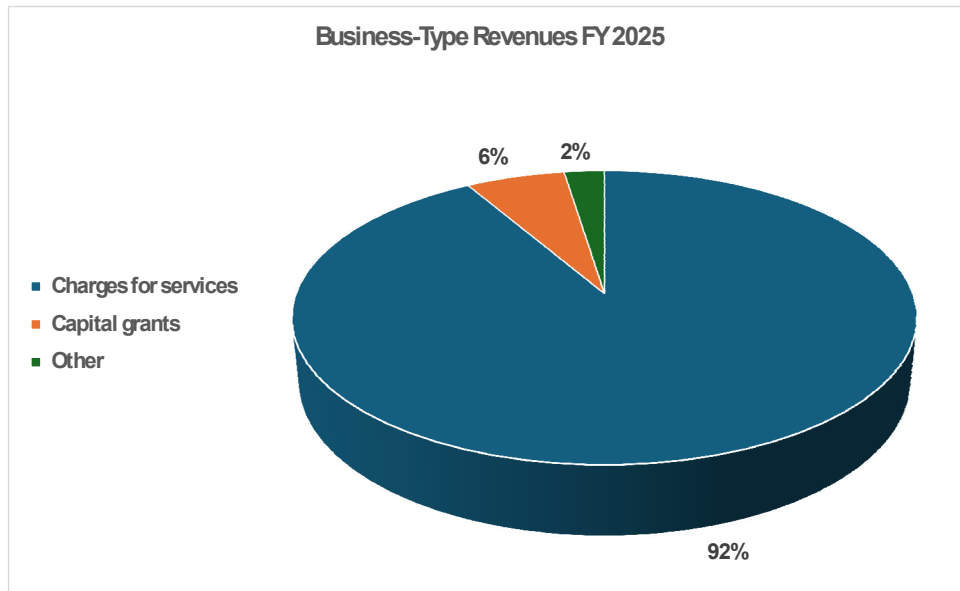


Governmental Activities Expenses FY 2025



Business-Type Activities. Business-type activities increased the City of Monroe’s net position by \$9,800,437. The Utilities Fund, largest of the City’s business-type activities, accounted for 84% of the operating expenses and approximately 87% of the operating revenues among business-type activities. Key elements are as follows:

- Increase in Solid Waste revenue by \$871,558 primarily due to a 30% increase in residential garbage fee, a 5% increase in commercial garbage fee and a 3% increase in transfer station fee.
- Increase in Utility revenues by \$8,180,544 was partly due to increase in monthly base rate for Electricity from \$10 to \$22.50; Gas from \$12 to \$24.50; Water from \$15 to \$27.50; and Sewer from \$15 to \$27.50 and partly due to Capital Grants and Contributions that increased by \$2,869,280, mainly from GEFA grant that has an increase of \$843,173 and Capital Contribution from Developers with an increase of \$2,869,280 in fiscal year 2025.



Financial Analysis of Governmental Funds

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

Governmental Funds. The focus of the City of Monroe’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 discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Mayor and City Council.

The City's governmental funds reported combined fund balances of \$15,097,569, an increase of \$1,903,039 in comparison with the prior year. Approximately 56% of this amount (\$8,434,845) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is nonspendable, restricted, or assigned to indicate that it is: 1) not in spendable form \$187,131, 2) restricted for particular purposes \$6,470,093, or 3) assigned for particular purposes \$5,500.

The General Fund is the chief operating fund of the City of Monroe. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$8,434,845 of the total fund balance of \$8,627,476. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 39.8% of total General Fund expenditures, while total fund balance represents 40.7% of total General Fund expenditures.

The amount of nonspendable fund balance for the General Fund is made up of prepaid items of \$169,396 and leasing arrangements of \$17,735 which in total is approximately 2% of the General Fund's total fund balance.

Fund balance of the City of Monroe's General Fund increased by \$573,837 during the current fiscal year. A key factor in this increase was due to transfers in from other funds of \$3,777,592, an increase of \$986,178; and an increase in tax revenue by \$897,260.

The City of Monroe's SPLOST Fund and American Rescue Plant Act Fund (ARPA) Fund, that were classified as major funds in previously years, were reclassified as nonmajor funds in fiscal year 2025.

Total fund balance for nonmajor special revenue funds at year-end was \$420,967. Included in the total was a net increase of \$102,365 in the current fiscal year. Funds included are the Forfeited Drug Fund, Hotel/Motel Tax Fund, Opioid Remediation Fund and ARPA Fund. In the Forfeited Drug Fund, the increase of \$86,459 was primarily due to an increase in revenue and a decrease in expenditures for law enforcement purposes. The Hotel/Motel Tax Fund had an increase of \$1,113 primarily due to an increase in general tourism activity and thus hotel revenue. This fund accounts for local room taxes collected with the fund balance restricted for tourism in the City. Fund balance was \$130,151 for the Opioid Remediation Fund. This fund is set aside for prevention, treatment, and reduction in opioid use. The ARPA Fund closed in 2025 to a zero fund balance.

Total fund balance for nonmajor capital projects funds at year-end was \$6,049,126. Funds included are the Capital Projects Fund with a fund balance of \$2,740; SPLOST funds with a fund balance of \$5,919,724; Impact Fee Fund with a fund balance of \$48,387; and Urban Redevelopment Authority Fund with a fund balance of \$78,275.

Fund Balance of the nonmajor governmental funds in total was \$6,470,093, increased \$1,329,202 from the prior year, primarily due to increase in revenues in the nonmajor funds.

Proprietary Funds. The proprietary funds share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This provides a perspective like that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

Unrestricted net position of the Utilities Fund at the end of the year amounted to \$24,565,580, the Solid Waste Fund amounted to \$(1,517,859). The combined total unrestricted net position for these funds was \$23,047,721.

For the year, the total net position of the Utilities Fund increased by \$10,474,385 and the Solid Waste Fund decreased by \$673,948. Financial analysis regarding these funds can be found in the business-type activities section. This resulted in a total increase in proprietary funds net position of \$9,800,437.

General Fund Budgetary Highlights

The City of Monroe's General Fund budget is prepared according to Georgia law and was amended as necessary by Council during the fiscal year. Primary differences between the original budget and the final amended budget for the General Fund are summarized as follows:

Revenues:

- Total budgeted revenues (including other financing sources) were amended from original to final budgets from \$19,319,606 to \$21,598,773, respectively.
- Actual revenues (including other financing sources) were \$21,778,068, over final budgeted amounts by \$179,295.

Expenditures:

- Total budgeted expenditures increased by \$2,279,167 from original to final budgets from \$19,319,606 to 21,598,773 respectively.
- Total expenditures came in \$394,542 less than the final budgeted amounts.

A comparison on General Fund actual expenditures to budget can be found on page 23. The most significant variances in budget to actual within revenues resulted from increases in various taxes collections, contributions and miscellaneous revenues. Total revenues variance in excess of budget (excluding other financing uses) was \$186,754.

Capital Asset and Debt Administration

Capital Assets. The City of Monroe's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to \$193,347,045 (net of accumulated depreciation and amortization). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment, furniture and vehicles, construction in progress and right-to-use assets.

Major capital asset events during the current fiscal year included the following:

Governmental-type activities:

- Purchase of \$913,630 in machinery, equipment and vehicles.
- Construction in progress as of the end of the current fiscal year totaling \$3,402,003.
- Disposals or sale of equipment, furniture or vehicles totaled \$270,122.

Business-type activities:

- Purchase of \$3,007,957 in specialized service installation equipment and vehicles.
- Construction in progress additions of \$18,657,770 related to utility infrastructure and improvements.
- Construction in progress as of the end of the current fiscal year totaling \$24,733,849 for electric, gas, sewer, water and cable upgrades and projects.
- Disposals or sale of equipment, furniture or vehicles totaled \$73,633.

CITY OF MONROE, GEORGIA
Capital Assets
(net of depreciation)
Fiscal Years 2025 and 2024

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2025	2024	2025	2024	2025	2024
Land	\$ 8,796,230	\$ 8,796,230	\$ 2,676,238	\$ 2,676,238	\$ 11,472,468	\$ 11,472,468
Infrastructure	23,672,690	24,251,408	85,340,261	67,312,258	109,012,951	91,563,666
Buildings and improvements	11,721,234	11,375,956	19,984,500	20,681,473	31,705,734	32,057,429
Equipment, furniture, and vehicles	2,289,838	3,229,587	8,921,453	8,715,614	11,211,291	11,945,201
Construction in progress	3,402,003	2,924,458	24,733,849	25,065,559	28,135,852	27,990,017
Right-to-use assets - vehicles	1,570,048	920,538	238,701	357,849	1,808,749	1,278,387
Total	<u>\$ 51,452,043</u>	<u>\$ 51,498,177</u>	<u>\$ 141,895,002</u>	<u>\$ 124,808,991</u>	<u>\$ 193,347,045</u>	<u>\$ 176,307,168</u>

Additional information on capital assets can be found in the Notes to Financial Statements on pages 45-46 of this report.

Long-Term Debt. As of December 31, 2025, the City of Monroe’s total long-term debt outstanding is \$58,306,814. The majority of this balance represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

CITY OF MONROE, GEORGIA
Outstanding Debt
Revenue Bonds, Leases, and Notes Payable
(net of premiums and discounts)
Fiscal Years 2025 and 2024

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2025	2024	2025	2024	2025	2024
Revenue bonds	\$ 1,394,100	\$ 1,836,500	\$ 50,925,732	\$ 53,001,701	\$ 52,319,832	\$ 54,838,201
Financed purchases	497,078	744,113	-	-	497,078	744,113
Leased liability	1,414,871	868,821	254,207	358,024	1,669,078	1,226,845
Notes payable	1,628,485	1,754,458	2,192,341	860,969	3,820,826	2,615,427
Total	<u>\$ 4,934,534</u>	<u>\$ 5,203,892</u>	<u>\$ 53,372,280</u>	<u>\$ 54,220,694</u>	<u>\$ 58,306,814</u>	<u>\$ 59,424,586</u>

The City of Monroe’s total debt decreased a net of \$1,117,772 during the current fiscal year. State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City of Monroe is \$89.6 million. The City paid off the General Obligation bond in 2019. The City incurred a utility revenue bond in the amount of \$50 million in 2020 for water, sewer, gas and telecom projects.

The City of Monroe’s outstanding governmental activity debt or general obligation (GO) debt enjoys a favorable rating of A+ from Standard & Poor’s Rating Service. The City’s outstanding business-type activity debt or utility revenue bond debt is rated A- by Standard & Poor’s Rating Service and A2 by Moody’s Investors Service.

Additional information on the City of Monroe’s long-term debt can be found in the Notes to Financial Statements on pages 47-52.

Economic Factors and Next Year's Budgets and Rates

Although the City is seeing revenue and overall economic improvement over the past several years, Council and the Finance Department are keen to carefully manage fund balances and to maintain an adequate amount of fund balance to meet debt obligations and help to mitigate against any future economic downturns.

The following indicators were taken into account when adopting the General Fund budget for 2026:

- A 1.40% net increase in property tax was budgeted for 2026. Although the City increased the millage rate by 0.273 to 6.934 mills, the increase in budgeted collections contributed mainly to new growth.
- Building permit collections are expected to remain stable.
- The budget includes a potential merit-based salary increase of up to 3%, effective mid-year, based on employee performance evaluations. Fiscal year 2026 marks the first year of a three-year phased salary increase for certified police officers, beginning with an increase effective in January 2026. This initiative introduces a new merit-based pay scale for the Police Department.
- A total of two new full-time positions were added for fiscal year 2026, one in the Natural Gas Department and one shared position between the Telecom & Natural Gas Departments, while five full-time vacant positions across various departments citywide were unfunded in fiscal year 2026.
- Collection of 2019 SPLOST revenues ended in 2024. Budgeted expenditures for funds previously collected are projected to be \$1,115,000 in FY2026, a \$1,281,952 decrease compared to 2025.
- 2025 SPLOST that was passed in 2024 and implemented in fiscal year 2025 was budgeted for collections of \$2,800,500, a decrease of \$128,000 in 2026 Budget.

Anticipated revenues in the General Fund 2026 budget are \$19.8 million which includes transfers and other financing sources, this is an increase of 2.7% from the 2025 budget. This substantial increase is due to an increased ad valorem tax, municipal court fee collections, building permit collections and transfer into the General fund from the Utility fund and Solid Waste fund. The 2026 budget was developed and adopted before 2025 fiscal year-end and reflects conservative revenue figures.

Requests for Information

This financial report is designed to provide a general overview of City of Monroe's finances for all those with an interest in our government's finances. Questions concerning this report or requests for additional information may be addressed to:

Beth Thompson
Finance Director
City of Monroe
P.O. Box 1249
Monroe, GA 30655
770-267-7536

CITY OF MONROE, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2025

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Convention and Visitors Bureau
ASSETS					
Cash and cash equivalents	\$ 12,245,463	\$ 3,177,542	\$ 15,423,005	\$ 445,082	\$ 196,214
Investments	-	24,242,991	24,242,991	-	-
Accounts receivable, net of allowances	295,878	5,936,390	6,232,268	1,102,615	20,970
Taxes receivable	673,026	-	673,026	-	-
Internal balances	3,673,171	(3,673,171)	-	-	-
Due from other governments	967,382	525,802	1,493,184	-	-
Leases receivable	232,359	392,157	624,516	-	-
Inventories and prepaid items	169,396	1,494,547	1,663,943	-	-
Restricted assets:					
Cash and cash equivalents	-	8,539,444	8,539,444	-	-
Investments	-	1,590,358	1,590,358	-	-
Capital assets:					
Non-depreciable	12,198,233	27,410,087	39,608,320	-	-
Depreciable, net of accumulated depreciation and amortization	39,253,810	114,484,915	153,738,725	-	-
Total assets	69,708,718	184,121,062	253,829,780	1,547,697	217,184
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	-	31,122	31,122	-	-
Pension related items	2,360,961	2,337,672	4,698,633	-	-
Total deferred outflows of resources	2,360,961	2,368,794	4,729,755	-	-
LIABILITIES					
Accounts payable	558,575	2,787,318	3,345,893	4,395	-
Retainage payable	11,232	470,411	481,643	-	-
Accrued liabilities	1,591,326	2,501,113	4,092,439	-	-
Unearned revenues	455,834	5,943	461,777	-	-
Long-term liabilities:					
Portion due or payable within one year:					
Compensated absences	1,630,127	1,198,234	2,828,361	-	-
Lease liabilities	453,185	121,554	574,739	-	-
Financed purchases	262,910	-	262,910	-	-
Notes payable	128,169	111,285	239,454	-	-
Bonds payable	453,400	1,755,000	2,208,400	-	-
Portion due or payable in more than one year:					
Compensated absences	287,669	211,694	499,363	-	-
Lease liabilities	961,686	132,653	1,094,339	-	-
Financed purchases	234,168	-	234,168	-	-
Notes payable	1,500,316	2,081,056	3,581,372	-	-
Bonds payable	940,700	49,170,732	50,111,432	-	-
Net pension liability	5,646,688	5,590,988	11,237,676	-	-
Total liabilities	15,115,985	66,137,981	81,253,966	4,395	-
DEFERRED INFLOWS OF RESOURCES					
Leasing arrangements	214,624	362,420	577,044	-	-
Total deferred inflows of resources	214,624	362,420	577,044	-	-
NET POSITION					
Net investment in capital assets	46,506,277	93,059,637	139,565,914	-	-
Restricted for law enforcement	271,150	-	271,150	-	-
Restricted for debt service	-	1,263,867	1,263,867	-	-
Restricted for health and welfare	130,151	-	130,151	-	-
Restricted for capital projects	6,060,358	2,618,230	8,678,588	-	-
Restricted for tourism	19,666	-	19,666	-	217,184
Unrestricted	3,751,468	23,047,721	26,799,189	1,543,302	-
Total net position	\$ 56,739,070	\$ 119,989,455	\$ 176,728,525	\$ 1,543,302	\$ 217,184

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

CITY OF MONROE, GEORGIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 2,087,497	\$ 2,126,879	\$ 118,473	\$ -
Judicial	297,491	368,884	-	-
Public safety	12,970,449	215,533	262,858	937,630
Public works	4,042,720	37,851	-	2,302,595
Health and welfare	64,651	-	-	-
Culture and recreation	1,367,585	344,568	17,123	564,050
Housing and development	1,556,145	254,856	147,720	304,730
Interest on long-term debt	255,457	-	-	-
Total governmental activities	22,641,995	3,348,571	546,174	4,109,005
Business-type activities:				
Utilities	45,864,254	53,851,748	-	4,068,651
Solid waste	8,565,588	8,432,652	-	-
Total business-type activities	54,429,842	62,284,400	-	4,068,651
Total primary government	\$ 77,071,837	\$ 65,632,971	\$ 546,174	\$ 8,177,656
Component units:				
Downtown Development Authority	\$ 55,381	\$ -	\$ 984,800	\$ -
Convention and Visitors Bureau	52,487	-	-	-
Total component units	\$ 107,868	\$ -	\$ 984,800	\$ -

General revenues:

- Property taxes
- Sales taxes
- Franchise taxes
- Business taxes
- Hotel/Motel taxes
- Unrestricted investment earnings
- Miscellaneous
- Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

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

**Net (Expenses) Revenues and
Changes in Net Position**

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Convention and Visitors Bureau
\$ 157,855	\$ -	\$ 157,855	\$ -	\$ -
71,393	-	71,393	-	-
(11,554,428)	-	(11,554,428)	-	-
(1,702,274)	-	(1,702,274)	-	-
(64,651)	-	(64,651)	-	-
(441,844)	-	(441,844)	-	-
(848,839)	-	(848,839)	-	-
(255,457)	-	(255,457)	-	-
<u>(14,638,245)</u>	<u>-</u>	<u>(14,638,245)</u>	<u>-</u>	<u>-</u>
-	12,056,145	12,056,145	-	-
-	(132,936)	(132,936)	-	-
-	11,923,209	11,923,209	-	-
<u>\$ (14,638,245)</u>	<u>\$ 11,923,209</u>	<u>\$ (2,715,036)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 929,419	\$ -
-	-	-	-	(52,487)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929,419</u>	<u>\$ (52,487)</u>
\$ 6,626,370	\$ -	\$ 6,626,370	\$ -	\$ -
3,227,275	-	3,227,275	-	105,940
404,833	-	404,833	-	-
2,729,414	-	2,729,414	-	-
107,053	-	107,053	-	-
28,875	1,596,720	1,625,595	26,984	-
-	56,869	56,869	6,063	8,684
35,232	1,231	36,463	-	-
3,777,592	(3,777,592)	-	-	-
<u>16,936,644</u>	<u>(2,122,772)</u>	<u>14,813,872</u>	<u>33,047</u>	<u>114,624</u>
2,298,399	9,800,437	12,098,836	962,466	62,137
54,440,671	110,189,018	164,629,689	580,836	155,047
<u>\$ 56,739,070</u>	<u>\$ 119,989,455</u>	<u>\$ 176,728,525</u>	<u>\$ 1,543,302</u>	<u>\$ 217,184</u>

CITY OF MONROE, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2025

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash	\$ 5,248,018	\$ 6,997,445	\$ 12,245,463
Taxes receivable	665,982	7,044	673,026
Accounts receivable	295,878	-	295,878
Due from other governments	408,287	559,095	967,382
Due from other funds	3,364,960	134,186	3,499,146
Leases receivable	232,359	-	232,359
Advances to other funds	1,324,012	-	1,324,012
Prepaid items	169,396	-	169,396
Total assets	<u>\$ 11,708,892</u>	<u>\$ 7,697,770</u>	<u>\$ 19,406,662</u>
LIABILITIES			
Accounts payable	\$ 357,931	\$ 200,644	\$ 558,575
Retainage payable	-	11,232	11,232
Accrued liabilities	1,509,644	-	1,509,644
Due to other funds	134,186	1,015,801	1,149,987
Unearned revenue	455,834	-	455,834
Total liabilities	<u>2,457,595</u>	<u>1,227,677</u>	<u>3,685,272</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	409,197	-	409,197
Leasing arrangements	214,624	-	214,624
Total deferred inflows of resources	<u>623,821</u>	<u>-</u>	<u>623,821</u>
FUND BALANCES			
Fund balances:			
Nonspendable:			
Prepaid items	169,396	-	169,396
Leasing arrangements	17,735	-	17,735
Restricted:			
Law enforcement	-	271,150	271,150
Capital projects	-	6,049,126	6,049,126
Tourism	-	19,666	19,666
Health and welfare	-	130,151	130,151
Assigned:			
Public safety	5,500	-	5,500
Unassigned	<u>8,434,845</u>	<u>-</u>	<u>8,434,845</u>
Total fund balances	<u>8,627,476</u>	<u>6,470,093</u>	<u>15,097,569</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,708,892</u>	<u>\$ 7,697,770</u>	

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

Capital assets and right-to-use assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	51,452,043
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	409,197
Deferred outflows and inflows of resources as well as the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(3,285,727)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(6,934,012)</u>
Net position of governmental activities	<u>\$ 56,739,070</u>

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

CITY OF MONROE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	(Previously Major) American Rescue Plan Fund	(Previously Major) SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 12,890,395	\$ -	\$ -	\$ 107,053	\$ 12,997,448
Licenses and permits	505,024	-	-	-	505,024
Intergovernmental	555,205	-	-	3,677,292	4,232,497
Fines and forfeitures	368,884	-	-	132,412	501,296
Charges for services	1,194,519	-	-	48,427	1,242,946
Interest income	27,830	-	-	1,045	28,875
Contributions	225,000	-	-	-	225,000
Miscellaneous	1,296,987	-	-	-	1,296,987
Total revenues	<u>17,063,844</u>	<u>-</u>	<u>-</u>	<u>3,966,229</u>	<u>21,030,073</u>
Expenditures					
Current:					
General government	2,005,197	-	-	168	2,005,365
Judicial	296,713	-	-	-	296,713
Public safety	12,568,772	-	-	19,186	12,587,958
Public works	2,025,599	-	-	1,065,868	3,091,467
Health and welfare	24,940	-	-	11,846	36,786
Culture and recreation	1,369,707	-	-	226,331	1,596,038
Housing and development	1,489,481	-	-	105,940	1,595,421
Capital outlay	-	-	-	1,207,688	1,207,688
Debt service:					
Principal retirements	1,170,758	-	-	-	1,170,758
Interest	253,064	-	-	-	253,064
Total expenditures	<u>21,204,231</u>	<u>-</u>	<u>-</u>	<u>2,637,027</u>	<u>23,841,258</u>
Excess (deficiency) of revenues over expenditures	<u>(4,140,387)</u>	<u>-</u>	<u>-</u>	<u>1,329,202</u>	<u>(2,811,185)</u>
Other financing sources					
Issuance of lease liabilities	901,400	-	-	-	901,400
Sales of capital assets	35,232	-	-	-	35,232
Transfers in	3,777,592	-	-	-	3,777,592
Total other financing sources	<u>4,714,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,714,224</u>
Net change in fund balances	573,837	-	-	1,329,202	1,903,039
Fund balances - January 1	8,053,639	128	4,741,274	399,489	13,194,530
Adjustment - change within reporting entity	-	(128)	(4,741,274)	4,741,402	-
Fund balances - January 1, as restated	<u>8,053,639</u>	<u>-</u>	<u>-</u>	<u>5,140,891</u>	<u>13,194,530</u>
Fund balances, end of year	<u>\$ 8,627,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,470,093</u>	<u>\$ 15,097,569</u>

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

CITY OF MONROE, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Net change in fund balances - total governmental funds	\$ 1,903,039
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 of capital assets, and amortization expense of right-to-use assets. This is the amount by which depreciation and amortization exceeded capital outlay in the current period.	(46,134)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	97,497
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	269,358
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.	74,639
Change in net position - governmental activities.	\$ <u>2,298,399</u>

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

**CITY OF MONROE, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 12,483,001	\$ 12,803,030	\$ 12,890,395	\$ 87,365
Licenses and permits	648,300	648,300	505,024	(143,276)
Fines and forfeitures	425,000	425,000	368,884	(56,116)
Charges for services	1,161,373	1,213,976	1,194,519	(19,457)
Intergovernmental	557,530	557,530	555,205	(2,325)
Interest	51,674	51,674	27,830	(23,844)
Contributions	-	134,486	225,000	90,514
Miscellaneous	342,928	1,043,094	1,296,987	253,893
Total revenues	<u>15,669,806</u>	<u>16,877,090</u>	<u>17,063,844</u>	<u>186,754</u>
Expenditures				
Current:				
General government:				
Legislative	301,110	351,517	351,517	-
Executive	1,017,877	956,377	705,760	250,617
Board of Elections	24,300	24,300	158	24,142
General administration	91,841	97,261	97,261	-
Financial administration	546,735	687,281	687,281	-
Law	167,500	167,500	163,220	4,280
Total general government	<u>2,149,363</u>	<u>2,284,236</u>	<u>2,005,197</u>	<u>279,039</u>
Judicial:				
Municipal court	295,606	296,713	296,713	-
Total judicial	<u>295,606</u>	<u>296,713</u>	<u>296,713</u>	<u>-</u>
Public safety:				
Police	7,703,914	9,161,829	9,160,101	1,728
Fire	3,172,836	3,408,671	3,408,671	-
Total public safety	<u>10,876,750</u>	<u>12,570,500</u>	<u>12,568,772</u>	<u>1,728</u>
Public works:				
Highways and streets administration	1,885,463	2,025,599	2,025,599	-
Total public works	<u>1,885,463</u>	<u>2,025,599</u>	<u>2,025,599</u>	<u>-</u>
Health and welfare:				
Community center	16,230	24,940	24,940	-
Total health and welfare	<u>16,230</u>	<u>24,940</u>	<u>24,940</u>	<u>-</u>
Culture and recreation:				
Parks	406,442	464,174	464,174	-
Special facilities	694,019	741,848	741,848	-
Library	156,943	163,685	163,685	-
Total culture and recreation	<u>1,257,404</u>	<u>1,369,707</u>	<u>1,369,707</u>	<u>-</u>
Housing and development:				
Protective inspection administration	712,989	712,989	693,122	19,867
Planning and zoning	4,844	4,845	4,844	1
Economic development	809,589	885,422	791,515	93,907
Total housing and development	<u>1,527,422</u>	<u>1,603,256</u>	<u>1,489,481</u>	<u>113,775</u>
Debt service:				
Principal	1,128,764	1,170,758	1,170,758	-
Interest	182,604	253,064	253,064	-
Total debt service	<u>1,311,368</u>	<u>1,423,822</u>	<u>1,423,822</u>	<u>-</u>
Total expenditures	<u>19,319,606</u>	<u>21,598,773</u>	<u>21,204,231</u>	<u>394,542</u>
Deficiency of revenues over expenditures	<u>(3,649,800)</u>	<u>(4,721,683)</u>	<u>(4,140,387)</u>	<u>581,296</u>
Other financing sources				
Issuance of lease liabilities	-	903,209	901,400	(1,809)
Sales of capital assets	-	-	35,232	35,232
Transfers in	3,649,800	3,818,474	3,777,592	(40,882)
Total other financing sources	<u>3,649,800</u>	<u>4,721,683</u>	<u>4,714,224</u>	<u>(7,459)</u>
Net change in fund balances	-	-	573,837	573,837
Fund balance, beginning of year	<u>8,053,639</u>	<u>8,053,639</u>	<u>8,053,639</u>	<u>-</u>
Fund balance, end of year	<u>\$ 8,053,639</u>	<u>\$ 8,053,639</u>	<u>\$ 8,627,476</u>	<u>\$ 573,837</u>

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

CITY OF MONROE, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2025

ASSETS	Utilities Fund	Solid Waste Fund	Totals
CURRENT ASSETS			
Cash and cash equivalents	\$ 3,177,542	\$ -	\$ 3,177,542
Investments	24,242,991	-	24,242,991
Accounts receivable, net of allowances	5,534,131	402,259	5,936,390
Leases receivable	392,157	-	392,157
Due from other funds	-	517,390	517,390
Due from other governments	525,802	-	525,802
Prepaid items	202,978	21,493	224,471
Inventories	1,270,076	-	1,270,076
	35,345,677	941,142	36,286,819
RESTRICTED ASSETS			
Cash and cash equivalents	8,539,444	-	8,539,444
Investments	1,590,358	-	1,590,358
	10,129,802	-	10,129,802
Total current assets	45,475,479	941,142	46,416,621
CAPITAL ASSETS			
Non-depreciable	26,965,207	444,880	27,410,087
Depreciable, net of accumulated depreciation and amortization	112,098,779	2,386,136	114,484,915
	139,063,986	2,831,016	141,895,002
Total assets	184,539,465	3,772,158	188,311,623
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding	31,122	-	31,122
Pension related items	1,938,118	399,554	2,337,672
	1,969,240	399,554	2,368,794
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	2,363,911	423,407	2,787,318
Accrued liabilities	188,436	605	189,041
Retainage payable	470,411	-	470,411
Lease liabilities	101,058	20,496	121,554
Unearned revenue	5,943	-	5,943
Compensated absences payable	1,073,484	124,750	1,198,234
Due to other funds	2,858,392	8,157	2,866,549
	7,061,635	577,415	7,639,050
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Revenue bonds payable	1,755,000	-	1,755,000
Notes payable	111,285	-	111,285
Customer deposits	2,160,519	-	2,160,519
Accrued interest	151,553	-	151,553
	4,178,357	-	4,178,357
Total current liabilities	11,239,992	577,415	11,817,407
NONCURRENT LIABILITIES			
Revenue bonds payable	49,170,732	-	49,170,732
Notes payable	2,081,056	-	2,081,056
Lease liabilities	107,817	24,836	132,653
Compensated absences payable	189,680	22,014	211,694
Advances from other funds	-	1,324,012	1,324,012
Net pension liability	4,635,378	955,610	5,590,988
	56,184,663	2,326,472	58,511,135
Total noncurrent liabilities	56,184,663	2,326,472	58,511,135
Total liabilities	67,424,655	2,903,887	70,328,542
DEFERRED INFLOWS OF RESOURCES			
Leasing arrangements	362,420	-	362,420
	362,420	-	362,420
NET POSITION			
Net investment in capital assets	90,273,953	2,785,684	93,059,637
Restricted for capital projects	2,618,230	-	2,618,230
Restricted for debt service	1,263,867	-	1,263,867
Unrestricted	24,565,580	(1,517,859)	23,047,721
Total net position	\$ 118,721,630	\$ 1,267,825	\$ 119,989,455

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

**CITY OF MONROE, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Utilities Fund	Solid Waste Fund	Totals
OPERATING REVENUES			
Charges for sales and services	\$ 53,851,748	\$ 8,432,652	\$ 62,284,400
Total operating revenues	<u>53,851,748</u>	<u>8,432,652</u>	<u>62,284,400</u>
OPERATING EXPENSES			
Cost of sales and services	18,669,171	4,279,154	22,948,325
General operating expenses	21,456,775	3,901,595	25,358,370
Depreciation and amortization	4,195,556	379,516	4,575,072
Total operating expenses	<u>44,321,502</u>	<u>8,560,265</u>	<u>52,881,767</u>
Operating income (loss)	<u>9,530,246</u>	<u>(127,613)</u>	<u>9,402,633</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	1,596,720	-	1,596,720
Gain on sale of capital assets	-	1,231	1,231
Lease revenue	56,869	-	56,869
Interest and fiscal charges	<u>(1,542,752)</u>	<u>(5,323)</u>	<u>(1,548,075)</u>
Total non-operating revenues (expenses)	<u>110,837</u>	<u>(4,092)</u>	<u>106,745</u>
Income (loss) before capital contributions and transfers	<u>9,641,083</u>	<u>(131,705)</u>	<u>9,509,378</u>
Capital contributions	4,068,651	-	4,068,651
Transfers out	<u>(3,235,349)</u>	<u>(542,243)</u>	<u>(3,777,592)</u>
Total contributions and transfers	<u>833,302</u>	<u>(542,243)</u>	<u>291,059</u>
Change in net position	10,474,385	(673,948)	9,800,437
Net position, beginning of year	<u>108,247,245</u>	<u>1,941,773</u>	<u>110,189,018</u>
Net position, end of year	<u>\$ 118,721,630</u>	<u>\$ 1,267,825</u>	<u>\$ 119,989,455</u>

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

CITY OF MONROE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Utilities Fund	Solid Waste Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 52,944,861	\$ 8,430,536	\$ 61,375,397
Payments to suppliers	(29,036,454)	(6,257,275)	(35,293,729)
Payments to employees	(11,145,704)	(2,519,066)	(13,664,770)
Net cash provided by (used in) operating activities	<u>12,762,703</u>	<u>(345,805)</u>	<u>12,416,898</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	(3,235,349)	(542,243)	(3,777,592)
Advance from other funds	-	1,324,012	1,324,012
Net cash used in non-capital financing activities	<u>(3,235,349)</u>	<u>781,769</u>	<u>(2,453,580)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(19,609,686)	(414,800)	(20,024,486)
Principal payments on bonds	(1,715,000)	-	(1,715,000)
Principal payments on notes	(113,430)	-	(113,430)
Principal payments on leases	(83,077)	(20,740)	(103,817)
Interest paid on long-term borrowings	(1,660,559)	(424)	(1,660,983)
Arbitrage yield reduction payment	(218,838)	-	(218,838)
Lease income received	51,502	-	51,502
Proceeds from note payable	1,444,802	-	1,444,802
Capital grants	440,323	-	440,323
Cash capital contributions	1,796,310	-	1,796,310
Net cash used in capital and related financing activities	<u>(19,667,653)</u>	<u>(435,964)</u>	<u>(20,103,617)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	1,596,720	-	1,596,720
Purchase of investments	(1,620,466)	-	(1,620,466)
Net cash used in investing activities	<u>(23,746)</u>	<u>-</u>	<u>(23,746)</u>
Net decrease in cash and cash equivalents	(10,164,045)	-	(10,164,045)
Cash and cash equivalents, beginning of year	21,881,031	-	21,881,031
Cash and cash equivalents, end of year	<u>\$ 11,716,986</u>	<u>\$ -</u>	<u>\$ 11,716,986</u>
Classified as:			
Cash and cash equivalents	\$ 3,177,542	\$ -	\$ 3,177,542
Restricted cash and cash equivalents	8,539,444	-	8,539,444
	<u>\$ 11,716,986</u>	<u>\$ -</u>	<u>\$ 11,716,986</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ 9,530,246	\$ (127,613)	\$ 9,402,633
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization expense	4,195,556	379,516	4,575,072
Change in assets and liabilities:			
Increase in accounts receivable	(890,776)	(2,116)	(892,892)
Increase in due from other funds	-	(88,337)	(88,337)
Increase in prepaid items	(28,936)	(5,360)	(34,296)
Decrease in inventories	92,516	-	92,516
Increase in deferred outflows of resources for pension items	(377,730)	(84,854)	(462,584)
Decrease in accounts payable	(145,093)	(16,269)	(161,362)
Increase in accrued liabilities	38,261	497	38,758
Increase in unearned revenues	5,943	-	5,943
Decrease in customer deposits	(16,111)	-	(16,111)
Increase in compensated absences payable	199,226	9,955	209,181
Increase (decrease) in due to other funds	158,248	(432,241)	(273,993)
Increase in net pension liability	452,142	111,932	564,074
Decrease in deferred inflows of resources for pension items	(450,789)	(90,915)	(541,704)
Net cash provided by (used in) operating activities	<u>\$ 12,762,703</u>	<u>\$ (345,805)</u>	<u>\$ 12,416,898</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Retainage payable	\$ 330,381	\$ -	\$ 330,381
Contributions of capital assets	\$ 1,306,216	\$ -	\$ 1,306,216

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

CITY OF MONROE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Monroe, Georgia (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

Incorporated in 1821, under the laws of the State of Georgia, the City of Monroe is governed by a nine member Mayor/Council form of government. The mayor is elected to a four-year term, and council members are elected to staggered four-year terms. The Mayor serves as the Chief Executive Officer and the other eight council members serve on a part-time basis. The Mayor is assisted by a city administrator to handle the daily operations of the City.

The City's major operations include public safety, fire protection, public works maintenance, utility services and general administrative services. In addition, the City exercises sufficient control over other governmental authorities that are included as part of the City's reporting entity.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable and can impose its will. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

The Downtown Development Authority was activated by resolution in 1985 to promote and further develop trade, commerce, industry and employment opportunities within the City of Monroe, Georgia. It operates under an eight member board appointed by the City, one of which is a member of the City Council. The City has the ability to impose its will on the Authority. The Authority does not issue separate financial statements and is included as a discretely presented component unit in the City's financial report.

The Monroe Area Convention and Visitors Bureau Authority was activated by resolution in 2008 to promote and further develop trade and tourism opportunities within the City of Monroe, Georgia. It operates under an eight member board appointed by the City, one of which is a member of the City Council. The City has the ability to impose its will on the Convention and Visitors Bureau. The Convention and Visitors Bureau does not issue separate financial statements and is included as a discretely presented component unit in the City's financial report.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Urban Redevelopment Authority was activated by resolution in 2018 to promote and further develop trade and tourism opportunities within the City of Monroe, Georgia. It operates under an eight-member board appointed by the Mayor and approved by the City Council. All debt issued by the Authority is expected to be repaid entirely with City resources. The Authority does not issue separate financial statements and is included as a blended component unit and a capital project fund in the City's financial report.

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 and its component units. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable. The statement of net position will include noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation and amortization expense on the City's capital assets.

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 customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 sixty days of the end of the current fiscal period. Expenditures are generally 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.

Property taxes received up to sixty days after year-end, sales taxes, franchise taxes, licenses, intergovernmental grants, and interest 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.

The City reports the following major governmental fund:

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 City reports the following major proprietary funds:

The **Utilities Fund** accounts for the operation and maintenance of the City's water and sewer, gas, electric, and cable utility services.

The **Solid Waste Fund** accounts for the operation and maintenance of the City's transfer station and solid waste disposal.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the City reports the following fund types:

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of interfund services provided and used.

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

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

D. Budgets

Annual appropriated budgets are adopted for all governmental funds, with the exception of capital projects funds for which project length budgets are adopted. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year-end. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is used in the City's General Fund. Encumbrances outstanding at year-end are reported as committed or assigned fund balance since they do not constitute expenditures or liabilities. There were no outstanding encumbrances at December 31, 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deposits and Investments

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

The City's nonparticipating interest earning investment contracts are recorded at cost. The remaining 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 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 is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Inventories

The costs of governmental fund type inventories (which are not significant to the City) are recorded as expenditures when purchased rather than when consumed (purchase method). Inventories of the proprietary funds are valued at cost using the first-in/first-out (FIFO) method.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2025, are recorded as prepaid items in both government-wide and fund financial statements. The City accounts for prepaid items using the consumption method (i.e., the cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased).

I. Capital Assets

Capital assets and right-to-use lease assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. The City capitalizes intangible assets with an initial, individual cost of more than \$100,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The City has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

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

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

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Infrastructure	15-50
Buildings and improvements	20-50
Vehicles	5
Right-to-use lease vehicles	4-5
Furniture and fixtures	10
Machinery and equipment	5-15

J. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The “revenue bond current debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months. In addition, the City has a certificate of deposit account that is used to cover any customer deposit refunds for utilities services.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred charge on refunding reported in the proprietary fund statement of net position qualifies for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Deferred Outflows/Inflows of Resources (Continued)

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*, represents 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 (2) types of item that qualify for reporting in this category. The governmental funds balance sheet reports unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available under the modified accrual basis of accounting. The second item reported, deferred inflows of lease revenue, is reported in the governmental funds balance sheet, as well as the government wide statement of net position, and will be recognized in the period in which the lease payments are received.

The City also has deferred inflows and outflows 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 subsequent period.

L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and regular holidays. Sick pay is accumulated in accordance with GASB Statement No. 101 and an estimate for the time to be used during employment has been accrued. A liability for the estimated sick leave earned has been accrued in the government-wide financial statements. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Obligations

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

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

N. Leases

Lessee

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

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

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Leases (Continued)

Lessee (Continued)

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

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

Lessor

The City is a lessor for noncancellable leases of real property. The City recognizes a lease receivable asset and a deferred inflow of resources in the fund level and government wide financial statements. The City recognizes lease receivable assets with an initial, individual value of \$25,000 or more.

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

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments that the City is reasonably certain to collect.

The City monitors changes in circumstances that would require a remeasurement of its leases 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance

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

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

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 (passage of a resolution) of the City Council. Furthermore, a resolution of the City Council is also required to rescind the commitment of fund balance.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. The resolution passed by the City Council which adopted the City’s fund balance policy has delegated authority to the Finance Director 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 General Fund is the only fund of the City that may report a positive unassigned fund balance. Deficits in fund balance in other funds will be reported as unassigned.

The City has established a minimum fund balance policy in the General Fund for working capital purposes to eliminate cash flow issues, cover the cost of expenditures caused by unforeseen emergencies, cover shortfalls caused by revenue declines, and to eliminate any short-term borrowing for cash flow purposes. The City will maintain the equivalent of approximately two (2) months of operating and debt service expenditures, including transfers to other funds, which amounts to approximately 17% of budgeted General Fund expenditures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance (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, deferred outflows of resources, 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 and amortization, 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 Monroe 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. Management Estimates

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

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “deferred outflows and inflows of resources as well as the net pension liability related to the City’s pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.” The details of this \$3,285,727 difference are as follows:

Deferred outflows of resources - pension related items	\$ 2,360,961
Net pension liability	(5,646,688)
	(5,646,688)
Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$ (3,285,727)
	(3,285,727)

Another element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$6,934,012 difference are as follows:

Revenue bonds payable	\$ (1,394,100)
Notes payable	(1,628,485)
Financed purchases payable	(497,078)
Lease liabilities payable	(1,414,871)
Accrued interest payable	(81,682)
Compensated absences	(1,917,796)
	(1,917,796)
Net adjustment to reduce fund balances - total governmental funds to arrive at <i>net position - governmental activities</i>	\$ (6,934,012)
	(6,934,012)

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense and amortization expense.” The details of this \$46,134 difference are as follows:

Capital outlay	\$ 2,576,268
Lease remeasurement	237,170
Depreciation and amortization expense	<u>(2,859,572)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ (46,134)</u></u>

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has an effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this \$269,358 difference are as follows:

Principal repayments:	
Revenue bonds	\$ 442,400
Notes	125,973
Financed purchases	247,035
Lease liabilities	355,350
Lease remeasurement	(216,353)
Issuance of lease liabilities	<u>(685,047)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ 269,358</u></u>

NOTES TO FINANCIAL STATEMENTS

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

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

The final element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$74,639 difference are as follows:

Compensated absences	\$ 347,035
Accrued interest	2,393
Pension expense	<u>(424,067)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (74,639)</u>

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The City of Monroe, Georgia employs the following procedures in establishing its annual budget:

1. Prior to January 1, the City Administrator submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing on January 1. The operating budget includes proposed expenditures and the means for financing them.
2. The City Council holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of the City of Monroe, Georgia.
3. The budget is then revised and adopted or amended by the City Council at a subsequent regular meeting in the year to which it applies and within forty-five days following January 1.
4. The adopted budget may be revised during the year only by formal action of the City Council in a regular meeting and no increase shall be made therein without provision also being made for financing same, for anything above the legal level of budgetary control, which is the department level. However, transfers within a department may be made within any fund without council approval. The final budget amounts shown in these financial statements reflect amendments approved by the City Council.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2025 are summarized as follows:

Amounts as presented on the entity wide statement of net position:	
Cash and cash equivalents	\$ 15,423,005
Investments	24,242,991
Restricted cash and cash equivalents	8,539,444
Restricted investments	1,590,358
Total	\$ 49,795,798
Deposits with financial institutions	\$ 19,458,670
Fidelity Treasury Portfolio	6,094,137
Investments in the Municipal Competitive Trust	24,242,991
Total	\$ 49,795,798

At December 31, 2025, the City had the following investments:

Investment	Weighted-Average Maturities	Balance
Municipal Competitive Trust - Short-Term	207 days	\$ 9,635,252
Municipal Competitive Trust - Intermediate	3.36 years	5,303,956
Municipal Competitive Trust - Intermediate Extended Maturity	4.34 years	9,303,783
Total		\$ 24,242,991

Credit risk: The Fidelity Treasury Portfolio trades exclusively in short-term cash equivalents and U.S. Treasury securities and is rated AAAM by Standard & Poor's criteria. As of December 31, 2025, the weighted-average maturity of the fund was 49 days.

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 City's investments in the Municipal Competitive Trust were not rated.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. 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 City's only investments that are required to be disclosed in the fair value hierarchy are its holdings in the Municipal Competitive Trust, which are considered to be Level 2 investments. These investments are valued using comparative observable input market data, including, but not limited to: benchmark yields or yield curves; historic sector, security, or issuer relative pricing; observed or reported trades of like assets broker dealer quotes; or quantitative pricing models using any or all of these market data.

The Fidelity Treasury Portfolio is a money market mutual fund and is classified in Level 1 of the hierarchy. It is 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.

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 and City policy require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of December 31, 2025, the City had deposits with two (2) financial institutions collateralized by 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The Walton County Tax Commissioner bills and collects the City's property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year.

The billings are considered past due on November 16, at which time the applicable property is subject to lien and penalties and interest are assessed.

Property taxes are recorded as receivables and deferred inflows of resources in the General Fund when assessed and revenues are recognized when available.

Receivables at December 31, 2025, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Utilities	Solid Waste	Nonmajor Governmental Funds
Receivables				
Taxes	\$ 665,982	\$ -	\$ -	\$ 7,044
Accounts	295,878	5,686,107	402,259	-
Due from other governments	408,287	525,802	-	559,095
Leases	232,359	392,157	-	-
Less allowance				
for uncollectible	-	(151,976)	-	-
Net total receivable	\$ 1,602,506	\$ 6,452,090	\$ 402,259	\$ 566,139

NOTE 6. LEASES RECEIVABLE

Governmental Activities: The City has leased airport hangar space and land to a third party. The City receives monthly payments of \$238, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used its incremental borrowing rate of 5.00% as the discount rate for the lease. For the current year, the City recognized \$899 in lease revenue and \$1,962 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on August 31, 2048. This deferred inflows of resources has a balance of \$35,928 as of December 31, 2025. As of December 31, 2025, the City's receivable for lease payments was \$38,751.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASES RECEIVABLE (CONTINUED)

Governmental Activities (Continued): The City has leased airport hangar space and land to a third party. The City receives monthly payments ranging from \$1,250 to \$1,450, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used its incremental borrowing rate of 3.25% as the discount rate for the lease. For the current year, the City recognized \$15,962 in lease revenue and \$838 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on December 31, 2026. This deferred inflows of resources has a balance of \$14,938 as of December 31, 2025. As of December 31, 2025, the City's receivable for lease payments was \$17,097.

The City has leased airport hangar space and land to a third party. The City receives monthly payments of \$113, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used its incremental borrowing rate of 3.25% as the discount rate for the lease. For the current year, the City recognized \$303 in lease revenue and \$1,047 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on June 30, 2071. This deferred inflows of resources has a balance of \$30,606 as of December 31, 2025. As of December 31, 2025, the City's receivable for lease payments was \$32,052.

The City has leased airport hangar space and land to a third party. The City receives monthly payments of \$1,000, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used its incremental borrowing rate of 5.25% as the discount rate for the lease. For the current year, the City recognized \$4,293 in lease revenue and \$7,707 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on January 31, 2045. This deferred inflows of resources has a balance of \$133,152 as of December 31, 2025. As of December 31, 2025, the City's receivable for lease payments was \$144,459.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASES RECEIVABLE (CONTINUED)

Business-Type Activities: The City has leased land to a third party on which to operate a cellular service tower. The City receives monthly payments ranging from \$2,373 to \$3,158, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used its incremental borrowing rate of 1.13% as the discount rate for the lease. For the current year, the City recognized \$19,313 in lease revenue and \$10,581 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on June 30, 2039. This deferred inflows of resources has a balance of \$362,420 as of December 31, 2025. As of December 31, 2025, the City's receivable for lease payments was \$392,157.

NOTE 7. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Remeasurements	Transfers	Ending Balance
Governmental activities:						
Capital assets, not being depreciated or amortized:						
Land	\$ 8,796,230	\$ -	\$ -	\$ -	\$ -	\$ 8,796,230
Construction in progress	2,924,458	1,662,638	-	-	(1,185,093)	3,402,003
Total	<u>11,720,688</u>	<u>1,662,638</u>	<u>-</u>	<u>-</u>	<u>(1,185,093)</u>	<u>12,198,233</u>
Capital assets, being depreciated and amortized:						
Infrastructure	46,724,606	-	-	-	275,675	47,000,281
Buildings and improvements	20,176,003	38,629	-	-	909,418	21,124,050
Equipment, furniture, and vehicles	9,366,364	185,579	(270,122)	-	-	9,281,821
Right-to-use assets - vehicles	2,126,688	689,422	-	296,545	-	3,112,655
Total	<u>78,393,661</u>	<u>913,630</u>	<u>(270,122)</u>	<u>296,545</u>	<u>1,185,093</u>	<u>80,518,807</u>
Less accumulated depreciation and amortization for:						
Infrastructure	(22,473,198)	(854,393)	-	-	-	(23,327,591)
Buildings and improvements	(8,800,047)	(602,769)	-	-	-	(9,402,816)
Equipment, furniture, and vehicles	(6,136,777)	(1,125,328)	270,122	-	-	(6,991,983)
Right-to-use assets - vehicles	(1,206,150)	(277,082)	-	(59,375)	-	(1,542,607)
Total	<u>(38,616,172)</u>	<u>(2,859,572)</u>	<u>270,122</u>	<u>(59,375)</u>	<u>-</u>	<u>(41,264,997)</u>
Total capital assets, being depreciated and amortized, net	<u>39,777,489</u>	<u>(1,945,942)</u>	<u>-</u>	<u>237,170</u>	<u>1,185,093</u>	<u>39,253,810</u>
Governmental activities capital assets, net	<u>\$ 51,498,177</u>	<u>\$ (283,304)</u>	<u>\$ -</u>	<u>\$ 237,170</u>	<u>\$ -</u>	<u>51,452,043</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated: or amortized:					
Land	\$ 2,676,238	\$ -	\$ -	\$ -	\$ 2,676,238
Construction in progress	25,065,559	18,657,770	(4,644)	(18,984,836)	24,733,849
Total	<u>27,741,797</u>	<u>18,657,770</u>	<u>(4,644)</u>	<u>(18,984,836)</u>	<u>27,410,087</u>
Capital assets, being depreciated and amortized:					
Infrastructure	100,925,201	1,306,216	-	18,814,313	121,045,730
Buildings and improvements	41,101,200	31,058	-	119,369	41,251,627
Equipment, furniture, and vehicles	30,330,128	1,670,683	(73,633)	51,154	31,978,332
Right-to-use assets - vehicles	472,174	-	-	-	472,174
Total	<u>172,828,703</u>	<u>3,007,957</u>	<u>(73,633)</u>	<u>18,984,836</u>	<u>194,747,863</u>
Less accumulated depreciation and amortization for:					
Infrastructure	(33,612,943)	(2,092,526)	-	-	(35,705,469)
Buildings and improvements	(20,419,727)	(847,400)	-	-	(21,267,127)
Equipment, furniture, and vehicles	(21,614,514)	(1,515,998)	73,633	-	(23,056,879)
Right-to-use assets - vehicles	(114,325)	(119,148)	-	-	(233,473)
Total	<u>(75,761,509)</u>	<u>(4,575,072)</u>	<u>73,633</u>	<u>-</u>	<u>(80,262,948)</u>
Total capital assets, being depreciated and amortized, net	<u>97,067,194</u>	<u>(1,567,115)</u>	<u>-</u>	<u>18,984,836</u>	<u>114,484,915</u>
Business-type activities capital assets, net	<u>\$ 124,808,991</u>	<u>\$ 17,090,655</u>	<u>\$ (4,644)</u>	<u>\$ -</u>	<u>\$ 141,895,002</u>

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

Governmental activities:	
General government	\$ 65,929
Public safety	1,314,685
Public works	1,106,058
Health and welfare	27,865
Housing and development	107,909
Culture and recreation	237,126
	<u>2,859,572</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 2,859,572</u>
Business-type activities:	
Utilities	\$ 4,195,556
Solid waste	379,516
	<u>4,575,072</u>
Total depreciation expense and amortization expense - business-type activities	<u>\$ 4,575,072</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Remeasurement	Ending Balance	Due Within One Year
Governmental activities:						
Revenue bonds - direct placement	\$ 1,836,500	\$ -	\$ (442,400)	\$ -	\$ 1,394,100	\$ 453,400
Financed purchases	744,113	-	(247,035)	-	497,078	262,910
Lease liabilities	868,821	685,047	(355,350)	216,353	1,414,871	453,185
Note payable from direct borrowing	1,754,458	-	(125,973)	-	1,628,485	128,169
Compensated absences*	1,570,761	347,035	-	-	1,917,796	1,630,127
Net pension liability	5,049,048	2,790,567	(2,192,927)	-	5,646,688	-
Governmental activity						
Long-term liabilities	<u>\$ 11,823,701</u>	<u>\$ 3,822,649</u>	<u>\$ (3,363,685)</u>	<u>\$ 216,353</u>	<u>\$ 12,499,018</u>	<u>\$ 2,927,791</u>
Business-type activities:						
Revenue bonds - direct placement	\$ 47,170,000	\$ -	\$ (1,715,000)	\$ -	\$ 45,455,000	\$ 1,755,000
Bond premium	5,831,701	-	(360,969)	-	5,470,732	-
Note payable from direct borrowings	860,969	1,444,802	(113,430)	-	2,192,341	111,285
Lease liabilities	358,024	-	(103,817)	-	254,207	121,554
Arbitrage yield reduction liability	-	218,838	(218,838)	-	-	-
Compensated absences*	1,200,747	209,181	-	-	1,409,928	1,198,234
Net pension liability	5,026,914	2,763,040	(2,198,966)	-	5,590,988	-
Business-type activity						
Long-term liabilities	<u>\$ 60,448,355</u>	<u>\$ 4,635,861</u>	<u>\$ (4,711,020)</u>	<u>\$ -</u>	<u>\$ 60,373,196</u>	<u>\$ 3,186,073</u>

* The change in compensated absences liabilities is presented as a net change.

The City estimates the current portion of compensated absences based on historical trends of usage by employees. For governmental activities, the net pension liability is liquidated by the General Fund.

A. Governmental Activities

Direct Placement Revenue Bonds. In February 2019, the Urban Redevelopment Authority issued direct placement, Series 2019 Revenue Bonds to finance the City's urban redevelopment project. The bonds were issued for an original amount of \$3,600,000 bearing interest at 2.46% per annum payable quarterly on February 1, May 1, August 1, and November 1 and maturing in November 2028. As of December 31, 2024, the outstanding principal is \$1,836,500. The bonds are secured by an ad valorem tax levied by the City. In the event of default, outstanding bonds payable accrue additional interest, but there is no acceleration clause enforceable for immediate payment upon default.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

The debt service to maturity on the direct placement revenue bond is as follows:

Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 453,400	\$ 30,134	\$ 483,534
2027	464,600	18,877	483,477
2028	476,100	7,343	483,443
	<u>\$ 1,394,100</u>	<u>\$ 56,354</u>	<u>\$ 1,450,454</u>

Notes Payable from Direct Borrowing. In December 2017, the City entered into an agreement with Walton Plaza Shopping Center, LLC in order to finance the purchase of a building. The original amount of the loan was \$1,500,000 bearing interest at 3.00% per annum payable quarterly in equal principal installments until maturity on December 31, 2037.

In September 2021, the City entered into an agreement with a financial institution to in order to finance the purchase of land for transportation projects. The original amount of the loan was \$920,000 bearing interest at 4.25% per annum payable yearly until maturity on September 30, 2036.

The City's total notes payable debt service requirements to maturity are as follows:

Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 128,169	\$ 57,905	\$ 186,074
2027	130,461	53,332	183,793
2028	132,777	48,797	181,574
2029	135,340	43,890	179,230
2030	137,940	39,009	176,949
2031-2035	732,744	117,819	850,563
2036-2037	231,054	8,638	239,692
Total	<u>\$ 1,628,485</u>	<u>\$ 369,390</u>	<u>\$ 1,997,875</u>

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

The City has entered into agreements with a third party to lease vehicles for various departmental use, terminating at various dates through November of 2030. As the leases do not reflect stated interest rates, the City utilized its incremental borrowing rate as calculated at the inception of each lease agreement, ranging from 3.25% to 8.40%. Monthly payments range from \$538 to \$967 for each vehicle, over the various terms of the individual leases. The outstanding balance of the City's lease liabilities for vehicles as of December 31, 2025 was \$1,155,345.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Lease Liabilities (Continued). The City has entered into an agreement with a third party to lease cameras for various departmental use, terminating in January 2030 after a remeasurement of the prior lease agreements during the current fiscal year. As the lease does not reflect stated interest rates, the City utilized its incremental borrowing rate as calculated at the inception of the lease agreement, an amount of 8.00%. Annual payments are \$65,000 over the terms of the lease. The outstanding balance of the City's lease liability for cameras as of December 31, 2025 was \$259,526.

The City's total lease liabilities debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending December 31,			
2026	\$ 453,185	\$ 98,874	\$ 552,059
2027	327,241	67,654	394,895
2028	231,628	45,515	277,143
2029	203,407	27,909	231,316
2030	199,410	10,598	210,008
	<u>\$ 1,414,871</u>	<u>\$ 250,550</u>	<u>\$ 1,665,421</u>

Financed Purchase from Direct Borrowing. In February 2020, the City entered into a financed purchase agreement in the amount of \$323,500 for the acquisition of a report management system for the police department. Annual principal and interest payments are required until February 2026 at an interest rate of 5.20%.

In January 2023, the City entered into a financed purchase agreement in the amount of \$645,566 for the acquisition of tasers and body cameras for the police department. Annual principal and interest payments are required through January 2027 at an interest rate of 7.50%.

In October 2023, the City entered into a financed purchase agreement in the amount of \$386,497 for the acquisition of in-car cameras for the police department. Annual principal and interest payments are required through October 2027 at an interest rate of 8.50%.

As of December 31, 2025, the City had \$1,355,563 of capital assets under the financed purchase agreements with \$527,895 of accumulated depreciation. Annual depreciation of these assets is included in depreciation expense. The City's total debt service requirements to maturity on its financed purchase are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending December 31,			
2026	\$ 262,910	\$ 45,984	\$ 308,894
2027	234,168	18,495	252,663
	<u>\$ 497,078</u>	<u>\$ 64,479</u>	<u>\$ 561,557</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Business-Type Activities

Direct Placement Revenue Bonds. In December 2016, the City issued the direct placement Combined Utility Revenue Bonds (Series 2016) to provide funds to advance refund \$12,865,000 and \$1,065,000 in aggregate principal amount of the City's Series 2006 and Series 2003 Combined Utility Revenue Bonds, respectively. Proceeds from the bonds were also used to retire a note payable to the Georgia Environmental Finance Authority with an outstanding balance of \$2,610,111. These bonds were issued for an original amount of \$16,770,000 bearing interest at 2.19% per annum payable semiannually on June 1 and December 1 and maturing in 2026. The Series 2016 Bonds contain: (1) a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due if pledged revenues during the year are less than 115% of debt service coverage due in the following year and (2) a provision that if the City is unable to make payment, outstanding amounts are due immediately.

In December 2020, the City issued direct placement Combined Utility Revenue Bonds (Series 2020) in the original amount of \$43,700,000 bearing interest at rates ranging from 3.0% to 5.0% payable each June 1 and December 1 beginning 2020 through 2050. The proceeds of the bonds were used for the purpose of: (a) acquiring, constructing and equipping certain additions, extensions and improvements to the City's combined water and sewerage system, gas distribution system, electric distribution system, telecommunications and internet system (b) paying the premium for debt service reserve surety bond to be issued by the insurer and the premium for a municipal bond insurance policy to be issued by the insurer and (c) paying the costs of issuing the Series 2020 Bonds. The Series 2020 Bonds contain: (1) a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due if pledged revenues during the year are less than 115% of debt service coverage due in the following year and (2) a provision that if the City is unable to make payment, outstanding amounts are due immediately.

The debt service to maturity on the Series 2016 and Series 2020 direct placement Revenue Bonds is as follows:

Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,755,000	\$ 1,811,799	\$ 3,566,799
2027	1,090,000	1,783,000	2,873,000
2028	1,130,000	1,740,100	2,870,100
2029	1,190,000	1,683,600	2,873,600
2030	1,250,000	1,624,100	2,874,100
2031-2035	7,105,000	7,262,000	14,367,000
2036-2040	8,640,000	5,722,800	14,362,800
2041-2045	10,515,000	3,850,800	14,365,800
2046-2050	12,780,000	1,573,200	14,353,200
Total	<u>\$ 45,455,000</u>	<u>\$ 27,051,399</u>	<u>\$ 72,506,399</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Business-Type Activities (Continued)

Notes Payable from Direct Borrowings. The City has incurred debt to the Georgia Environmental Finance Authority (GEFA) to replace 7,000 water meters with new automated meter reading technology, repayment of which commenced in December 2016. The note bears interest at 5.00%. Payments of principal and interest are due in equal monthly installments of \$9,530 until the note matures on November 1, 2031. The note contains: (1) a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due if pledged revenues during the year are less than 115% of debt service coverage due in the following year and (2) a provision that if the City is unable to make payment, outstanding amounts are due immediately.

The City obtained a second note with GEFA to install new water mains, an elevated storage tank, and the necessary related appurtenance. As of December 31, 2025 the City had drawn \$1,525,741 of the available \$2,935,000 to cover debt issuance costs. The City is required to pay interest of 1.13% on this note until the related project is completed, at which date principal repayment will commence, and at which date a note maturity date will be established.

Debt service requirements to maturity on these notes payable to GEFA are as follows:

Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 111,285	\$ 3,078	\$ 114,363
2027	111,842	2,521	114,363
2028	112,403	1,960	114,363
2029	112,966	1,397	114,363
2030	113,532	831	114,363
2031	104,572	262	104,834
Total	<u>\$ 666,600</u>	<u>\$ 10,049</u>	<u>\$ 676,649</u>

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

The City has entered into agreements with a third party to lease vehicles for utilities and solid waste, terminating at various dates through June of 2028. As the leases do not reflect stated interest rates, the City utilized its incremental borrowing rate as calculated at the inception of each lease agreement, ranging from 8.04% to 8.28%. Monthly payments range from \$625 to \$1,347 for each vehicle, over the various terms of the individual leases. The outstanding balance of the City's lease liabilities for vehicles as of December 31, 2025 was \$254,207.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Business-Type Activities (Continued)

Lease Liabilities (Continued). The City's total lease liabilities debt service requirements to maturity are as follows:

	Principal	Interest	Total
Year Ending December 31,			
2025	\$ 121,554	\$ 15,642	\$ 137,196
2026	115,103	5,436	120,539
2028	17,550	200	17,750
	\$ 254,207	\$ 21,278	\$ 275,485

Arbitrage Yield Reduction Liability. The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The United States Department of Treasury requires payment every five years, or upon maturity of the bonds, whichever is earlier. During the year, an arbitrage yield reduction liability of \$218,838 was incurred and paid with respect to the City's Series 2020 Combined Utility Revenue Bonds, resulting in no remaining liability as of December 31, 2025.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2025 is as follows:

Due to/from other funds and Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Utilities Fund	\$ 2,341,002
General Fund	Solid Waste Fund	8,157
General Fund	Nonmajor Governmental Funds	1,015,801
	Total	\$ 3,364,960
Solid Waste Fund	Utilities Fund	\$ 517,390
Nonmajor Governmental Funds	General Fund	\$ 134,186

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Solid Waste Fund	\$ 1,324,012

NOTES TO FINANCIAL STATEMENTS

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

The outstanding balances between funds result mainly from the time lag between the dates that reimbursable expenditures occurred and the payments between funds were made. Interfund balances are expected to be repaid in the next year. The balance between the General Fund and Solid Waste Fund relate to project or operational costs initially supplemented by the General Fund. The balance between the General Fund and nonmajor governmental funds relates to hotel/motel taxes owed to General Fund. The balance between the Solid Waste Fund and Utilities Fund relates to solid waste operations revenue initially collected in the Utilities Fund. The balance between nonmajor governmental funds and the General Fund is related to a payable for allowable SPLOST program expenditures incurred in the General Fund.

The balance of the advance to the Solid Waste Fund from the General Fund relates to an internal, long-term loan to supplement solid waste operations to be repaid over several years.

Interfund transfers:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
Utilities Fund	General Fund	\$ 3,235,349
Solid Waste Fund	General Fund	542,243
		\$ 3,777,592

Transfers were used to use unrestricted revenues collected in the Utilities and Solid Waste Funds to finance various programs accounted for in the General Fund.

NOTE 10. PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a noncontributory defined benefit pension plan (The City of Monroe Retirement Plan) covering all full-time employees. 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, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate after one year. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 2.0% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Elected officials are entitled to \$30 for each year of service after reaching normal retirement age.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. PENSION PLAN (CONTINUED)

Plan Description (Continued)

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.

Plan membership. As of July 1, 2025, the date of the most recent actuarial valuation, Plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	114
Terminated vested participants not yet receiving benefits	122
Active employees - vested	170
Active employees - nonvested	97
Total	<u>503</u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, 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, as determined by the City Council. Currently, Plan members do not contribute although some participants still have contributions remaining in the Plan. For the year ended December 31, 2025, City contributions to the Plan were \$2,367,380 and represented 15.44% of covered payroll.

Net Pension Liability of the City

The City's net pension liability was measured as of March 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024 with update procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Actuarial assumptions. The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Inflation		2.25%
Salary increases	2.25% plus service based merit increases	
Investment rate of return	7.375%, net of pension plan investment expense, including inflation	

Mortality rates for the July 1, 2024 valuation were based on the sex-distinct, Pri-2012 Head-Count Weighted Healthy Mortality Rate Table with rates multiplied by 1.25.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period January 1, 2015–June 30, 2019.

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 March 31, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equity	45%	6.60%
International equity	20%	7.03
Global fixed income	5%	3.70
Real estate	10%	3.40
Domestic fixed income	20%	2.70
Cash	—%	
Total	100%	

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

NOTES TO FINANCIAL STATEMENTS

NOTE 10. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.375%, which did not change from the prior fiscal year. 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 December 31, 2025 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%.

Changes in the net pension liability of the City. The changes in the components of the net pension liability of the City for the year ended December 31, 2025 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/24	\$ 47,042,948	\$ 36,966,986	\$ 10,075,962
Changes for the year:			
Service cost	808,926	-	808,926
Interest	3,451,347	-	3,451,347
Differences between expected and actual experience	1,242,362	-	1,242,362
Contributions—employer	-	2,389,713	(2,389,713)
Contributions—employee	-	61,907	(61,907)
Net investment income	-	1,940,273	(1,940,273)
Benefit payments, including refunds of employee contributions	(2,107,910)	(2,107,910)	-
Administrative expense	-	(50,972)	50,972
Net changes	3,394,725	2,233,011	1,161,714
Balances at 12/31/25	\$ 50,437,673	\$ 39,199,997	\$ 11,237,676

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

NOTES TO FINANCIAL STATEMENTS

NOTE 10. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, 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 (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 17,631,392	\$ 11,237,676	\$ 5,885,650

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 March 31, 2025 and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2025, the City recognized pension expense of \$1,683,764. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,126,447	\$ -
Net difference between projected and actual earnings on pension plan investments	796,651	-
City contributions subsequent to the measurement date	1,775,535	-
Total	\$ 4,698,633	\$ -

NOTES TO FINANCIAL STATEMENTS

NOTE 10. PENSION PLAN (CONTINUED)

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

City contributions subsequent to the measurement date of \$1,775,535 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31:	
2026	\$ 1,677,859
2027	1,220,873
2028	(135,001)
2029	159,367
Total	<u>\$ 2,923,098</u>

NOTE 11. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the 12-county Northeast Georgia area, is a member of the Northeast Georgia Regional Commission (RC). Dues to the RC are assessed at the County level and are, accordingly, paid by Walton County. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the RC. Separate financial statements may be obtained from the RC's administrative office at 305 Research Drive, Athens, Georgia 30605.

NOTE 12. RELATED ORGANIZATIONS

The City's council is responsible for appointing a majority of the board members of the City of Monroe, Georgia Housing Authority. However, the City has no further accountability for the Authority.

NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts 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 Municipal Association Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RISK MANAGEMENT (CONTINUED)

As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issues, 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 defined by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Settled claims have not exceeded coverage in the past three years.

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.

The City is self-insured for employee group health insurance. The City maintains specific stop loss coverage in the amount \$50,000 per covered individual for employee group health insurance. A liability for employee group health insurance and workers' compensation claims is recognized in the General Fund when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liability includes an estimate for claims that have been incurred but not reported.

Changes in the balance of claims liabilities during the past two years are as follows:

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims
2025	\$ 317,511	\$ 4,043,959	\$ 4,134,278	\$ 227,192
2024	\$ 555,681	\$ 4,688,888	\$ 4,927,058	\$ 317,511

The ending claims liability is expected to be paid during 2026 and, therefore, has been classified as a current liability, included in accounts payable in the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES

Agreements with the Municipal Electric Authority of Georgia

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by state law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit unless any such profits inure to the benefit of the public.

As of December 31, 2025, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by MEAG. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$14,390,072 in 2025.

At December 31, 2025, the outstanding debt of MEAG was approximately \$8.18 billion. The City's guarantee varies by individual projects undertaken by MEAG and as of December 31, 2025 totals approximately \$141.3 million.

Agreements with the Municipal Gas Authority of Georgia

The City has also entered into a contract for wholesale natural gas purchases with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire the bonds issued by MGAG, the City is obligated to pay its "obligation share" of the costs of the gas supply and related services MGAG provides to the City, which costs includes amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2024, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG's costs to provide such supply, including bonds issued to purchase long-term rights to bulk supply. Payments to MGAG are made monthly based on actual usage. The total payments under these contracts amounted to \$2,243,622 in 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Gas Authority of Georgia (Continued)

At December 31, 2025, the outstanding debt of MGAG was approximately \$31.1 million. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately \$240,000 at December 31, 2025.

Grant Contingencies

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

Contractual Commitments

As of December 31, 2025, the City has contractual commitments on uncompleted contracts of \$6.3 million primarily for infrastructure improvements to its highways and streets as well as to its utilities system.

Litigation

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

NOTE 15. HOTEL/MOTEL LODGING TAX

The City imposes a 5% hotel/motel tax on lodging facilities within the City. Revenues were \$107,053 for the year ended December 31, 2025. Of this amount, \$105,940, or 99% was expended for the promotion of tourism.

NOTE 16. TAX ABATEMENTS

For the year ended December 31, 2025, City property tax revenues were reduced by \$32,796 under agreements entered into by the Walton County Development Authority. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. ACCOUNTING CHANGES

Change Within the Financial Reporting Entity – Change in Major Funds

In the current year, the City's American Rescue Plan Fund and SPLOST Fund no longer meet the definition of a major fund. The American Rescue Plan Fund and SPLOST Fund reported fund balances of \$128 and \$4,741,274 as of December 31, 2024, respectively. The impact of the change is shown in the table below:

	Reporting Units Affected by Restatements to Beginning Fund Balances		
	American Rescue Plan Fund	SPLOST Fund	Nonmajor Governmental Funds
December 31, 2024, as previously reported	\$ 128	\$ 4,741,274	\$ 399,489
Change from major to nonmajor fund	(128)	(4,741,274)	4,741,402
December 31, 2024, as restated	\$ -	\$ -	\$ 5,140,891

REQUIRED SUPPLEMENTARY INFORMATION

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

	2025	2024	2023	2022	2021
Total pension liability					
Service cost	\$ 808,926	\$ 756,376	\$ 648,832	\$ 616,610	\$ 598,509
Interest on total pension liability	3,451,347	3,184,387	2,938,557	2,717,595	2,583,337
Differences between expected and actual experience	1,242,362	1,633,291	1,512,113	380,413	325,510
Changes of assumptions	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,107,910)	(1,905,707)	(1,841,818)	(1,903,339)	(1,506,677)
Changes of benefit terms	-	-	-	1,121,837	-
Net change in total pension liability	<u>3,394,725</u>	<u>3,668,347</u>	<u>3,257,684</u>	<u>2,933,116</u>	<u>2,000,679</u>
Total pension liability - beginning	<u>47,042,948</u>	<u>43,374,601</u>	<u>40,116,917</u>	<u>37,183,801</u>	<u>35,183,122</u>
Total pension liability - ending (a)	<u>\$ 50,437,673</u>	<u>\$ 47,042,948</u>	<u>\$ 43,374,601</u>	<u>\$ 40,116,917</u>	<u>\$ 37,183,801</u>
Plan fiduciary net position					
Contributions - employer	\$ 2,389,713	\$ 1,834,646	\$ 1,858,347	\$ 1,815,185	\$ 1,613,609
Contributions - employee	61,907	69,491	161,889	-	29,619
Net investment income	1,940,273	5,357,629	(2,242,596)	1,956,299	9,951,404
Benefit payments, including refunds of member contributions	(2,107,910)	(1,905,707)	(1,841,818)	(1,903,339)	(1,506,677)
Administrative expenses	(50,972)	(43,076)	(50,534)	(45,423)	(46,107)
Net change in plan fiduciary net position	<u>2,233,011</u>	<u>5,312,983</u>	<u>(2,114,712)</u>	<u>1,822,722</u>	<u>10,041,848</u>
Plan fiduciary net position - beginning	<u>36,966,986</u>	<u>31,654,003</u>	<u>33,768,715</u>	<u>31,945,993</u>	<u>21,904,145</u>
Plan fiduciary net position - ending (b)	<u>\$ 39,199,997</u>	<u>\$ 36,966,986</u>	<u>\$ 31,654,003</u>	<u>\$ 33,768,715</u>	<u>\$ 31,945,993</u>
City's net pension liability - ending (a) - (b)	<u>\$ 11,237,676</u>	<u>\$ 10,075,962</u>	<u>\$ 11,720,598</u>	<u>\$ 6,348,202</u>	<u>\$ 5,237,808</u>
Plan fiduciary net position as a percentage of the total pension liability	77.72%	78.58%	72.98%	84.18%	85.91%
Covered payroll	\$ 14,679,626	\$ 12,976,310	\$ 12,261,287	\$ 11,912,385	\$ 11,411,180
City's net pension liability as a percentage of covered payroll	76.55%	77.65%	95.59%	53.29%	45.90%
	2020	2019	2018	2017	2016
Total pension liability					
Service cost	\$ 546,700	\$ 518,359	\$ 490,025	\$ 483,726	\$ 502,642
Interest on total pension liability	2,339,127	2,239,018	2,078,904	2,005,035	1,821,757
Differences between expected and actual experience	904,448	(15,158)	793,401	(253,518)	1,184,399
Changes of assumptions	1,478,629	-	527,237	-	-
Benefit payments, including refunds of employee contributions	(1,454,885)	(1,416,673)	(1,341,167)	(1,223,017)	(1,064,806)
Changes of benefit terms	-	-	-	-	-
Net change in total pension liability	<u>3,814,019</u>	<u>1,325,546</u>	<u>2,548,400</u>	<u>1,012,226</u>	<u>2,443,992</u>
Total pension liability - beginning	<u>31,369,103</u>	<u>30,043,557</u>	<u>27,495,157</u>	<u>26,482,931</u>	<u>24,038,939</u>
Total pension liability - ending (a)	<u>\$ 35,183,122</u>	<u>\$ 31,369,103</u>	<u>\$ 30,043,557</u>	<u>\$ 27,495,157</u>	<u>\$ 26,482,931</u>
Plan fiduciary net position					
Contributions - employer	\$ 1,574,328	\$ 1,595,213	\$ 1,476,334	\$ 1,446,150	\$ 1,460,554
Contributions - employee	-	-	151,350	-	-
Net investment income	(1,676,580)	824,327	2,489,925	2,202,837	46,793
Benefit payments, including refunds of member contributions	(1,454,885)	(1,416,673)	(1,341,167)	(1,223,017)	(1,064,806)
Administrative expenses	(47,619)	(41,474)	(39,798)	(39,342)	(27,372)
Net change in plan fiduciary net position	<u>(1,604,756)</u>	<u>961,393</u>	<u>2,736,644</u>	<u>2,386,628</u>	<u>415,169</u>
Plan fiduciary net position - beginning	<u>23,508,901</u>	<u>22,547,508</u>	<u>19,810,864</u>	<u>17,424,236</u>	<u>17,009,067</u>
Plan fiduciary net position - ending (b)	<u>\$ 21,904,145</u>	<u>\$ 23,508,901</u>	<u>\$ 22,547,508</u>	<u>\$ 19,810,864</u>	<u>\$ 17,424,236</u>
City's net pension liability - ending (a) - (b)	<u>\$ 13,278,977</u>	<u>\$ 7,860,202</u>	<u>\$ 7,496,049</u>	<u>\$ 7,684,293</u>	<u>\$ 9,058,695</u>
Plan fiduciary net position as a percentage of the total pension liability	62.26%	74.94%	75.05%	72.05%	65.79%
Covered payroll	\$ 10,727,956	\$ 9,703,676	\$ 9,334,662	\$ 8,834,774	\$ 8,409,066
City's net pension liability as a percentage of covered payroll	123.78%	81.00%	80.30%	86.98%	107.73%

CITY OF MONROE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially determined contribution	\$ 2,367,380	\$ 2,156,271	\$ 1,967,023	\$ 1,820,889	\$ 1,812,084
Contributions in relation to the actuarially determined contribution	2,367,380	2,156,271	1,967,023	1,820,889	1,812,084
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 15,332,772	\$ 14,461,911	\$ 12,481,110	\$ 12,188,012	\$ 11,820,509
Contributions as a percentage of covered payroll	15.44%	14.91%	15.76%	14.94%	15.33%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 1,542,384	\$ 1,582,909	\$ 1,466,150	\$ 1,514,182	\$ 1,422,940
Contributions in relation to the actuarially determined contribution	1,542,384	1,582,909	1,439,383	1,576,845	1,422,940
Contribution deficiency (excess)	\$ -	\$ -	\$ 26,767	\$ (62,663)	\$ -
Covered payroll	\$ 11,274,737	\$ 10,545,696	\$ 9,423,002	\$ 9,305,215	\$ 8,677,960
Contributions as a percentage of covered payroll	13.68%	15.01%	15.28%	16.95%	16.40%

Notes to the Schedule of Contributions and Related Assumptions:

(1) Actuarial Assumptions:

Valuation Date
Cost Method
Actuarial Asset Valuation Method

July 1, 2024
Projected Unit Credit
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 market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Assumed Rate of Return on Investments
Projected Salary Increases
Cost-of-Living Adjustment
Amortization Method
Remaining Amortization Period

7.375%
2.25% plus service based merit increases
0.00%
Closed level dollar for unfunded liability
Remaining amortization period varies for the bases, with a net effective amortization period of 10 years.

CITY OF MONROE, GEORGIA NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Forfeited Drug Fund – This fund is used to account for the City's share of monies that have been forfeited through the court system that are restricted for law enforcement purposes.

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel taxes collected that are restricted for promotion of trade and tourism in the City.

American Rescue Plan Fund – This fund is used to account for the amounts awarded to the City under the Coronavirus State and Local Fiscal Recovery Funds program, provided for under the American Rescue Plan Act of 2021.

Opioid Remediation Fund – This fund is used to account for restricted funds received from legal settlements related to the nationwide opioid epidemic.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Capital Projects Fund – This fund is used to account for the receipts and disbursements of grant money used to fund various capital outlay projects of the City.

SPLOST Fund – This fund is used to account for the one percent Special Purpose Local Option Tax (SPLOST) funds collected by Walton County and disbursed to the City. The funds are used for specific capital projects as approved by voter referendum.

Impact Fees Fund – This fund is used to account for the Development Impact Fees for the purpose of planning and financing public facilities of the City.

Urban Redevelopment Authority Fund – This fund is used to account for the proceeds of the Series 2019 Revenue Bond issuance, which is to be used to fund the City's urban redevelopment plan.

CITY OF MONROE, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

ASSETS	Special Revenue Funds				Capital Project Funds			Total		
	Forfeited Drug Fund	Hotel/Motel Tax Fund	(Previously Major)		Capital Projects Fund	SPLOST Fund	Impact Fees Fund		Urban Redevelopment Authority Fund	Nonmajor Governmental Funds
			American Rescue Plan Fund	Opioid Remediation Fund						
Cash and cash equivalents	\$ 271,150	\$ 33,590	\$ -	\$ 85,472	\$ 2,740	\$ 6,556,106	\$ 48,387	\$ -	\$ 6,997,445	
Taxes receivable	-	7,044	-	-	-	-	-	-	7,044	
Due from other funds	-	-	-	44,679	-	-	-	89,507	134,186	
Due from other governments	-	-	-	-	-	559,095	-	-	559,095	
Total assets	\$ 271,150	\$ 40,634	\$ -	\$ 130,151	\$ 2,740	\$ 7,115,201	\$ 48,387	\$ 89,507	\$ 7,697,770	
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ -	\$ 20,968	\$ -	\$ -	\$ -	\$ 179,676	\$ -	\$ -	\$ 200,644	
Retainage payable	-	-	-	-	-	-	-	11,232	11,232	
Due to other funds	-	-	-	-	-	1,015,801	-	-	1,015,801	
Total liabilities	-	20,968	-	-	-	1,195,477	-	11,232	1,227,677	
FUND BALANCES										
Restricted:										
Law enforcement	271,150	-	-	-	-	-	-	-	271,150	
Capital projects	-	-	-	-	2,740	5,919,724	48,387	78,275	6,049,126	
Tourism	-	19,666	-	-	-	-	-	-	19,666	
Health and welfare	-	-	-	130,151	-	-	-	-	130,151	
Total fund balances	271,150	19,666	-	130,151	2,740	5,919,724	48,387	78,275	6,470,093	
Total liabilities and fund balances	\$ 271,150	\$ 40,634	\$ -	\$ 130,151	\$ 2,740	\$ 7,115,201	\$ 48,387	\$ 89,507	\$ 7,697,770	

CITY OF MONROE, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Special Revenue Funds				Capital Project Funds				Total Nonmajor Governmental Funds
	Forfeited Drug Fund	Hotel/Motel Tax Fund	<i>(Previously Major)</i>		Capital Projects Fund	SPLOST Fund	Impact Fees Fund	Urban Redevelopment Authority Fund	
			American Rescue Plan Fund	Opioid Remediation Fund					
REVENUES									
Taxes	\$ -	\$ 107,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,053
Charges for services	-	-	-	-	-	-	48,427	-	48,427
Intergovernmental	-	-	-	-	-	3,677,292	-	-	3,677,292
Fines and forfeitures	105,645	-	-	26,767	-	-	-	-	132,412
Interest	-	-	-	-	-	1,045	-	-	1,045
Total revenues	105,645	107,053	-	26,767	-	3,678,337	48,427	-	3,966,229
EXPENDITURES									
Current									
General government	-	-	128	-	-	-	40	-	168
Public safety	19,186	-	-	-	-	-	-	-	19,186
Public works	-	-	-	-	-	1,065,868	-	-	1,065,868
Culture and recreation	-	-	-	-	-	226,331	-	-	226,331
Health and welfare	-	-	-	11,846	-	-	-	-	11,846
Housing and development	-	105,940	-	-	-	-	-	-	105,940
Capital outlay	-	-	-	-	-	1,207,688	-	-	1,207,688
Total expenditures	19,186	105,940	128	11,846	-	2,499,887	40	-	2,637,027
Net change in fund balances	86,459	1,113	(128)	14,921	-	1,178,450	48,387	-	1,329,202
FUND BALANCES - January 1	184,691	18,553	-	115,230	2,740	-	-	78,275	399,489
Adjustment - change within reporting entity	-	-	128	-	-	4,741,274	-	-	4,741,402
FUND BALANCES - January 1, as restated	184,691	18,553	128	115,230	2,740	4,741,274	-	78,275	5,140,891
FUND BALANCES, end of year	\$ 271,150	\$ 19,666	\$ -	\$ 130,151	\$ 2,740	\$ 5,919,724	\$ 48,387	\$ 78,275	\$ 6,470,093

**CITY OF MONROE, GEORGIA
FORFEITED DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 46,434	\$ 42,867	\$ 105,645	\$ 62,778
EXPENDITURES				
Public safety	25,000	21,433	19,186	2,247
Debt service:				
Principal	21,434	21,434	-	21,434
Total expenditures	46,434	42,867	19,186	23,681
Net change in fund balances	-	-	86,459	86,459
FUND BALANCES, beginning of year	184,691	184,691	184,691	-
FUND BALANCES, end of year	<u>\$ 184,691</u>	<u>\$ 184,691</u>	<u>\$ 271,150</u>	<u>\$ 86,459</u>

CITY OF MONROE, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 80,000	\$ 107,000	\$ 107,053	\$ 53
EXPENDITURES				
Housing and development	80,000	107,000	105,940	1,060
Net change in fund balances	-	-	1,113	1,113
FUND BALANCES, beginning of year	18,553	18,553	18,553	-
FUND BALANCES, end of year	<u>\$ 18,553</u>	<u>\$ 18,553</u>	<u>\$ 19,666</u>	<u>\$ 1,113</u>

**CITY OF MONROE, GEORGIA
 AMERICAN RESCUE PLAN FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Budget		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
General government	\$ 128	\$ 128	\$ 128	\$ -
Net change in fund balances	128	128	128	-
FUND BALANCES, beginning of year	128	128	128	-
FUND BALANCES, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MONROE, GEORGIA
 OPIOID REMEDIATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 20,000	\$ 20,000	\$ 26,767	\$ 6,767
EXPENDITURES				
Health and welfare	20,000	20,000	11,846	8,154
Net change in fund balances	-	-	14,921	14,921
FUND BALANCES, beginning of year	115,230	115,230	115,230	-
FUND BALANCES, end of year	<u>\$ 115,230</u>	<u>\$ 115,230</u>	<u>\$ 130,151</u>	<u>\$ 14,921</u>

CITY OF MONROE, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX
FOR THE YEAR ENDED DECEMBER 31, 2025

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>
SPLOST - 2019 SERIES					
Transportation, drainage and sidewalks	\$ 6,139,675	\$ 14,100,000	\$ 8,599,929	\$ 1,321,117	\$ 9,921,046
Parks improvements	2,631,289	6,700,000	6,209,838	166,019	6,375,857
	<u>\$ 8,770,964</u>	<u>\$ 20,800,000</u>	<u>\$ 14,809,767</u>	<u>1,487,136</u>	<u>\$ 16,296,903</u>
SPLOST - 2025 SERIES					
Public safety projects, vehicles and equipment	\$ 6,168,477	\$ 6,168,477	\$ -	-	\$ -
Transportation projects	6,168,477	6,168,477	-	165,332	165,332
Public facilities capital improvements	2,004,755	2,004,755	-	15,000	15,000
Parks capital improvements	1,079,484	1,079,484	-	45,312	45,312
	<u>\$ 15,421,193</u>	<u>\$ 15,421,193</u>	<u>\$ -</u>	<u>225,644</u>	<u>\$ 225,644</u>
Total 2019 and 2025 SPLOST				1,712,780	
Expenditures funded by non-SPLOST revenues				787,107 (1)	
Total SPLOST Fund expenditures for year ended December 31, 2025				<u>\$ 2,499,887</u>	

(1) In the current year, \$516,898 of federal grant funding and \$270,209 of state grant funding supplemented Series 2019 transportation and improvement project costs.

COMPONENT UNITS

CITY OF MONROE, GEORGIA
STATEMENT OF CASH FLOWS
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Payments to suppliers	\$ (70,776)
Net cash used in operating activities	<u>(70,776)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Tax receipts	25,000
Operating grant receipts	959,800
Other nonoperating receipts	6,063
Issuance of note receivable	(1,099,180)
Net cash used in non-capital financing activities	<u>(108,317)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	26,984
Net cash provided by investing activities	<u>26,984</u>

Net decrease in cash (152,109)

Cash, beginning of year 597,191

Cash, end of year \$ 445,082

RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES

Operating loss	\$ (55,381)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Change in assets and liabilities:	
Decrease in accounts payable	<u>(15,395)</u>
Net cash used in operating activities	<u><u>\$ (70,776)</u></u>

CITY OF MONROE, GEORGIA
BALANCE SHEET
COMPONENT UNIT - CONVENTION AND VISITORS BUREAU
DECEMBER 31, 2025

ASSETS

Cash	\$ 196,214
Accounts receivable	<u>20,970</u>
Total assets	<u><u>\$ 217,184</u></u>

FUND BALANCE

FUND BALANCE	
Restricted - tourism	<u>\$ 217,184</u>
Total liabilities and fund balance	<u><u>\$ 217,184</u></u>

**CITY OF MONROE, GEORGIA
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE
 COMPONENT UNIT - CONVENTION AND VISITORS BUREAU
 FOR THE YEAR ENDED DECEMBER 31, 2025**

REVENUES

Taxes		\$ 105,940
Miscellaneous		<u>8,684</u>
Total revenues		<u>114,624</u>

EXPENDITURES

Tourism		<u>52,487</u>
Total expenditures		<u>52,487</u>

Net change in fund balance		<u>62,137</u>
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FUND BALANCE, beginning of year		<u>155,047</u>
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FUND BALANCE, end of year		<u><u>\$ 217,184</u></u>
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STATISTICAL SECTION

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

	<u>Page</u>
Financial Trends	75

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

Revenue Capacity	82
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These schedules contain information to help the reader assess the City’s most significant local revenue sources, property taxes and utility charges.

Debt Capacity	96
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These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Demographic and Economic Information	101
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating Information	104
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These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

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

CITY OF MONROE, GEORGIA
NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	\$ 46,506,277	\$ 46,254,298	\$ 42,913,337	\$ 36,672,527	\$ 28,233,566	\$ 25,489,636	\$ 22,930,759	\$ 20,485,983	\$ 16,771,849	\$ 16,598,632
Restricted for law enforcement	271,150	184,691	145,251	146,996	188,709	150,249	63,237	23,265	7,885	14,495
Restricted for debt service	-	-	-	-	-	-	-	310,849	92,856	47,966
Restricted for health and welfare	130,151	115,230	44,679	-	-	-	-	-	-	-
Restricted for federal programs	-	128	40,391	9,898	341	-	-	-	-	-
Restricted for capital projects	6,060,358	4,862,276	2,409,925	3,339,634	5,528,728	5,074,619	4,414,265	4,022,139	5,448,014	4,501,818
Restricted for tourism	19,666	18,553	5,580	5,580	6,085	4,416	3,996	4,634	3,537	3,197
Unrestricted	3,751,468	3,005,495	3,281,206 ⁽²⁾	4,209,266	1,303,888 ⁽¹⁾	784,851	(300,215)	(970,461)	(763,091)	(639,323)
Total governmental activities net position	\$ 56,739,070	\$ 54,440,671	\$ 48,840,369	\$ 44,383,901	\$ 35,261,317	\$ 31,503,771	\$ 27,112,042	\$ 23,876,409	\$ 21,561,050	\$ 20,526,785
Business-type activities										
Net investment in capital assets	\$ 93,059,637	\$ 88,495,581	\$ 82,721,365	\$ 78,429,495	\$ 71,061,679	\$ 65,203,406	\$ 58,967,998	\$ 55,240,661	\$ 51,733,299	\$ 50,771,001
Restricted for debt service	1,263,867	346,106	319,146	292,572	282,650	277,896	255,363	252,617	249,332	186,716
Restricted for capital projects	2,618,230	3,535,202	4,463,005	4,537,960	7,174,707	8,022,915	9,696,380	9,139,113	12,097,845	9,441,663
Unrestricted	23,047,721	17,812,129	19,369,601 ⁽²⁾	22,849,361	24,828,374	23,339,704	21,527,290	18,957,214	14,621,384	13,463,671
Total business-type activities net position	\$ 119,989,455	\$ 110,189,018	\$ 106,873,117	\$ 106,109,388	\$ 103,347,410	\$ 96,843,921	\$ 90,447,031	\$ 83,589,605	\$ 78,701,860	\$ 73,863,051
Primary government										
Net investment in capital assets	\$ 139,565,914	\$ 134,749,879	\$ 125,634,702	\$ 115,102,022	\$ 99,420,938	\$ 90,693,042	\$ 81,898,757	\$ 75,726,644	\$ 68,505,148	\$ 67,369,633
Restricted for law enforcement	271,150	184,691	145,251	146,996	188,709	150,249	63,237	23,265	7,885	14,495
Restricted for debt service	1,263,867	346,106	319,146	292,572	282,650	277,896	255,363	563,466	342,188	234,682
Restricted for health and welfare	130,151	115,230	44,679	-	-	-	-	-	-	-
Restricted for federal programs	-	128	40,391	9,898	341	-	-	-	-	-
Restricted for capital projects	8,678,588	8,397,478	6,872,930	7,877,594	12,703,435	13,097,534	14,110,645	13,161,252	17,545,859	13,943,481
Restricted for tourism	19,666	18,553	5,580	5,580	6,085	4,416	3,996	4,634	3,537	3,197
Unrestricted	26,799,189	20,817,624	23,927,033	27,058,627	26,132,262	24,124,555	21,227,075	17,986,753	13,858,293	12,824,348
Total primary government net position	\$ 176,728,525	\$ 164,629,689	\$ 156,989,712	\$ 150,493,289	\$ 138,734,420	\$ 128,347,692	\$ 117,559,073	\$ 107,466,014	\$ 100,262,910	\$ 94,389,836

(1) Net position of governmental activities was restated as of December 31, 2021 due to the implementation of GASB Statement No. 87, *Leases*, during fiscal year 2022.

(2) Net position of governmental activities and business-type activities was restated as of December 31, 2023 due to the implementation of GASB Statement No. 101, *Compensated Absences*, during fiscal year 2024.

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental activities:										
General government	\$ 2,087,497	\$ 2,179,953	\$ 2,534,693	\$ 1,467,296	\$ 1,957,147	\$ 1,721,026	\$ 1,657,185	\$ 1,348,382	\$ 1,517,879	\$ 1,546,075
Judicial	297,491	263,027	263,204	233,601	196,437	107,436	84,279	96,110	103,571	121,714
Public safety	12,970,449	11,145,931	11,225,168	9,396,012	7,508,143	7,774,304	7,032,501	6,269,746	5,515,442	5,268,876
Public works	4,042,720	3,375,615	3,390,055	2,543,896	2,240,826	1,629,163	2,302,320	2,288,588	2,403,390	2,515,879
Health and welfare	64,651	49,266	38,628	47,242	129,405	110,172	28,153	23,470	12,325	14,713
Culture and recreation	1,367,585	1,703,702	1,042,520	904,497	743,703	721,854	523,148	575,482	427,499	389,367
Housing and development	1,556,145	1,881,545	1,819,418	1,788,522	1,721,414	1,580,085	1,547,514	1,211,958	1,030,921	785,841
Interest on long-term debt	255,457	262,609	263,277	174,796	178,258	188,998	245,557	116,266	64,856	120,015
Total governmental activities expenses	<u>22,641,995</u>	<u>20,861,648</u>	<u>20,576,963</u>	<u>16,555,862</u>	<u>14,675,333</u>	<u>13,833,038</u>	<u>13,420,657</u>	<u>11,930,002</u>	<u>11,075,883</u>	<u>10,762,480</u>
Business-type activities:										
Utilities	45,864,254	43,067,864	41,989,806	43,023,787	37,604,762	37,126,841	35,171,102	36,101,902	32,120,416	31,479,006
Solid waste	8,565,588	7,971,288	7,662,571	6,789,922	5,846,638	5,832,852	5,159,271	4,311,889	4,052,539	3,864,628
GUTA	-	-	-	-	-	-	-	-	(1) 333,199	296,924
Total business-type activities expenses	<u>54,429,842</u>	<u>51,039,152</u>	<u>49,652,377</u>	<u>49,813,709</u>	<u>43,451,400</u>	<u>42,959,693</u>	<u>40,330,373</u>	<u>40,413,791</u>	<u>36,506,154</u>	<u>35,640,558</u>
Total primary government expenses	<u>\$ 77,071,837</u>	<u>\$ 71,900,800</u>	<u>\$ 70,229,340</u>	<u>\$ 66,369,571</u>	<u>\$ 58,126,733</u>	<u>\$ 56,792,731</u>	<u>\$ 53,751,030</u>	<u>\$ 52,343,793</u>	<u>\$ 47,582,037</u>	<u>\$ 46,403,038</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,126,879	\$ 1,207,804	\$ 1,164,868	\$ 1,016,451	\$ 957,149	\$ 915,960	\$ 828,086	\$ 745,943	\$ 747,865	\$ 801,829
Judicial	368,884	423,230	280,912	247,393	293,141	269,919	454,901	332,014	275,966	287,674
Public safety	215,533	245,537	162,047	174,919	156,682	129,367	84,181	59,583	73,869	50,448
Public works	37,851	4,110	7,349	30,883	48,398	31,811	34,410	23,748	61,123	30,411
Culture and recreation	344,568	297,480	110,061	86,832	4,508	4,508	3,335	12,496	15,520	12,920
Housing and development	254,856	474,027	291,165	504,835	567,006	465,658	441,280	233,299	328,659	227,155
Operating grants and contributions	546,174	532,738	512,721	610,748	371,937	1,217,152	640,872	587,422	133,651	169,506
Capital grants and contributions	4,109,005	8,184,226	8,470,077	10,273,084 (3)	4,161,444	4,544,584	4,096,477	2,490,759	1,998,249	1,686,099
Total governmental activities program revenues	<u>8,003,750</u>	<u>11,369,152</u>	<u>10,999,200</u>	<u>12,945,145</u>	<u>6,560,265</u>	<u>7,578,959</u>	<u>6,583,542</u>	<u>4,485,264</u>	<u>3,634,902</u>	<u>3,266,042</u>
Business-type activities:										
Charges for services:										
Utilities	53,851,748	46,542,762	43,854,063	46,958,455	44,515,756	40,893,970	42,580,660	42,193,778	37,997,407	37,484,700
Solid waste	8,432,652	7,561,094	7,195,486	6,970,573	6,367,207	6,100,901	5,795,498	4,481,913	4,580,937	4,272,845
GUTA	-	-	-	-	-	-	-	-	(1) 119,824	120,868
Capital grants and contributions	4,068,651	1,162,235	240,556	701,967	1,612,424	4,119,604 (2)	283,684	644,842	41,862	43,351
Total business-type activities program revenues	<u>66,353,051</u>	<u>55,266,091</u>	<u>51,290,105</u>	<u>54,630,995</u>	<u>52,495,387</u>	<u>51,114,475</u>	<u>48,659,842</u>	<u>47,320,533</u>	<u>42,740,030</u>	<u>41,921,764</u>
Total primary government program revenues	<u>\$ 74,356,801</u>	<u>\$ 66,635,243</u>	<u>\$ 62,289,305</u>	<u>\$ 67,576,140</u>	<u>\$ 59,055,652</u>	<u>\$ 58,693,434</u>	<u>\$ 55,243,384</u>	<u>\$ 51,805,797</u>	<u>\$ 46,374,932</u>	<u>\$ 45,187,806</u>

CITY OF MONROE, GEORGIA
CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net (Expense)/Revenue										
Governmental activities	\$ (14,638,245)	\$ (9,492,496)	\$ (9,577,763)	\$ (3,610,717)	\$ (8,115,068)	\$ (6,254,079)	\$ (6,837,115)	\$ (7,444,738)	\$ (7,440,981)	\$ (7,496,438)
Business-type activities	11,923,209	4,226,939	1,637,728	4,817,286	9,043,987	8,154,782	8,329,469	6,906,742	6,233,876	6,281,206
Total primary government net (expense) revenue	\$ (2,715,036)	\$ (5,265,557)	\$ (7,940,035)	\$ 1,206,569	\$ 928,919	\$ 1,900,703	\$ 1,492,354	\$ (537,996)	\$ (1,207,105)	\$ (1,215,232)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 6,626,370	\$ 6,110,165	\$ 5,664,129	\$ 5,038,571	\$ 4,445,499	\$ 3,920,564	\$ 3,684,076	\$ 3,448,522	\$ 3,184,467	\$ 2,985,136
Sales taxes	3,227,275	3,744,854	3,585,842	4,032,765	3,507,991	3,098,527	2,717,391	2,379,975	2,176,049	2,011,809
Franchise taxes	404,833	376,131	381,060	343,038	316,483	313,397	320,400	333,951	317,921	303,920
Other taxes	2,836,467	1,984,959	1,864,990	1,402,473	1,221,181	1,194,514	1,136,010	1,079,020	1,006,432	970,831
Unrestricted investment earnings	28,875	71,676	93,788	37,967	2,144	20,468	55,803	2	78	-
Miscellaneous	-	-	-	-	-	-	-	109,182	91,966	56,691
Gain on sale of capital assets	35,232	13,600	339,206	15,232	-	1,155	-	-	32,366	-
Transfers	3,777,592	2,791,413	2,744,921	1,863,255	2,505,009	2,097,183	2,159,068	2,409,445	1,665,967	1,795,522
Total governmental activities	16,936,644	15,092,798	14,673,936	12,733,301	11,998,307	10,645,808	10,072,748	9,760,097	8,475,246	8,123,909
Business-type activities:										
Investment earnings (loss)	1,596,720	1,796,283	2,399,604	(334,619)	(40,683)	336,274	669,317	388,841	265,069	175,847
Gain on sale of capital assets	1,231	21,266	41,762	79,740	5,194	3,017	17,708	1,607	5,831	49,625
Miscellaneous	56,869	62,826	66,077	62,826	-	-	-	-	-	-
Transfers	(3,777,592)	(2,791,413)	(2,744,921)	(1,863,255)	(2,505,009)	(2,097,183)	(2,159,068)	(2,409,445)	(1,665,967)	(1,795,522)
Total business-type activities	(2,122,772)	(911,038)	(237,478)	(2,055,308)	(2,540,498)	(1,757,892)	(1,472,043)	(2,018,997)	(1,395,067)	(1,570,050)
Total primary government	\$ 14,813,872	\$ 14,181,760	\$ 14,436,458	\$ 10,677,993	\$ 9,457,809	\$ 8,887,916	\$ 8,600,705	\$ 7,741,100	\$ 7,080,179	\$ 6,553,859
Change in Net Position										
Governmental activities	\$ 2,298,399	\$ 5,600,302	\$ 5,096,173	\$ 9,122,584	\$ 3,883,239	\$ 4,391,729	\$ 3,235,633	\$ 2,315,359	\$ 1,034,265	\$ 627,471
Business-type activities	9,800,437	3,315,901	1,400,250	2,761,978	6,503,489	6,396,890	6,857,426	4,887,745	4,838,809	4,711,156
Total primary government	\$ 12,098,836	\$ 8,916,203	\$ 6,496,423	\$ 11,884,562	\$ 10,386,728	\$ 10,788,619	\$ 10,093,059	\$ 7,203,104	\$ 5,873,074	\$ 5,338,627

(1) During 2018, the GUTA Fund was consolidated with the Utilities Fund.
(2) Intergovernmental (i.e. grant) revenues are included as capital contributions in 2020.
(3) During 2022, the City received significant donated infrastructure, included as capital contributions.

CITY OF MONROE, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN YEARS (accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Other Tax	Total
2016	\$ 2,985,136 (1)	\$ 2,011,809	\$ 303,920	\$ 970,831	\$ 6,271,696
2017	3,184,467	2,176,049	317,921	1,006,432	6,684,869
2018	3,448,522	2,379,975	333,951	1,079,020	7,241,468
2019	3,684,076	2,717,391	320,400	1,136,010	7,857,877
2020	3,920,564	3,098,527	313,397	1,194,514	8,527,002
2021	4,445,499 (2)	3,507,991	316,483	1,221,181	9,491,154
2022	5,038,571	4,032,765	343,038	1,402,473	10,816,847
2023	5,664,129	3,585,842	381,060	1,864,990	11,496,021
2024	6,110,165	3,744,854	376,131	1,984,959	12,216,109
2025	6,626,370	3,227,275	404,833	2,836,467	13,094,945

(1) Property tax decrease in 2016 due to a decrease in title ad-valorem tax (TAVT) due to a change in the state formula.

(2) Property tax increase in 2021 attributable to a general increase in assessed property values.

CITY OF MONROE, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General fund										
Nonspendable	\$ 187,131	\$ 165,087	\$ 138,962	\$ 98,756	\$ 74,138	\$ 115,806	\$ 120,013	\$ 115,624	\$ 112,615	\$ 99,052
Restricted	-	-	-	-	-	-	-	310,734	92,741	47,850
Assigned	5,500	5,500	5,500	5,500	5,551	9,028	6,007	5,500	10,739	17,108
Unassigned	8,434,845	7,883,052	7,901,054	7,855,731	5,332,318	4,913,245	3,065,644	2,311,710	2,537,155	2,807,490
Total general fund	<u>\$ 8,627,476</u>	<u>\$ 8,053,639</u>	<u>\$ 8,045,516</u>	<u>\$ 7,959,987</u>	<u>\$ 5,412,007</u>	<u>\$ 5,038,079</u>	<u>\$ 3,191,664</u>	<u>\$ 2,743,568</u>	<u>\$ 2,753,250</u>	<u>\$ 2,971,500</u>
Other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,470,093	5,140,891 (3)	2,634,594	3,289,366	5,712,631	5,433,509	7,222,881 (2)	4,050,153 (1)	5,459,551	4,519,626
Assigned	-	-	-	-	-	97	97	-	-	-
Total other governmental funds	<u>\$ 6,470,093</u>	<u>\$ 5,140,891</u>	<u>\$ 2,634,594</u>	<u>\$ 3,289,366</u>	<u>\$ 5,712,631</u>	<u>\$ 5,433,606</u>	<u>\$ 7,222,978</u>	<u>\$ 4,050,153</u>	<u>\$ 5,459,551</u>	<u>\$ 4,519,626</u>

(1) The decrease in restricted fund balance is due to the expending of funds on capital projects in 2018.

(2) The increase in restricted fund balance is due to the addition of the Urban Redevelopment Authority Fund in 2019, whose fund balance is restricted for capital projects.

(3) The increase in restricted fund balance is due an increase in the fund balance of the SPLOST Fund.

CITY OF MONROE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes	\$ 12,997,448	\$ 12,101,171	\$ 11,530,460	\$ 10,709,323	\$ 9,495,844	\$ 8,568,786	\$ 7,892,828	\$ 7,189,628	\$ 6,689,354	\$ 6,357,296
Licenses and permits	505,024	716,696	542,092	640,611	496,979	408,082	375,517	217,263	165,100	248,648
Intergovernmental	4,232,497 (4)	6,962,016	8,715,792 (2)	5,635,166	4,413,547	3,940,345	4,536,646 (2)	3,001,050 (2)	2,093,558	1,850,796
Fines and forfeitures	501,296	562,497	372,424	357,423	444,717	391,462	515,984	371,036	294,986	321,644
Charges for services	1,242,946	1,144,329	1,044,353	1,009,132	849,452	808,257	741,049	694,141	779,484	647,933
Interest income	28,875	72,517	94,527	39,137	2,144	20,468	55,803	2	78	-
Contributions	225,000	225,000	-	-	-	-	-	-	-	-
Miscellaneous	1,296,987 (5)	409,773	323,800	448,074	355,572	327,249	414,346	310,956	385,249	253,712
Total revenues	21,030,073	22,193,999	22,623,448	18,838,856	16,058,255	14,464,649	14,532,173	11,784,076	10,407,809	9,680,029
Expenditures										
General government	2,005,365	2,062,848	2,461,684	1,432,644	2,397,579	1,225,749	1,412,678	1,191,278	2,764,072	1,433,553
Judicial	296,713	256,484	259,434	234,500	197,999	101,493	84,243	96,480	105,338	121,372
Public safety	12,587,958	10,379,113	11,919,073	9,165,916	8,050,254	8,037,212	6,718,003	6,719,909	5,653,123	4,951,030
Public works	3,091,467	2,393,029	2,495,224	1,771,810	2,005,635	1,383,222	1,700,711	1,762,131	1,946,854	1,704,309
Health and welfare	36,786	28,177	24,159	18,701	23,280	23,203	28,153	23,840	12,325	14,713
Culture and recreation	1,596,038	1,636,412	5,163,499	1,082,939	1,352,137	579,368	542,739	337,518	445,762	372,073
Housing and development	1,595,421	1,738,634	1,839,246	1,570,818	1,455,232	1,271,228	1,420,204	1,179,170	1,035,645	656,720
Capital outlay	1,207,688	2,686,432	2,809,440	5,682,752	2,672,942	4,470,520	4,294,629	3,512,703	333,013	652,189
Debt service										
Principal retirements	1,170,758	1,214,503	1,253,692	927,171	786,124	477,392	1,154,552	1,025,524	810,000	961,791
Issuance costs	-	-	-	-	-	-	83,000	-	-	34,693
Interest and fiscal charges	253,064	277,126	189,989	182,542	175,243	176,250	144,857	87,496	32,725	145,959
Total expenditures	23,841,258	22,672,758	28,415,440	22,069,793	19,116,425	17,745,637	17,583,769	15,936,049	13,138,857	11,048,402
Excess (deficiency) of revenues over expenditures	(2,811,185)	(478,759)	(5,791,992)	(3,230,937)	(3,058,170)	(3,280,988)	(3,051,596)	(4,151,973)	(2,731,048)	(1,368,373)

CITY OF MONROE, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (continued)
LAST TEN YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Other financing sources (uses)										
Issuance of note payable	\$ -	\$ -	\$ -	\$ -	\$ 920,000	\$ -	\$ -	\$ -	\$ 1,500,000 (1)	\$ -
Issuance of lease liabilities	901,400	188,166	975,847	96,331	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	3,600,000 (3)	-	-	2,513,000
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	(2,478,307)
Financed purchases	-	-	1,032,063	-	286,114	783,432	226,855	322,523	245,900	-
Proceeds from sale of capital assets	35,232	13,600	469,918	15,232	-	1,155	23,086	925	32,366	-
Transfers in	3,777,592	2,791,413	2,744,921	3,803,494	2,945,905	2,645,444	3,704,520	3,271,585	2,807,434	2,774,323
Transfers out	-	-	-	(559,405)	(440,896)	(92,000)	(881,944)	(862,140)	(1,141,467)	(978,801)
Total other financing sources (uses)	<u>4,714,224</u>	<u>2,993,179</u>	<u>5,222,749</u>	<u>3,355,652</u>	<u>3,711,123</u>	<u>3,338,031</u>	<u>6,672,517</u>	<u>2,732,893</u>	<u>3,444,233</u>	<u>1,830,215</u>
Net change in fund balances	<u>\$ 1,903,039</u>	<u>\$ 2,514,420</u>	<u>\$ (569,243)</u>	<u>\$ 124,715</u>	<u>\$ 652,953</u>	<u>\$ 57,043</u>	<u>\$ 3,620,921</u>	<u>\$ (1,419,080)</u>	<u>\$ 713,185</u>	<u>\$ 461,842</u>
Debt service as a percentage of noncapital expenditures	6.70%	8.33%	7.48%	6.82%	5.26%	10.52%	9.54%	7.69%	10.99%	10.02%

(1) Purchase of the Walton Plaza property and building.

(2) Increase in federal and/or state grant funding.

(3) Issuance of the Urban Redevelopment Authority Revenue Bonds.

(4) Decrease is attributable to ARPA funding being fully expended in fiscal year 2024.

(5) Increase is attributable to health insurance refunds received in fiscal year 25. In prior years, the City's refund was offset by its expenses, but in fiscal year 2025, they were issued a direct refund.

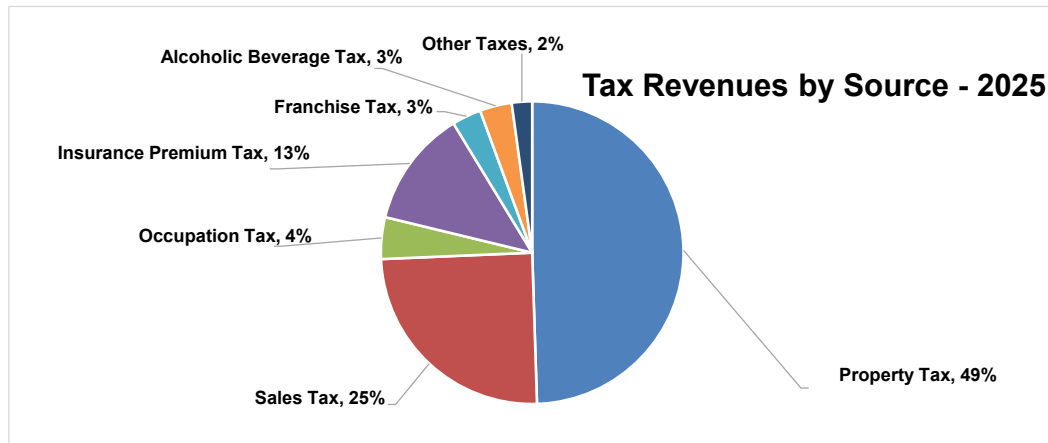
CITY OF MONROE, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Occupation Tax	Insurance Premium Tax	Franchise Tax	Alcoholic Beverage Tax	Other Taxes	Total
2016	\$ 3,045,230	\$ 1,672,504	\$ 86,200	\$ 825,052	\$ 303,920	\$ 296,799	\$ 127,591	\$ 6,357,296
2017	3,155,876	1,782,464	87,339	852,827	317,921	347,533	99,342	6,643,302
2018	3,355,741 (2)	2,027,527 (1)	93,850	919,876	333,951	308,455	150,228	7,189,628
2019	3,627,222	2,356,109	93,079	977,418	320,400	313,204	205,396	7,892,828
2020	3,836,132	2,700,402	93,275	1,031,761	313,397	346,399	247,420	8,568,786
2021	4,332,742 (3)	3,091,556	96,525	1,065,543	316,482	353,971	239,025	9,495,844
2022	4,839,599	3,561,495	100,700	1,250,774	343,038	396,766	216,951	10,709,323
2023	5,579,503	3,077,101	488,036	1,326,983	381,060	426,710	251,067	11,530,460
2024	5,887,843	3,193,453	500,651	1,427,206	376,131	443,364	272,523	12,101,171
2025	6,433,046	3,227,275	579,187	1,626,660	404,833	444,193	282,254	12,997,448

(1) Sales tax increase due to Local Option Sales Tax (LOST) collections, effect of increased local sales.

(2) Property tax increased with collections performed by Walton County Tax Commissioner's office.

(3) Property tax increased with general increase in assessed property values.



CITY OF MONROE, GEORGIA

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property (1)	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
2016	\$ 138,620,409	\$ 155,101,971	\$ 77,120,434	\$ 17,224,710	\$ 21,630,049	\$ 366,437,475	7.802	\$ 916,093,688	40%
2017	162,883,341	157,978,674	90,977,408	16,089,194	31,688,869	396,239,748	7.421	990,599,370	40%
2018	172,994,149	165,084,770	88,379,597	14,737,546	22,627,411	418,568,651	7.277	1,046,421,628	40%
2019	188,366,699	152,320,597	95,099,296	14,125,236	27,839,611	422,072,217	7.802	1,055,180,543	40%
2020	221,454,383	155,153,319	106,346,324	13,898,876	43,995,439	452,857,463	7.588	1,132,143,658	40%
2021	253,910,497	166,764,263	103,093,385	14,544,499	27,522,333	510,790,311	7.404	1,276,975,778	40%
2022	340,245,309	192,980,799	120,329,317	15,443,362	43,489,292	625,509,495	7.060	1,563,773,738	40%
2023	446,663,329	224,265,024	122,094,037	15,700,761	37,489,038	771,234,113	6.467	1,928,085,283	40%
2024	484,145,126	234,212,984	125,206,498	18,111,395	37,790,559	823,885,444	6.661	2,059,713,610	40%
2025	511,879,413	245,185,035	119,026,660	20,063,119	43,892,466	852,261,761	6.934	2,130,654,403	40%

Source: Walton County Tax Assessors Office

Note: Property in the City is reassessed periodically. Property is assessed at 40% of the fair market value; therefore, the assessed values are equal to 40% of the estimated actual value. Tax rates are per \$1,000 of assessed value.

(1) Other property consists of historic, agricultural, conservation use, utility, motor vehicle, and mobile homes.



CITY OF MONROE, GEORGIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1) PER \$1,000 OF ASSESSED VALUE LAST TEN YEARS

Fiscal Year	City of Monroe, Georgia			Overlapping Rates ⁽¹⁾					Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	County	School District			State	
					Operating Millage	Debt Service Millage	Total School Millage		
2016	5.582	2.220	7.802	11.325	18.900	3.200	22.100	-	41.227
2017	5.418	2.003	7.421	10.905	18.700	2.900	21.600	-	39.926
2018	5.298	1.979	7.277	10.905	18.600	2.600	21.200	-	39.382
2019	5.821	1.981	7.802	10.905	18.600	2.300	20.900	-	39.607
2020	7.588	-	7.588	10.677	19.100	2.300	21.400	-	39.665
2021	7.404	-	7.404	10.413	18.593	2.239	20.832	-	38.649
2022	7.060	-	7.060	10.413	17.737	2.134	19.871	-	37.344
2023	6.467	-	6.467	10.413	16.693	1.390	18.083	-	34.963
2024	6.661	-	6.661	10.413	16.176	0.079	16.255	-	33.329
2025	6.934	-	6.934	12.278	15.965	-	15.965	-	35.177

Source: Walton County Tax Assessors Office and GA Dept of Revenue website.

Note: Assessed values are established by the County Assessors on January 1 of each year at 40% of the actual value.

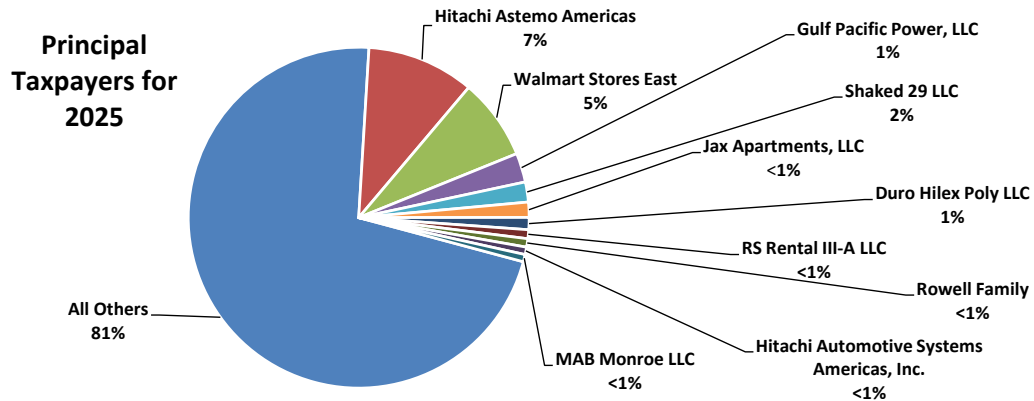
(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Monroe.

CITY OF MONROE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT AND NINE YEARS AGO (amounts expressed in thousands)

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Hitachi Astemo Americas	\$ 56,603	1	6.64 %	\$		%
Walmart Stores East	38,702	2	4.54	35,439	1	9.67
Shaked 29, LLC	15,010	3	1.76			
Gulf Pacific Power, LLC	10,507	4	1.23			
Duro Hilex Poly, LLC	10,107	5	1.19			
Jax Apartments, LLC	8,181	6	0.96			
Hitachi Automotive Systems Americas, Inc.	8,176	7	0.96	25,385	2	6.93
RS Rental III-A, LLC	7,231	8	0.85			
MAB Monroe, LLC	5,730	9	0.67			
Rowell Family	5,399	10	0.64			
Walton County Power				16,503	3	4.50
Monroe HMA, LLC dba Clearview Medical				14,771	4	4.03
MPC Generating				12,603	5	3.44
Walmart Distribution Center				4,878	6	1.33
Piedmont Walton Hospital (was Clearview)				3,789	7	1.04
Melkin Properties				3,518	8	0.96
Home Depot USA, Inc.				2,931	9	0.80
WTH II, LLC				2,094	10	0.57
Totals	\$ 165,646		19.44 %	\$ 121,911		33.27 %

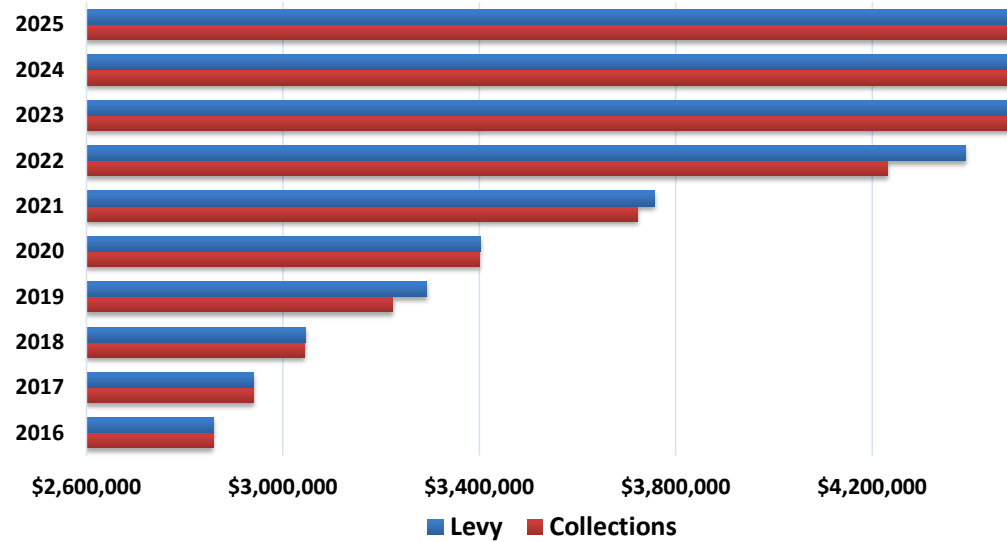
Source: Walton County Tax Commissioner's Office



CITY OF MONROE, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN YEARS

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 2,858,945	\$ 2,610,797	91.3	\$ 247,551	\$ 2,858,348	100.0
2017	2,940,495	2,645,638	90.0	294,441	2,940,079	100.0
2018	3,045,924	2,755,055	90.5	288,627	3,043,682	99.9
2019	3,293,007	3,022,004	91.8	201,093	3,223,097	97.9
2020	3,403,182	3,148,315	92.5	252,111	3,400,426	99.9
2021	3,757,391	3,631,085	92.5	91,118	3,722,203	99.1
2022	4,389,981	4,031,043	91.8	200,511	4,231,554	96.4
2023	4,964,176	4,599,812	92.7	356,229	4,956,041	99.8
2024	5,467,788	4,975,566	91.0	123,754	5,099,320	93.3
2025	5,909,583	5,679,630	96.1	-	5,679,630	96.1

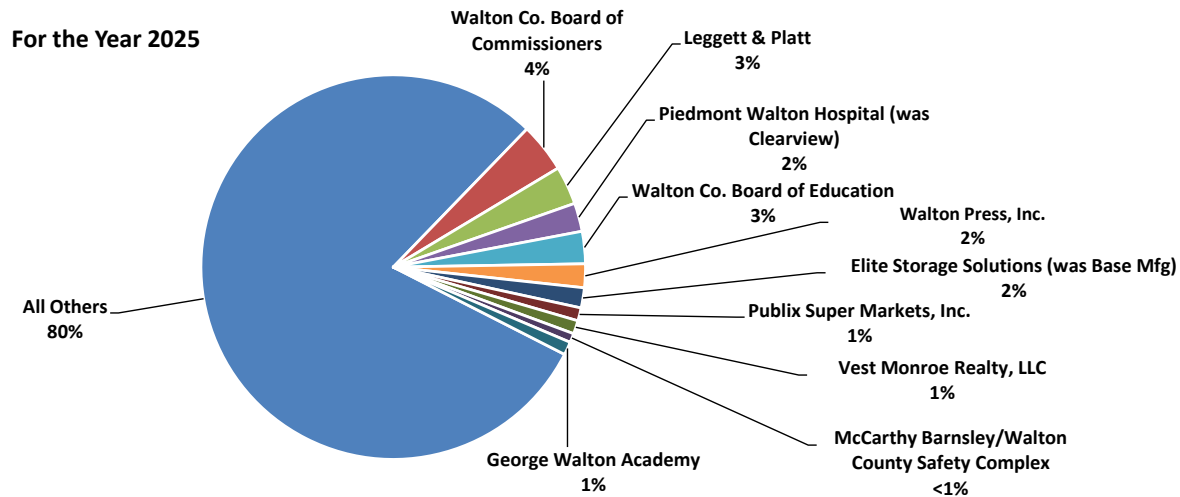


CITY OF MONROE, GEORGIA

TOP TEN ELECTRIC CUSTOMERS CURRENT AND NINE YEARS AGO

Customer	2025				2016			
	Usage in MWh	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in MWh	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
Walton Co. Board of Commissioners	7,374	867	1	4.10 %	5,881	657	2	3.64 %
Leggett & Platt	6,720	675	2	3.19	11,372	836	1	4.63
Piedmont Walton Hospital (was Clearview)	5,077	498	3	2.36	5,286	519	3	2.88
Walton Co. Board of Education	4,653	564	4	2.68	4,033	467	4	2.59
Walton Press, Inc.	3,633	417	5	1.97	3,794	391	5	2.17
Elite Storage Solutions (was Base Mfg)	3,150	352	6	1.67	2,822	301	6	1.67
Publix Super Markets, Inc.	2,103	229	7	1.08				
Vest Monroe Realty, LLC	2,085	234	8	1.11				
McCarthy Barnsley/Walton County Safety Complex	1,886	161	9	0.76				
George Walton Academy	1,811	230	10	1.09	2,306	255	7	1.41
Home Depot					1,784	186	8	1.03
Great Oaks of Monroe					1,568	172	9	0.95
Quality Foods					1,538	152	10	0.84
Totals	<u>38,492</u>	<u>4,227</u>		<u>20.01</u>	<u>40,384</u>	<u>3,936</u>		<u>21.81</u>
All Others	<u>126,874</u>	<u>16,902</u>		<u>79.99</u>	<u>106,398</u>	<u>14,115</u>		<u>78.19</u>
Annual Totals	<u><u>165,366</u></u>	<u><u>\$ 21,129</u></u>		<u><u>100.00 %</u></u>	<u><u>146,782</u></u>	<u><u>\$ 18,051</u></u>		<u><u>100.00 %</u></u>

Source: City of Monroe Finance Department



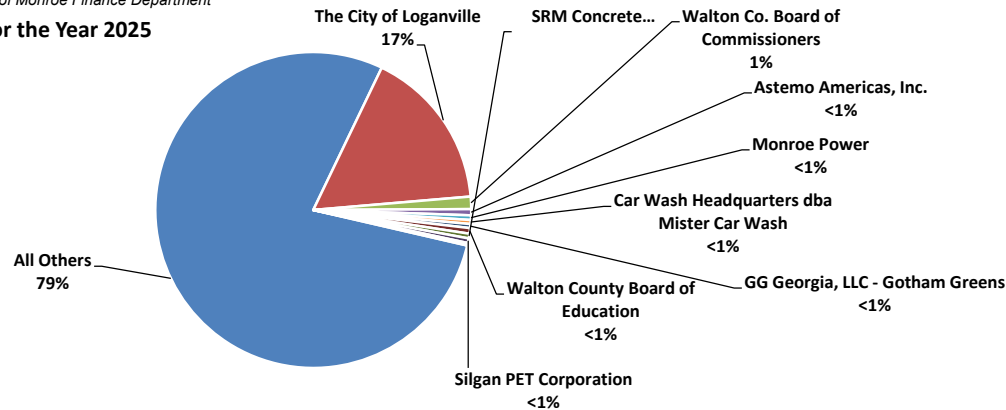
CITY OF MONROE, GEORGIA

TOP TEN WATER CUSTOMERS CURRENT AND NINE YEARS AGO

Customer	2025				2016			
	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
The City of Loganville	399,302	1,472	1	16.50 %				
Walton Co. Board of Commissioners	16,960	113	2	1.27	10,219	79	3	1.56
Astemo Americas, Inc.	9,386	56	3	0.63				
Monroe Power	7,709	42	4	0.47				
Car Wash Headquarters dba Mister Car Wash	6,834	37	5	0.41				
GG Georgia, LLC - Gotham Greens	6,507	37	6	0.41				
Walton County Board of Education	6,085	51	7	0.57	5,362	48	6	0.95
Silgan PET Corporation	5,291	43	8	0.48				
Smyrna Ready Mix Concrete, LLC, dba SRM Concrete	5,038	42	9	0.47				
Wow Express	3,964	23	10	0.26				
Walton Co. Water and Sewerage Authority					64,642	115	1	2.27
Walmart Distribution Center					11,876	66	2	1.30
Hitachi Automotive Systems (Unisia)					6,121	38	4	0.75
Piedmont Walton Hospital (was Clearview)					5,975	35	5	0.69
Doyle Energy Facility					3,676	32	8	0.63
Park Place Nursing Facility					3,802	32	7	0.63
George Walton Academy					3,208	22	10	0.43
Great Oaks of Monroe					3,563	21	9	0.41
Totals	467,076	1,916		21.47	118,444	488		9.62
All Others	651,924	7,007		78.53	554,556	4,585		90.38
Annual Totals	1,119,000	\$ 8,923		100.00 %	673,000	\$ 5,073		100.00 %

Source: City of Monroe Finance Department

For the Year 2025

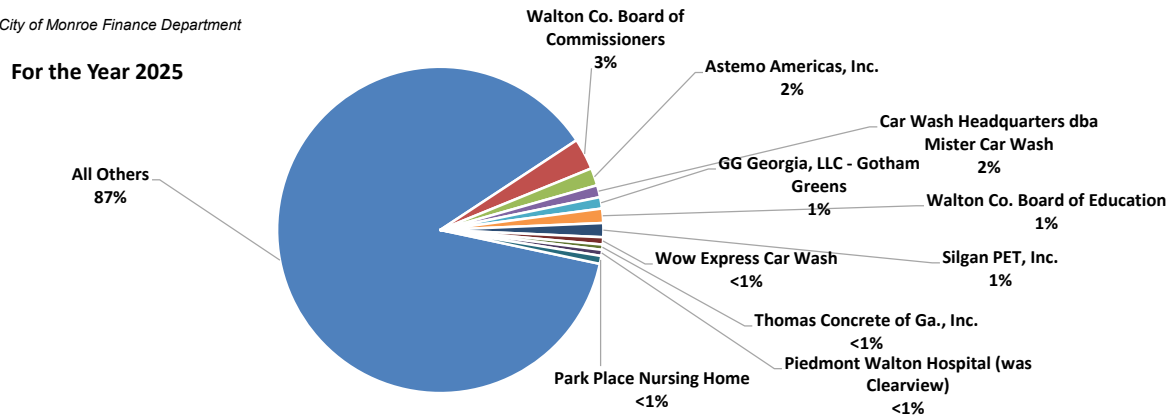


CITY OF MONROE, GEORGIA

TOP TEN SEWER CUSTOMERS CURRENT AND NINE YEARS AGO

Customer	2025				2016			
	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in Gallons (thousands)	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
Walton Co. Board of Commissioners	15,708	186	1	3.11 %	6,887	93	1	2.33 %
Astemo Americas, Inc.	9,386	104	2	1.74				
Car Wash Headquarters dba Mister Car Wash	6,834	71	3	1.19				
GG Georgia, LLC - Gotham Greens	6,506	68	4	1.13				
Walton Co. Board of Education	6,085	85	5	1.42	4,006	67	4	1.68
Silgan PET, Inc.	5,291	83	6	1.39	1,494	26	10	0.65
Wow Express Car Wash	3,964	43	7	0.72				
Thomas Concrete of Ga., Inc.	3,307	31	8	0.52				
Piedmont Walton Hospital (was Clearview)	3,216	36	9	0.60	4,985	54	3	1.35
Park Place Nursing Home	2,991	47	10	0.78	3,802	60	5	1.50
Hitachi Automotive Systems (Unisia)					6,120	70	2	1.75
George Walton Academy					2,846	36	7	0.90
Doyle Energy Facility					1,539	36	9	0.90
Endwell Associates, Inc.					3,280	35	6	0.88
Base Manufacturing					2,376	28	8	0.70
Totals	63,288	754		12.60	37,335	505		12.64
All Others		5,231		87.40		3,488		87.36
Annual Totals		\$ 5,985		100.00 %		\$ 3,993		100.00 %

Source: City of Monroe Finance Department

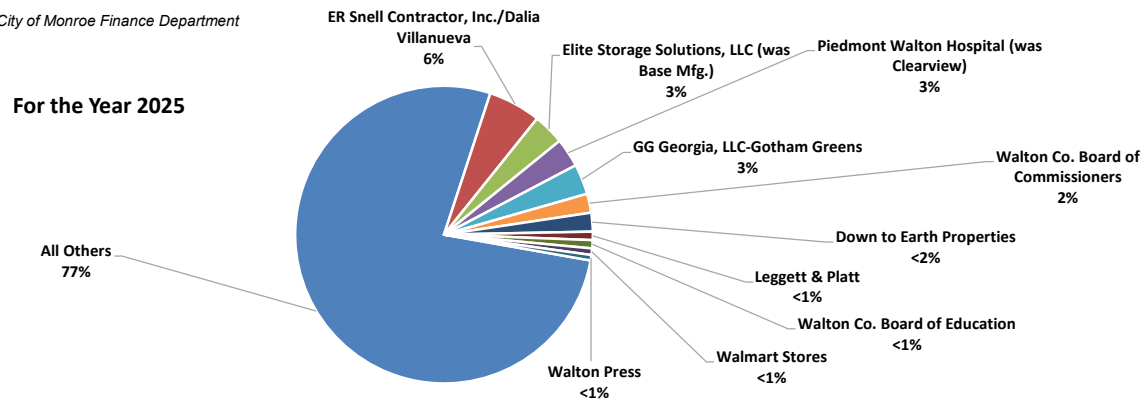


CITY OF MONROE, GEORGIA

TOP TEN GAS CUSTOMERS CURRENT AND NINE YEARS AGO

Customer	2025				2016			
	Usage in MCF	Annual Revenue (thousands)	Rank	Percentage of Total Revenues	Usage in MCF	Annual Revenue (thousands)	Rank	Percentage of Total Revenues
ER Snell Contractor, Inc./Dalia Villanueva	30,151	339	1	5.72 %				%
Elite Storage Solutions, LLC (was Base Mfg.)	20,702	201	2	3.39	24,935	204	1	6.74
Piedmont Walton Hospital (was Clearview)	17,410	186	3	3.13	18,420	167	2	5.52
GG Georgia, LLC-Gotham Greens	16,936	195	4	3.29				
Walton Co. Board of Commissioners	10,636	122	5	2.06	8,459	80	3	2.64
Down to Earth Properties	10,536	121	6	2.04				
Leggett & Platt	4,882	54	7	0.91	3,777	34	7	1.12
Walton Co. Board of Education	4,631	53	8	0.89	3,914	37	5	1.22
Walmart Stores	3,597	42	9	0.71				
Walton Press	3,246	35	10	0.59				
Hitachi Automotive Systems(Unisia)					6,642	62	4	2.05
George Walton Academy					3,714	36	6	1.19
Walmart Distribution					3,091	27	8	0.89
Darden Restaurants					2,407	22	9	0.73
Hugh Atha					2,151	21	10	0.69
Totals	<u>122,727</u>	<u>1,348</u>		<u>22.73</u>	<u>77,510</u>	<u>690</u>		<u>22.79</u>
All Others	<u>302,327</u>	<u>4,578</u>		<u>77.27</u>	<u>188,235</u>	<u>2,337</u>		<u>77.21</u>
Annual Totals	<u>425,054</u>	<u>\$ 5,926</u>		<u>100.00 %</u>	<u>265,745</u>	<u>\$ 3,027</u>		<u>100.00 %</u>

Source: City of Monroe Finance Department

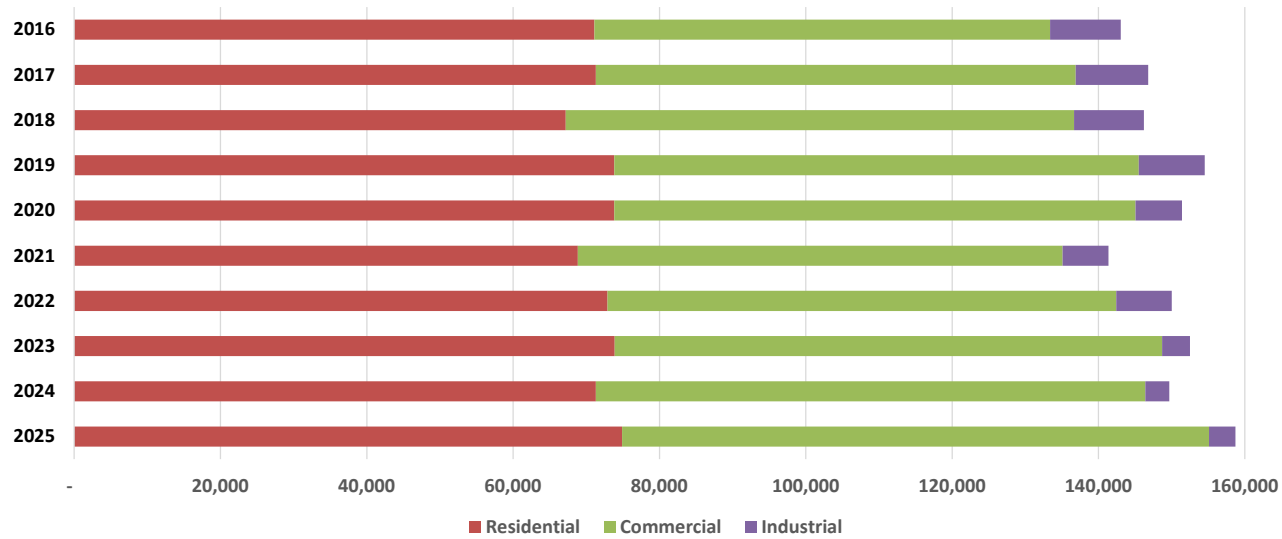


CITY OF MONROE, GEORGIA

ELECTRIC MWH SOLD BY TYPE OF CUSTOMER LAST TEN YEARS

Type of Customer	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Residential	76,115	74,900	71,311	73,885	72,903	68,836	73,811	73,816	67,191	71,297
Commercial	83,960	80,202	75,079	74,802	69,534	66,263	71,250	71,693	69,461	65,589
Industrial	5,291	3,613	3,282	3,816	7,564	6,262	6,359	9,025	9,543	9,896
Total	165,366	158,715	149,672	152,503	150,001	141,361	151,420	154,534	146,195	146,782

Source: City of Monroe Finance Department

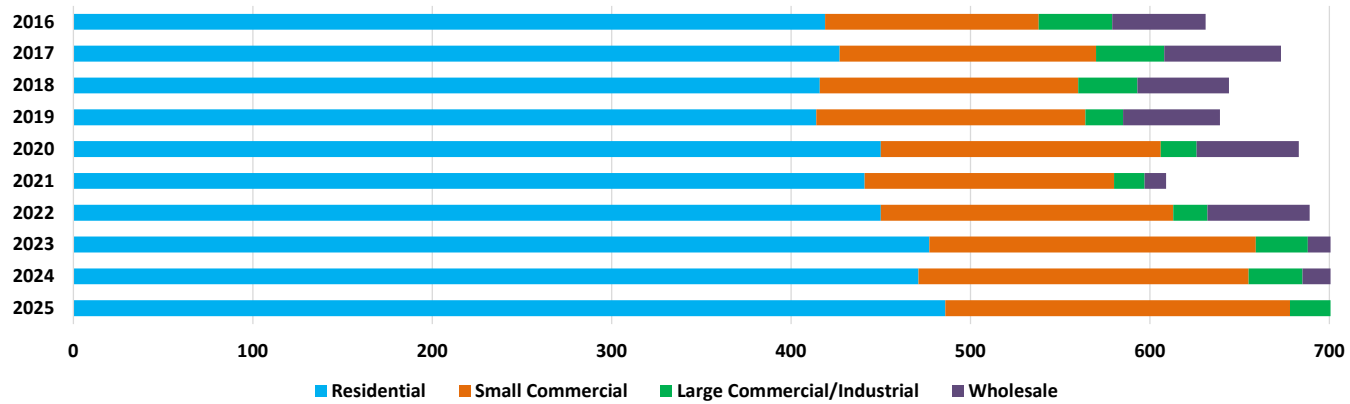


CITY OF MONROE, GEORGIA
WATER GALLONS SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS
(amounts expressed in millions)

Type of Customer	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Residential	480	486	471	477	450	441	450	414	416	427
Small Commercial	210	192	184	182	163	139	156	150	144	143
Large Commercial and Industrial	30	34	30	29	19	17	20	21	33	38
Wholesale	399	419	407	469 (1)	57	12	57	54	51	65
Total	1,119	1,131	1,092	1,157	689	609	683	639	644	673

(1) Started selling wholesale water to the City of Loganville in 2022

Source: City of Monroe Finance Department



CITY OF MONROE, GEORGIA

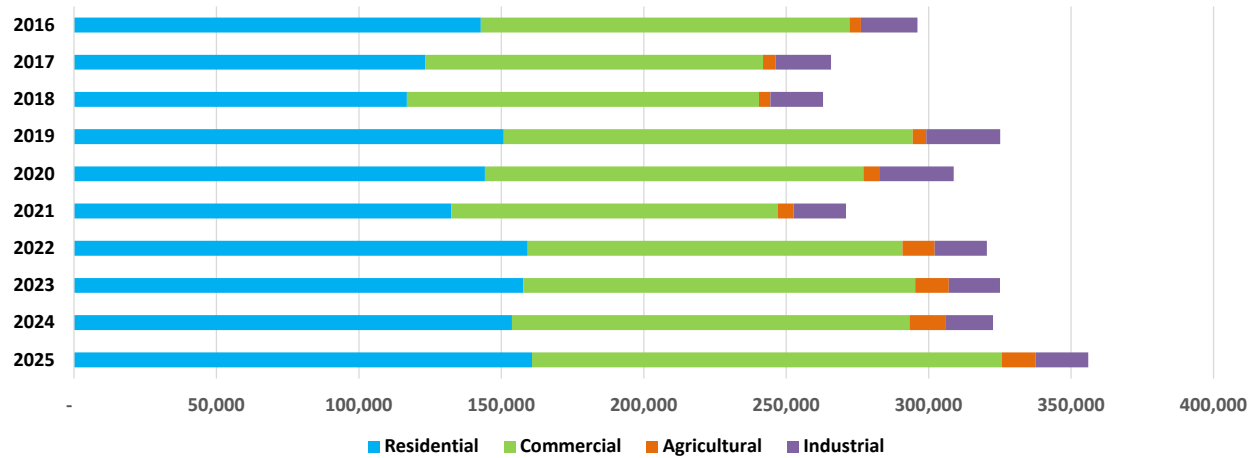
GAS MCF SOLD BY TYPE OF CUSTOMER LAST TEN YEARS

Type of Customer	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Residential	177,554	160,802	153,697	157,755	159,298	132,481	144,240	150,822 (1)	116,889	123,276
Commercial	212,786	164,842 (2)	139,534	137,490	131,516	114,507	132,831	143,580 (1)	123,504	118,610
Agriculture	13,796	11,827	12,797	11,800	11,324	5,570	5,581	4,790	4,092	4,448
Industrial	20,918	18,524	16,563	18,008	18,331	18,401	26,125	25,909	18,428	19,411
Total	425,054	355,995	322,591	325,053	320,469	270,959	308,777	325,101	262,913	265,745

(1) Increase as a result of colder winter conditions.

(2) Increase as a result of billings to ER Snell and Gotham Greens in 2024.

Source: City of Monroe Finance Department



CITY OF MONROE, GEORGIA

TELECOMMUNICATION SALES LAST TEN YEARS

	Fiscal Year										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	
Standard Cable Customers	-	-	(4)	1,566	1,924	2,188	2,820	3,323	3,598	3,703	4,119
Digital Cable Customers	-	-	(4)	125	162	170	186	206	202	188 (1)	-
Streaming Customers	476	553 (4)	-	-	-	-	-	-	-	-	-
Internet Customers	2,690	3,415	3,436	4,081	4,133	4,107	3,738	3,547	3,303 (2)	3,149	
Fiber Customers	4,494	3,145	2,006	425	240	124	88	62	62	54	
Telephone Customers	789	890	952	1,002	1,042	1,121	1,256	1,340	1,365	1,375	
Annual Sales (in thousands)	\$ 5,602	\$ 5,989	\$ 6,530	\$ 6,684	\$ 7,022	\$ 6,392	\$ 6,383 (3)	\$ 5,511	\$ 5,276	\$ 5,138	

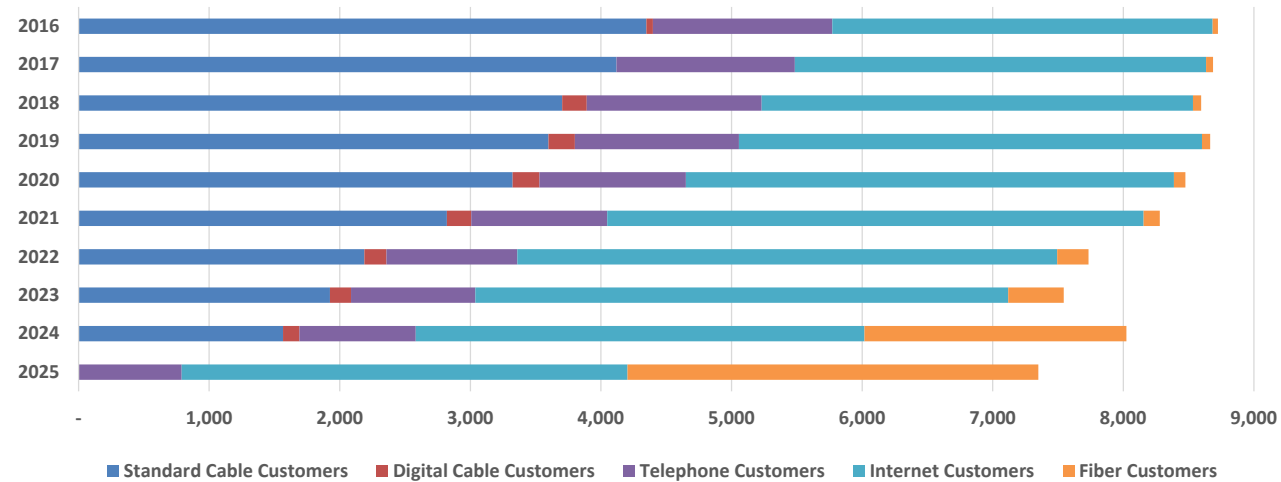
(1) Digital service started again in 2017.

(2) Wireless Internet service started in 2017.

(3) Implemented a \$20 programming fee for all cable customers starting in 2019.

(4) The City discontinued cable service in August 2024 and commenced new streaming service.

Source: City of Monroe Finance Department



CITY OF MONROE, GEORGIA

RESIDENTIAL UTILITY RATES LAST TEN YEARS

Fiscal Year	Electric					Gas			Water		Sewer	
	Monthly Base Rate	First 700 KWH or less	Over 700 KWH (1) (Summer)	Over 700 KWH (1) (Winter)	Monthly Base Rate	Rate per CCF (Summer)	Rate per CCF (1) (Winter)	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons	
2016	\$ 10.00	\$ 0.0900	\$ 0.1280	\$ 0.0780	\$ 12.00	\$ 0.375	\$ 0.375	\$ 15.00	\$ 2.07	\$ 15.00	\$ 3.58	
2017	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2018	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2019	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2020	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2021	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2022	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2023	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2024	10.00	0.0900	0.1280	0.0780	12.00	0.375	0.375	15.00	2.07	15.00	3.58	
2025	22.50 (2)	0.0900	0.1280	0.0780	24.50 (2)	0.375	0.375	27.50 (2)	2.69	27.50 (2)	3.58	

Note: (1) Rates include fuel adjustment and applicable sales tax. All other rates besides base rates have not increased since January 1, 2015.

(2) All monthly base rates were increased starting on January 1, 2025

CITY OF MONROE, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Notes Payable	Financed Purchases	Lease Liabilities	Utility Revenue Bonds	Notes Payable	Lease Liabilities			
2016	\$ 2,513,000	\$ -	\$ -	\$ -	\$ -	\$ 16,770,000	\$ 1,643,516	\$ -	\$ 20,926,516	4.48 %	\$ 1,532
2017	1,703,000	-	1,500,000	245,900	-	14,810,000	1,537,127	-	19,796,027	4.07	1,469
2018	868,000	-	1,425,000	452,899	-	13,010,000	1,430,205	-	17,186,104	3.28	1,275
2019	-	3,600,000 (2)	1,350,000	468,202	-	11,505,000	1,322,748	-	18,245,950	3.32	1,344
2020	-	3,501,300	1,275,000	947,942	-	60,940,575 (3)	1,214,752	-	67,879,569	11.66	4,964
2021	-	3,100,300	2,120,000 (4)	231,410 (5)	842,544 (5)	59,009,607	1,106,214	-	66,410,075	9.89	4,449
2022	-	2,689,300	2,000,083	185,196	588,835	57,043,638	1,029,509	-	63,536,561	8.48	4,163
2023	-	2,268,100	1,878,231	976,440	1,094,861	55,042,669	919,881	340,647	62,520,829	7.05	3,989
2024	-	1,836,500	1,754,458	744,113	868,821	53,001,701	860,969	358,024	59,424,586	5.89	3,731
2025	-	1,394,100	1,628,485	497,078	1,414,871	50,925,732	2,192,341	254,207	58,306,814	5.19	3,584

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

- (1) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (2) Governmental Revenue Bond for construction of the new police and municipal court building.
- (3) Utility Revenue Bond for water, sewer, gas and telecom project.
- (4) Governmental Notes Payable for land purchased for future transportation project, Hwy 138.
- (5) Restated with the implementation of GASB Statement No. 87, Leases.

CITY OF MONROE, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property (1)</u>	<u>Per Capita (2)</u>
2016	\$ 2,513,000	\$ 116	\$ 2,512,884	0.27	\$ 184
2017	1,703,000	115	1,702,885	0.17	126
2018	868,000	115	867,885	0.08	64
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-

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

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

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF MONROE, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

<u>Governmental Unit</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to City of Monroe (1)</u>	<u>Amount Applicable to City of Monroe</u>
Debt repaid with property taxes:			
Walton County	\$ -	12.38%	\$ -
Walton County Board of Education	<u>6,025,000</u>	13.17%	<u>793,493</u>
Overlapping debt	<u>6,025,000</u>		<u>793,493</u>
Direct:			
City of Monroe	<u>4,934,534</u>	100.00%	<u>4,934,534</u>
Total direct and overlapping debt	<u>\$ 10,959,534</u>		<u>\$ 5,728,027</u>

Source: Assessed value data used to estimate applicable percentages provided by the Walton County Tax Assessors and the Georgia Department of Revenue Property Tax Division. Debt outstanding data obtained from Walton County's financial statements.

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 of Monroe, Georgia. 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 MONROE, GEORGIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(amounts expressed in thousands)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt Limit	\$ 89,615	\$ 86,168	\$ 80,872	\$ 66,900	\$ 53,831	\$ 49,685	\$ 44,991	\$ 44,120	\$ 42,793	\$ 38,807
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	868	3,203	2,513
Legal Debt Margin	<u>\$ 89,615</u>	<u>\$ 86,168</u>	<u>\$ 80,872</u>	<u>\$ 66,900</u>	<u>\$ 53,831</u>	<u>\$ 49,685</u>	<u>\$ 44,991</u>	<u>\$ 43,252</u>	<u>\$ 39,590</u>	<u>\$ 36,294</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.97%	7.48%	6.48%

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

CITY OF MONROE, GEORGIA
COMBINED UTILITY REVENUE BOND COVERAGE
LAST TEN YEARS
(amounts expressed in thousands)

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Bond Coverage Ratio
				Principal	Interest	Total	
2016	\$ 37,661	\$ 27,216	\$ 10,445	\$ 1,635	\$ 797	\$ 2,432	4.29
2017	37,996	29,268	8,728	1,715	721	2,436	3.58
2018	42,150	33,018	9,132	1,960	359	2,319	3.94
2019	42,378	32,427	9,951	1,800	319	2,119	4.70
2020	39,524	32,757	6,767	1,505	281	1,786	3.79
2021	42,551	32,882	9,669	1,561	493	2,054	4.71
2022	45,398	38,118	7,280	1,931	1,990	3,921	1.86
2023	45,653	36,730	8,923	2,001	1,923	3,924	2.27
2024	46,345	38,101	8,244	2,041	1,887	3,928	2.10
2025	52,910	40,126	12,784	2,076	1,850	3,926	3.26

(1) Total revenues include interest, but not tap fees.

(2) Operating expenses do not include depreciation or amortization.

(3) Represents principal and interest for revenue bonds only.

CITY OF MONROE, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population (1)	Personal Income* (in thousands)	Per Capita Personal Income (2)*	Median Age (1)	Housing Units (1)	Unemployment Rate (5)*	Wage and Salary Employment # of Jobs (4)*
2016	13,664	\$ 467,623	\$ 34,223	35	6,512	4.8	22,335
2017	13,478	485,801	36,044	32	5,379	3.8	33,151
2018	13,484	524,137	38,871	36	9,611	3.3	36,430
2019	13,573	549,136	40,458	33	9,850	2.5	37,751
2020	13,673	582,306	42,588	32	10,055	4.3	38,042
2021	14,928	671,417	44,977	30	10,126	2.1	37,051
2022	15,264	748,882	49,062	32	10,214	2.8	48,037
2023	15,673	886,324	56,551	29	10,275	2.7	49,131
2024	15,929	1,008,831	63,333	30	10,297	3.1	49,089
2025	16,270	1,123,915	69,079	31	10,369	3.1	52,954

(1) Source: U.S. Census Bureau - all numbers are estimates from the Census Bureau except for 2010.

(2) Source: Bureau of Economic Analysis

(3) Source: BLS/Georgia Stats UGA

(4) Development Authority of Walton County

(5) City of Monroe Code office

* Data only available at the County level

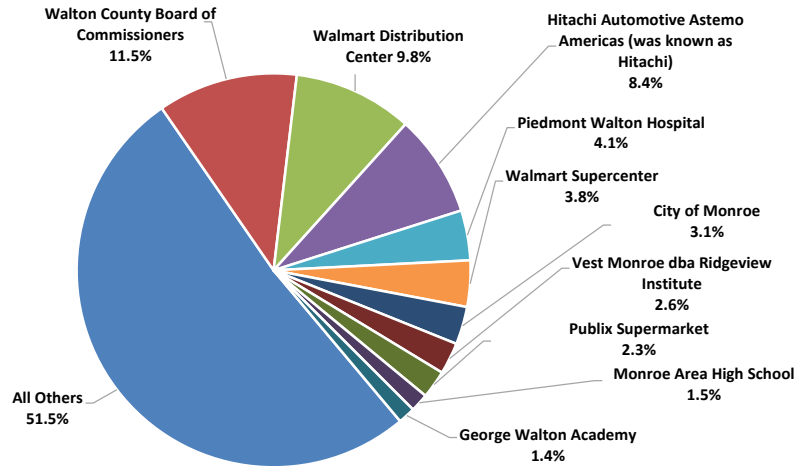
CITY OF MONROE, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Walton County Board of Commissioners	1,025	1	11.5 %	658	3	10.6 %
Walmart Distribution Center	870	2	9.8	703	2	11.3
Astemo Americas (was known as Hitachi)	749	3	8.4	787	1	12.7
Piedmont Walton Hospital (was Clearview)	366	4	4.1	366	4	5.9
Walmart Supercenter	334	5	3.8	210	6	3.4
City of Monroe	275	6	3.1	224	5	3.6
Vest Monroe dba Ridgeview Institute	227	7	2.6			
Publix Supermarket	209	8	2.3			
Monroe Area High School	135	9	1.5			
George Walton Academy	125	10	1.4			
Walton County Board of Education				217	7	3.5
Elite Storage Solutions (Base Mfg)				204	8	3.3
State of Georgia				111	9	1.8
Walton Press				106	10	1.7
Totals	4,315		48.5 %	3,586		57.8 %

Source: City of Monroe Code Department

For the Year 2025



CITY OF MONROE, GEORGIA

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

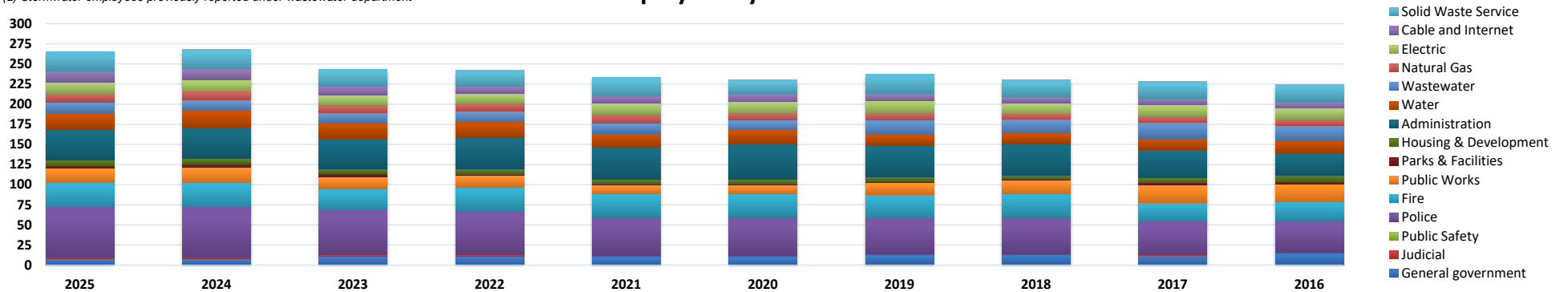
Function	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government Administration	8.5	8.5	11	11	11	11	13	13	12	15
Judicial	2	2	2	2	1	1	1	1	1	1
Public Safety										
Police	62	62	56	55	48	48	45	46	42	40
Fire	30	30	26	29	29	29	29	29	23	23
Public Works	18.5	19	15	15	11	11	15	17	22	22
Culture and Recreation										
Parks and Facilities	3	4	4	1	1	1	1	1	3	3
Buildings and Grounds	4	3	4	4	3	3 (1)				
Housing and Development	6.5	7.5	6	7	6	6	6	5	6	8
Utilities										
Administration	38	38	38	39	40	45	39	39	35	28
Water	21	21	19	19	17	16	14	14	14	15
Wastewater	13	13	12	13	12	12	17	16	19	18
Natural Gas	11	11	10	10	11	9	9	7	8	8
Electric	14	14	12	12	14	14	15	13	14	14
Cable and Internet	14	14	11	9	9	10	9	8	8	8
Stormwater	5.5	5	4	4	3	3 (2)				
Solid Waste Service	24	24	21	20	23	17	24	21	21	21
Totals	<u>275</u>	<u>276</u>	<u>251</u>	<u>250</u>	<u>239</u>	<u>236</u>	<u>237</u>	<u>230</u>	<u>228</u>	<u>224</u>

Source: City Payroll Department

(1) Buildings and Grounds employees previously reported under separate departments

(2) Stormwater employees previously reported under wastewater department

Employees by Function for 2025



CITY OF MONROE, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Number of dispatches	25,574	27,515	26,701	22,467	20,843	20,453	32,256	40,569	38,403	38,353
Number of traffic citations issued	1,488	2,213	3,344	2,843	2,984	2,934	5,310	6,269	3,478	2,087
Fire										
Number of fire/EMS dispatches	2,454	2,535	2,385	2,457	2,525	2,410	2,471	2,721	2,596	2,531
Highways and Streets										
Street resurfacing (lane miles)	4.00	5.06	1.09	1.45	3.14	-	1.9	2.36	2.52	1.64
Housing and Development										
Value of new building construction (000s)	255,247 ⁽¹⁾	133,126	74,933	89,592	334,577	259,644	43,230 ⁽¹⁾	24,577	12,638	43,219
Number of permits issued	810	729	894	1276	899	874	121	174	149	98
Utilities										
Cable and Internet										
Number of customers standard cable	-	- ⁽²⁾	1,566	1,924	2,188	2,820	3,323	3,598	3,703	4,119
Number of customers digital cable	-	- ⁽²⁾	125	162	170	186	206	202	188	-
Number of customers streaming	476	553 ⁽²⁾	-	-	-	-	-	-	-	-
Number of Internet customers	7,184	6,560	5,442	4,506	4,373	4,231	3,826	3,639	3,303	3,149
Number of phone customers	789	890	952	1,002	1,042	1,121	1,256	1,343	1,365	1,375
Electric										
Number of customers	7,062	7,051	6,964	6,856	6,768	6,647	6,444	6,290	6,286	6,252
Average daily consumption (KWh)	453,059	434,835	410,057	417,817	410,962	387,288	414,848	446,257	400,533	416,643
Natural gas										
Number of customers	4,488	4,524	4,441	4,319	4,173	3,997	3,852	3,760	3,756	3,716
Average daily consumption (MCF)	11,645	9,753	8,838	8,906	8,780	742	846	891	720	747
Wastewater										
Number of customers	7,994	7,955	7,844	7,785	7,667	7,427	7,163	6,937	6,863	6,834
Average daily sewage treatment (MGD)	1.992	1.953	2.1	1.99	1.72	1.87	1.66	1.85	1.770	1.700
Water										
Number of customers	11,109	11,044	10,888	10,764	10,528	10,128	9,545	9,239	9,136	9,059
Average daily consumption (000s)	3,068	3,010	2,992	3,175	1,891	1,669	1,875	1,752	1,763	1,842
Solid Waste Service										
Refuse collected (tons)	13,502	14,175	14,246	14,149	14,684	14,184	13,525	13,004	11,993	10,181
Recyclables collected (tons)	1,537	1,461	1,557	1,505	1,541	1,606	1,392	1,681	1,852	1,463
Number of residential customers	6,899	6,675	6,638	6,460	6,036	5,933	5,735	5,542	5,530	5,378
Number of commercial customers	621	614	625	615	613	609	620	653	622	650
Number of transfer station customers	21	21	21	19	18	17	15	14	15	15

Source: Various City Departments

Note: Indicators are not available for the general government function.

(1) Increase in permit valuation due to increased project square footage and types of projects performed.

(2) The City discontinued cable service in August 2024 and commenced new streaming service.

CITY OF MONROE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

Function	Fiscal Year										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Administration											
Vehicles	12	12	12	12	11	11	11	12	12	12	-
Code											
Vehicles	2	2	5	5	3	3	3	3	5	5	-
Fire											
Stations	1	1	1	1	1	1	1	1	1	1	1
Vehicles	10	10	8	8	8	8	8	8	8	8	-
Police											
Stations	1	1	1	1	1	1	1	1	1	1	1
Vehicles	78	74	72	72	69	69	65	54	43	52	44
Streets and Transportation											
Streets (miles)	88.05	88.10	88.10	81	81	81	81	81	81	80	80
Streetlights	1,141	1,137	1,137	1,137	1,139	1,139	1,139	1,124	1,136	1,136	1,136
Traffic Signals	2	2	3	3	3	3	3	3	3	3	3
Vehicles	12	14	14	14	14	14	14	16	28	28	-
Utilities											
Cable											
Cable/Telecom (miles)	425	375	375	375	331 (1)	278	278	273	270	267	267
Vehicles	0	0 (3)	5	5	5	5	5	6	10	10	-
Electric											
Lines (miles)	202	202	202	201	198	196	193	188	186	185	185
Substations	4	4	3	3	3	3	3	3	3	3	3
Vehicles	20	20	20	20	21	21	21	23	21	21	-
Natural Gas											
Mains (miles)	218	211	199	198	184	183	167 (2)	114	114	114	114
Vehicles	10	10	10	10	9	9	8	8	8	8	-
Stormwater											
Vehicles	5	2	2	2	2	2	1	1	2	2	-
Telecom											
Vehicles	10	8 (3)	3	2	2	2	2	2	1	1	-
Wastewater											
Sanitary sewer (miles)	152	152	150	147	145	143	141	140	140	140	140
Maximum daily treatment capacity (MGD)	3.4	3.4	3	3	3	3	3	3	3	3	3
Vehicles	16	16	16	16	17	17	16	16	16	16	-
Water											
Mains (miles)	252	252	243	241	240	228	220	218	218	218	218
Maximum daily treatment capacity (MGD)	10	10	10	10	10	10	10	10	10	10	10
Treated water storage capacity (MG)	4	4	2	2	2	2	2	2	2	2	2
Reservoir (raw) storage capacity (MG)	878	878	795	795	795	795	795	795	795	795	795
Vehicles	7	7	7	7	8	8	8	8	11	11	-
Solid Waste Service											
Collection trucks	12	11	9	9	9	9	8	8	11	11	11
Recycling trucks	2	2	1	1	1	1	1	1	1	1	2
Transfer stations	1	1	1	1	1	1	1	1	1	1	1
Yard Trimmings trucks	3	3	4	4	4	4	3	3	3	3	-
Administration vehicles	2	1	2	2	2	2	2	2	2	2	-
GUTA-Georgia Utility Training Academy											
Vehicles	0	0	0	1	1	1	1	1	1	1	-

Source: Various City Departments

Note: Capital asset indicators are not available for the general government and housing and development functions.

(1) Increase in miles of cable/telecom miles due to expansion in fiber.

(2) Increase in miles of gas mains due to City expansion.

(3) The City discontinued cable service in August 2024. All cable employees were moved to the Telecom department.