

NEW ISSUE
Book-Entry Only

RATINGS:
Moody's: Aaa
S&P: AAA

See, "MISCELLANEOUS – Ratings" herein.

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings, and judicial decisions, and assuming, among other matters, the accuracy of certain representations and the continued compliance with certain covenants and tax law requirements, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes under § 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2025 Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. See APPENDIX D herein for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2025 Bonds. For a more complete discussion of the tax status of the Series 2025 Bonds and certain other tax consequences relating to the Series 2025 Bonds, see "LEGAL MATTERS – Tax Matters" herein.

\$48,965,000
CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY (GEORGIA)
Revenue Bonds (City of Sandy Springs Fire and Safety Projects),
Series 2025

Dated: Date of Issuance

Due: May 1, as shown on inside front cover.

The City of Sandy Springs Public Facilities Authority Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025 (the "Series 2025 Bonds") are being issued by the City of Sandy Springs Public Facilities Authority (the "Issuer"), a public body corporate and politic of the State of Georgia. The Series 2025 Bonds will be issued in book-entry form registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2025 Bonds. Individual purchases may be made only in book-entry form through DTC participants in DTC in the principal amounts of \$5,000 or any integral multiple thereof. No physical delivery of the Series 2025 Bonds will be made to beneficial owners of the Series 2025 Bonds. So long as Cede & Co. is the registered owner of the Series 2025 Bonds, payment of the principal of the Series 2025 Bonds and interest thereon will be made to Cede & Co., as nominee for DTC, which in turn will remit such principal and interest to the DTC participants for subsequent disbursement to the beneficial owners of the Series 2025 Bonds. See "DESCRIPTION OF THE SERIES 2025 Bonds – Book-Entry System of Registration."

The Series 2025 Bonds are limited obligations of the Issuer. The Series 2025 Bonds are payable solely from payments to be made by the City of Sandy Springs, Georgia (the "City") pursuant to a Lease Agreement, dated as of September 1, 2025, between the Issuer and the City (the "Lease Agreement"). The City's obligation to make payments to the Issuer sufficient in time and amount to enable the Issuer to pay the principal of and interest on the Series 2025 Bonds is absolute and unconditional, is secured by a pledge of the City's full faith and credit and taxing powers and will not expire so long as any of the Series 2025 Bonds remain outstanding and unpaid. Under the Lease Agreement, the City has agreed to levy an annual tax on all taxable property located within the corporate limits of the City, at such rates, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), as may be necessary to make the payments required by the Lease Agreement. The City has agreed to make payments directly into the Sinking Fund authorized to be maintained pursuant to the Bond Resolution, adopted by the Issuer on August 5, 2025, as supplemented on September 16, 2025. See "SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2025 BONDS" and "THE CITY – Ad Valorem Taxation."

Interest on the Series 2025 Bonds is payable semiannually on May 1 and November 1 (each such date, an "Interest Payment Date"), commencing May 1, 2026, by check or draft mailed by first class mail on the date due by U.S. Bank Trust Company, National Association, Atlanta, Georgia, as paying agent (the "Paying Agent"), to the owners thereof as shown on the registration books maintained by the Paying Agent, as bond registrar. The Series 2025 Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. The Series 2025 Bonds will bear interest at the rates and will mature on the dates set forth on the inside front cover page herein. See "DESCRIPTION OF THE SERIES 2025 BONDS."

The Series 2025 Bonds are subject to optional redemption, at the times, under the conditions and at the prices set forth in "DESCRIPTION OF THE SERIES 2025 BONDS – Redemption Provisions" herein.

The Series 2025 Bonds will be issued to provide funds to (i) acquire land and acquire, construct and install new fire and safety facilities and renovate existing fire and safety facilities for the City, and (ii) pay expenses necessary to accomplish the foregoing.

SEE MATURITY, RATE AND YIELD SCHEDULES ON INSIDE FRONT COVER.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THESE ISSUES. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING ANY INFORMED INVESTMENT DECISION.

The Series 2025 Bonds are offered when, as, and if issued by the Issuer and accepted by the original purchaser, subject to prior sale and to withdrawal or modification of the offer without notice, and subject to the approving opinion of Gray, Pannell & Woodward LLP, Athens, Georgia, Bond Counsel. Certain legal matters will be passed upon for the Issuer and the City by their counsel, Daniel W. Lee, Esq., Sandy Springs, Georgia; and for the City by its disclosure counsel, Gray, Pannell & Woodward LLP, Athens, Georgia. The Series 2025 Bonds in definitive form are expected to be delivered to DTC in New York, New York, on September 30, 2025.

Date: September 16, 2025

\$48,965,000
CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY (GEORGIA)
Revenue Bonds (City of Sandy Springs Fire and Safety Projects),
Series 2025

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

<u>Maturity (May 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP No.⁽¹⁾</u>
2026	\$1,630,000	5.000%	2.120%	80036RDA5
2027	790,000	5.000	2.000	80036RDB3
2028	825,000	5.000	2.010	80036RDC1
2029	870,000	5.000	2.040	80036RDD9
2030	910,000	5.000	2.130	80036RDE7
2031	960,000	5.000	2.340	80036RDF4
2032	1,005,000	5.000	2.470	80036RDG2
2033	1,055,000	5.000	2.550	80036RDH0
2034	1,110,000	5.000	2.700	80036RDJ6
2035	1,165,000	5.000	2.880	80036RDK3
2036	1,220,000	5.000	3.050 [†]	80036RDL1
2037	1,285,000	5.000	3.210 [†]	80036RDM9
2038	1,350,000	5.000	3.440 [†]	80036RDN7
2039	1,415,000	5.000	3.490 [†]	80036RDP2
2040	1,485,000	5.000	3.590 [†]	80036RDQ0
2041	1,560,000	5.000	3.720 [†]	80036RDR8
2042	1,640,000	4.000	4.050	80036RDS6
2043	1,705,000	4.000	4.100	80036RDT4
2044	1,770,000	4.125	4.150	80036RDU1
2045	1,845,000	4.125	4.200	80036RDV9
2046	1,920,000	4.250	4.250	80036RDW7
2047	2,000,000	4.250	4.290	80036RDX5
2048	2,085,000	4.250	4.330	80036RDY3
2049	2,175,000	4.250	4.360	80036RDZ0
2050	2,270,000	4.375	4.390	80036REA4
2051	2,370,000	4.375	4.410	80036REB2
2052	2,470,000	4.375	4.420	80036REC0
2053	2,580,000	4.375	4.430	80036RED8
2054	2,690,000	4.375	4.440	80036REE6
2055	2,810,000	4.375	4.450	80036REF3

[†] Priced to first call date of May 1, 2035.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association (“ABA”). CUSIP data herein is provided by CUSIP Global Services (“CGS”), managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer, the City, the Purchaser, Bond Counsel, or Disclosure Counsel and are included solely for the convenience of the registered owners of the applicable Series 2025 Bonds. None of the aforementioned participants in the financing or the Purchaser of the Series 2025 Bonds are responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the applicable Series 2025 Bonds or as included herein, or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025 Bonds as a result of various subsequent actions, including but not limited to a refunding in whole or in part, that are applicable to all or a portion of certain maturities of the Series 2025 Bonds.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information contained in this Official Statement has been obtained from representatives of the City, public documents, records and other sources considered to be reliable. The delivery of this Official Statement at any time does not imply that any information herein is correct as of any time subsequent to its date. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not representations of fact.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2025 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ("SEC") OR ANY STATE SECURITIES AGENCY. THE SERIES 2025 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY, NOR HAS THE SEC OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

In making an investment decision, investors must rely on their own examination of the City and the terms of the offering, including the merits and risks involved. The Series 2025 Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY (GEORGIA)

Rusty Paul, *Chairman*
John Paulson
Melody Kelley
Melissa Mular
Jody Reichel
Tibby DeJulio
Andy Bauman

CITY OF SANDY SPRINGS, GEORGIA

Elected Officials

Rusty Paul, *Mayor*
John Paulson
Melody Kelley
Melissa Mular
Jody Reichel
Tibby DeJulio
Andy Bauman

Administration

Eden E. Freeman, City Manager
Toni Carlisle, Chief Financial Officer
Kristin Smith, Assistant City Manager

CITY'S AND ISSUER'S COUNSEL

Daniel W. Lee, Esq.
Atlanta, Georgia

MUNICIPAL ADVISOR

First Tryon Advisors, LLC
Charlotte, North Carolina

BOND AND DISCLOSURE COUNSEL

Gray, Pannell & Woodward LLP
Athens, Georgia

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OFFICIAL STATEMENT

Relating to

\$48,965,000

**CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY (GEORGIA)
Revenue Bonds (City of Sandy Springs Fire and Safety Projects),
Series 2025**

INTRODUCTION

General

The purpose of this Official Statement (the “Official Statement”), which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by the City of Sandy Springs Public Facilities Authority (Georgia) (the “Issuer”) of \$48,965,000 in aggregate principal amount of its Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025 (the “Series 2025 Bonds”). Definitions of certain terms used in this Official Statement and not otherwise defined herein are set forth in Appendix B of this Official Statement under the heading “SUMMARY OF BOND RESOLUTION AND LEASE AGREEMENT.”

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices hereto, and the documents summarized or described herein. Potential investors should fully review the entire Official Statement. The offering of the Series 2025 Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement, including the Appendices hereto.

The Issuer

The Issuer is a public body corporate and politic organized and existing under the Constitution and laws of the State of Georgia, including specifically an Act of the General Assembly of Georgia, Ga. Laws 2006, p. 3908 *et seq.* (the “Act”). For more complete information, see “THE ISSUER” herein.

The Series 2025 Bonds will be special limited obligations of the Issuer as described under the caption “SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2025 BONDS” herein.

The City

The City of Sandy Springs, Georgia (the “City”) is a municipal corporation of the State of Georgia, created by an Act of the General Assembly of the State of Georgia in 2005. For more complete information, see “THE CITY” herein.

Security and Source of Payment for the Series 2025 Bonds

The Series 2025 Bonds are limited obligations of the Issuer. The Series 2025 Bonds are payable solely from payments to be made by the City pursuant to a Lease Agreement, dated as of September 1, 2025, between the Issuer and the City (the “Lease Agreement”). The City’s obligation to make payments to the Issuer sufficient in time and amount to enable the Issuer to pay the principal of and interest on the Series 2025 Bonds is absolute and unconditional, is secured by a pledge of the City’s full faith and credit and taxing powers and will not expire so long as any of the Series 2025 Bonds remain outstanding and unpaid. Under the Lease Agreement, the City has agreed to levy an annual tax on all taxable property located within the corporate limits of the City, at such rates, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), as may be necessary to make the

payments required by the Lease Agreement. The City has agreed to make payments directly into the Sinking Fund created pursuant to the Bond Resolution. For more complete information, see “SECURITY AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS” herein, “THE CITY – Ad Valorem Taxation” and APPENDIX B – SUMMARY OF THE BOND RESOLUTION AND THE LEASE AGREEMENT hereto.

Purpose of the Series 2025 Bonds

The Series 2025 Bonds will be issued to provide funds to (i) acquire land and acquire, construct and install new fire and safety facilities and renovate existing fire and safety facilities for the City (the “Project”), and (ii) pay expenses necessary to accomplish the foregoing.

Description of the Series 2025 Bonds

Redemption. The Series 2025 Bonds are subject to optional redemption prior to their stated maturity. At least thirty and not more than sixty days before the date upon which redemption is to be made, a redemption notice will be mailed by first class mail to all registered owners of Series 2025 Bonds to be redeemed. See “DESCRIPTION OF THE SERIES 2025 BONDS -- Redemption Provisions.”

Denominations. The Series 2025 Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

Registration, Transfers and Exchanges. The registered owner of the Series 2025 Bonds as shown on the registration books maintained by U.S. Bank Trust Company, National Association, Atlanta, Georgia, as bond registrar (the “Bond Registrar”), will be treated as the owner of the Series 2025 Bonds for all purposes, including payment. The Series 2025 Bonds will be issued in fully registered form. When in book-entry form, the purchasers of the Series 2025 Bonds (the “Beneficial Owners”) will not receive certificates representing their ownership interest in the Series 2025 Bonds. Instead, such Series 2025 Bonds will be held by a securities depository, initially The Depository Trust Company (“DTC”) and registered in the name of DTC or its nominee, Cede & Co. Any registration of transfer or exchange of the ownership interest in Series 2025 Bonds held in book-entry form will be made through computerized book-entry changes on the books of DTC through DTC’s Direct and Indirect Participants in the manner described herein under “DESCRIPTION OF SERIES 2025 BONDS – Book-Entry System of Registration.” When not in book-entry form, ownership of any Series 2025 Bond may be registered as transferred upon surrender of such Series 2025 Bond to the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative, subject to the conditions hereinafter described. When not in book-entry form, the Series 2025 Bonds are exchangeable for a like aggregate principal amount of Series 2025 Bonds of the same maturity in denominations of \$5,000 or integral multiples thereof, subject to the conditions hereinafter described. See “DESCRIPTION OF SERIES 2025 BONDS -- Registration Provisions; Transfer and Exchange.”

Payments. Interest on the Series 2025 Bonds is payable on May 1 and November 1 of each year (each such date, an “Interest Payment Date”), commencing May 1, 2026. Payment of the principal of and interest on the Series 2025 Bonds will be made by the U.S. Bank Trust Company, National Association, Atlanta, Georgia, as paying agent, directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Participants (hereinafter defined) and thereafter to Beneficial Owners of the Series 2025 Bonds. When not in book-entry form, interest on the Series 2025 Bonds is payable by check or draft mailed by first class mail on the Interest Payment Date to the owners thereof as shown on the books and records of the Bond Registrar, on the 15th day of the calendar month next preceding the Interest Payment Date. When not in book-entry form, principal on the Series 2025 Bonds is payable upon surrender thereof at the corporate trust office of the Paying Agent, located in Atlanta, Georgia. See “DESCRIPTION OF THE SERIES 2025 BONDS.”

For a more complete description of the Series 2025 Bonds, see “DESCRIPTION OF THE SERIES 2025 BONDS.”

Tax Matters

In the opinion of Bond Counsel, under existing laws, regulations, and judicial decisions, and assuming continued compliance by the Issuer and the City with certain covenants, interest on the Series 2025 Bonds is exempt from present State of Georgia income taxation, is excluded from gross income for federal income tax purposes, and is not a specific preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2025 Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. See Appendix D for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2025 Bonds.

For more complete discussion of such opinion and certain other tax consequences of owning the Series 2025 Bonds, including certain exceptions to the exclusion of the interest of the Series 2025 Bonds from gross income, see “LEGAL MATTERS – Tax Matters; – Premium Bonds; and – Original Issue Discount Bonds” herein.

Professionals Involved in the Offering

Certain legal matters pertaining to the Issuer and the City and their authorization and issuance of the Series 2025 Bonds are subject to the approving opinion of Gray Pannell & Woodward LLP, Athens, Georgia, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Series 2025 Bonds, and a copy of the proposed form of such opinion is attached hereto as Appendix D. Certain legal matters will be passed on for the Issuer and the City by their counsel, Daniel W. Lee, Esq., Sandy Springs, Georgia and for the City by its disclosure counsel, Gray, Pannell & Woodward LLP, Athens, Georgia. First Tryon Advisors, LLC, Charlotte, North Carolina, has acted as municipal advisor to the City.

The financial statements of the City as of June 30, 2024 and for the year then ended attached hereto as Appendix A have been audited by Mauldin & Jenkins, LLC, Atlanta, Georgia, independent certified public accountants, as indicated in their report included thereon. Mauldin & Jenkins, LLC, Certified Public Accountants, Atlanta, Georgia, has not and will not sign a written consent to the inclusion of its audit report in Appendix A

Bond Registrar, Paying Agent and Custodians

U.S. Bank Trust Company, National Association, Atlanta, Georgia, will act as bond registrar, paying agent and sinking fund custodian for the Series 2025 Bonds.

Legal Authority for Issuance

The Series 2025 Bonds are being issued in accordance with and pursuant to the Constitution and laws of the State of Georgia and pursuant to a resolution of the Issuer authorizing the issuance of the Series 2025 Bonds adopted on August 5, 2025, as supplemented on September 16, 2025 (collectively, the “Bond Resolution”). For more complete information, see “DESCRIPTION OF THE SERIES 2025 BONDS—Authority for Issuance” herein.

Offering and Delivery of the Series 2025 Bonds

The Series 2025 Bonds are offered when, as and if issued by the Issuer and the City and accepted by the purchasers thereof. The Series 2025 Bonds in definitive form are expected to be delivered through The Depository Trust Company in New York, New York, on September 30, 2025.

Continuing Disclosure

The Issuer has determined that no financial or operating data concerning the Issuer is material to any decision to purchase, hold, or sell the Series 2025 Bonds, and the Issuer will not provide any such information. The City has undertaken all responsibilities for any continuing disclosure to Beneficial Owners of the Series 2025 Bonds, as described below, and the Issuer will have no liability to the Beneficial Owners of the Series 2025 Bonds or any other person with respect to such disclosures.

The City has covenanted for the benefit of the owners of the Series 2025 Bonds in a Continuing Disclosure Certificate (the “Disclosure Certificate”) to provide (a) certain financial information and operating data relating to the City (the “Operating and Financial Data”) annually and (b) notices of the occurrence of certain events within 10 business days of their occurrence (the “Events Notices”). The Operating and Financial Data and the Events Notices will be filed with the Municipal Securities Rulemaking Board (the “MSRB”) in an electronic format as prescribed by the MSRB (which, as of the date hereof, is the Electronic Municipal Market Access (“EMMA”) system of the MSRB). The City’s undertaking to provide Operating and Financial Data and Events Notices pursuant to the Disclosure Certificate is described in Appendix C. The covenants have been made in order to assist the initial purchaser of the Series 2025 Bonds in complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”).

The City has entered into previous continuing disclosure obligations with respect to the Rule (the “Prior Undertakings”). There have been occurrences over the last five years during which the City has failed to timely comply with its obligations under the Prior Undertakings, as follows:

- (1) The City filed its audited financial statements for the fiscal year ending June 30, 2024 (the “2024 Audit”) on time. The 2024 Audit provided information and operating data for the following categories: (i) Summary of City Debt and Overlapping Debt by Category; (ii) Historical Property Tax Information; (iii) Tax Rates - Mills; (iv) Principal Taxpayers; and (v) General Fund History; however, such information was not presented in the same format and did not contain the same information as provided in the respective official statements. The 2024 Audit did not contain information and operating data for the following categories: (i) Tax Supported Debt Ratios; Limitations of City Debt;” and “Budget.” This information was filed on EMMA on September 5, 2025.

Other than as discussed above, the City has materially complied with the Prior Undertaking for the past five years.

Pursuant to a Policy and Procedures Concerning Compliance with Federal Securities Laws Relating to Disclosure for the City approved by the Mayor and Council of the City on October 20, 2020, the City implemented additional internal written procedures designed to insure that future annual reports, including annual reports relating to the Series 2025 Bonds, will be filed on a complete and timely basis.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change without notice.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Issuer, the City, the Series 2025 Bonds, and the security and sources of payment for the Series 2025 Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, the Lease Agreement, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents, and references herein to the Series 2025 Bonds are qualified in their entirety to the form thereof included in the Bond Resolution.

Copies of all documents described herein are available upon request and upon payment to the City of a charge for copying, mailing and handling, from the City of Sandy Springs, Georgia, 1 Galambos Way, Sandy Springs, Georgia 30328, Attention: Toni Carlisle, Chief Financial Officer, telephone (770) 730-5600.

The Series 2025 Bonds have not been registered under the Securities Act of 1933, and the Bond Resolution has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

No dealer, broker, salesman, or other person has been authorized by the Issuer or the City to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations should not be relied upon as having been authorized by the Issuer or the City. Except where otherwise indicated, all information contained in this Official Statement has been provided by the Issuer and the City. The information set forth herein has been obtained by the Issuer and the City from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by the Issuer or the City. The information contained herein is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the Issuer or the City or the other matters described herein since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

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PLAN OF FINANCING

Estimated Sources and Applications of Funds

The sources and applications of funds in connection with the issuance of the Series 2025 Bonds are estimated below.

Estimated Sources of Funds:

Series 2025 Bonds Par Amount	\$48,965,000.00
Plus: Net Original Issue Premium:	2,001,928.45
Total Sources of Funds	\$50,966,928.45

Estimated Application of Funds:

Deposit to Project Fund	\$50,000,000.00
Cost of Issuance ⁽¹⁾	966,928.45
Total Application of Funds	\$50,966,928.45

⁽¹⁾ Includes municipal advisor fees, underwriting fees, legal and accounting fees, rating agency fees, printing and engraving costs, validation court costs and other costs of issuance.

Project

The Project consist of the acquisition of land and the acquisition, construction and installation of new fire and safety projects and the renovation of existing fire and safety project for the City.

DESCRIPTION OF THE SERIES 2025 BONDS

General

The Series 2025 Bonds will be dated as of their date of issuance. Interest on the Series 2025 Bonds is payable on May 1 and November 1 of each year (each such date, an "Interest Payment Date"), commencing May 1, 2026. The Series 2025 Bonds will bear interest from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, or unless their date of authentication is after a record date and prior to the corresponding Interest Payment Date, in which case from such corresponding Interest Payment Date or unless their date of authentication is prior to May 1, 2026 in which case from their date of issuance) at the rates per annum set forth on the inside front cover of this Official Statement (computed on the basis of a 360-day year comprised of twelve 30-day months). Payment of the principal of and interest on the Series 2025 Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to DTC's Direct Participants and thereafter to the Beneficial Owners of the Series 2025 Bonds. See "- Book-Entry System of Registration" below. Interest on the Series 2025 Bonds is payable by check or draft mailed by first class mail on the Interest Payment Date to the owners thereof as shown on the books and records of the Bond Registrar on the 15th day of the calendar month next preceding the Interest Payment Date. Interest on the Series 2025 Bonds is payable to any registered owner of more than \$1,000,000 in aggregate principal amount of Series 2025 Bonds by wire transfer to such registered owner if written wire transfer instructions are given to the Paying Agent prior to the 15th day of the calendar month preceding the Interest Payment Date. When not in book-entry form, principal on the Series 2025 Bonds is payable upon surrender thereof at the corporate trust office of the Paying Agent located in Atlanta, Georgia.

Authority for Issuance

The Series 2025 Bonds are being issued in accordance with and pursuant to the Constitution and laws of the State of Georgia, including specifically an Act of the General Assembly of Georgia, Ga. Laws 2006, p. 3908 *et seq.* (the “Act”) and the Revenue Bond Law (O.C.G.A. Section 36-82-60 *et seq.*, as amended), and pursuant to the Bond Resolution, as supplemented. A summary of the Bond Resolution is set forth in Appendix B.

Article IX, Section III, Paragraph I of the Constitution of the State of Georgia of 1983 authorizes any municipality of the State of Georgia to contract for any period not exceeding 50 years with any public corporation or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment, if such contract deals with activities, services, or facilities which the contracting parties are authorized by law to undertake to provide.

The execution, delivery, and performance of the Lease Agreement by the City was authorized and approved pursuant to a resolution adopted by the Council of the City on August 5, 2025, as supplemented on September 16, 2025.

Redemption Provisions

Optional Redemption

The Series 2025 Bonds maturing on May 1, 2036 and thereafter are redeemable prior to maturity at the option of the Issuer, as directed by the City, in whole or in part at any time on or after May 1, 2035, in any order of maturity from any moneys available therefor at par plus accrued interest to the redemption date, all in the manner provided in the Bond Resolution.

Method of Redemption. In the event of a partial redemption of the Series 2025 Bonds, the particular maturity or maturities to be redeemed shall be selected by the Issuer as directed by the City. If less than all of the Series 2025 Bonds of a maturity are to be called for redemption, the particular certificates of such maturity or portions thereof in the case of certificates in principal amounts greater than \$5,000 to be redeemed shall be selected by lot in such manner as may be designated by DTC, when in book-entry form and by the Paying Agent, when not in book-entry form.

Notice of Redemption. Notice of the call for any redemption, identifying the Series 2025 Bonds (or the portions thereof) to be prepaid and specifying the terms of such redemption, will be mailed, by first class mail, to the owners of the Series 2025 Bonds to be prepaid (in whole or in part) at their addresses appearing on the bond register maintained by the Bond Registrar not more than 60 days nor less than 30 days prior to the redemption date; provided, however, that failure to give such notice, or any defect therein, will not affect the validity of the proceedings for the redemption of any Bond or portion thereof with respect to which no such failure has occurred. Any notice mailed as provided in the Bond Resolution will be conclusively presumed to have been duly given, whether or not the registered owner receives the notice.

If at the time of mailing of notice of redemption there have not been deposited with the Bond Registrar moneys sufficient to redeem all Series 2025 Bonds called for redemption, which moneys are or will be available for redemption of Series 2025 Bonds, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

On or prior to the date fixed for any redemption of Series 2025 Bonds the moneys required for such redemptions are to be deposited by or on behalf of the Issuer in accordance with the Lease Agreement. All Series 2025 Bonds called for redemption will cease to bear interest after the specified redemption date, provided that sufficient funds for redemption are on deposit with the Paying Agent.

Registration Provisions; Transfer and Exchange

The Series 2025 Bonds will be issued in fully registered form in the denomination of \$5,000 each or integral multiples thereof. The Series 2025 Bonds will be registered as to principal and interest on the registration books kept by the Bond Registrar. The registered owner thereof shall be treated as the absolute owner thereof for all purposes, including payment, and payment to the registered owner thereof shall satisfy all liability thereon to the extent of sums so paid.

When in book-entry form, the purchasers of the Series 2025 Bonds (the “Beneficial Owners”) will not receive certificates representing their ownership interest in the Series 2025 Bonds. Instead, such Series 2025 Bonds will be held by a securities depository, initially The Depository Trust Company (“DTC”) and registered in the name of DTC or its nominee, Cede & Co. Any transfer or exchange of the ownership interest in Series 2025 Bonds held in book-entry form will be made through computerized book-entry changes on the books of DTC through DTC’s Direct and Indirect Participants in the manner described herein under “DESCRIPTION OF THE SERIES 2025 BONDS – Book-Entry System of Registration.”

When not in book-entry form, ownership of any Series 2025 Bond will be transferable upon surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney, in such form as shall be satisfactory to the Bond Registrar. Upon any such transfer of ownership, the Bond Registrar will cause to be authenticated and delivered a new Series 2025 Bond or Series 2025 Bonds registered in the name of the transferee in the authorized denomination in the same aggregate principal amount and interest rate as the Series 2025 Bonds surrendered for such transfer. The Series 2025 Bonds may be exchanged for a like principal amount of Series 2025 Bonds of the same interest rate of other authorized denominations. For every exchange or registration of transfer, the Bond Registrar may charge an amount sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration or transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Series 2025 Bonds. The Bond Registrar is not required to transfer or exchange any Series 2025 Bond after notice of redemption has been given or for fifteen days prior to the giving of such notice.

Book-Entry System of Registration

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2025 Bonds, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other Bond transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of Bond certificates. Direct Participants include both U.S. and non-U.S. Bond brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. Securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has received a rating of AA+ from Standard & Poor’s. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments and redemption proceeds on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with the Series 2025 Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to Issuer or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer or the City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor Securities depository). In that event, certificated Series 2025 Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and the City believe to be reliable, but the Issuer and the City take no responsibility for the accuracy thereof, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.

None of the Issuer, the City, or the Paying Agent will have any responsibility or obligations to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or any such Direct Participants or Indirect Participants; (ii) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal of, premium, if any, or interest on the Series 2025 Bonds; (iii) the delivery by any such Direct Participant or Indirect Participants of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to the holders of the Series 2025 Bonds; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2025 Bonds; or (v) any consent given or other action taken by DTC as holder of the Series 2025 Bonds.

SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2025 BONDS

Lease Agreement. Pursuant to the Lease Agreement, the City has agreed to pay to the Issuer payments in such amounts and at such times as will be sufficient to enable the Issuer to pay the principal of and interest on the Series 2025 Bonds, as and when the same become due and payable. The absolute and unconditional obligation of the City to make the payments required by the Lease Agreement is an obligation of the City, payable from any unencumbered funds, to which its full faith and credit and taxing power are pledged, subject to the millage limitation discussed below.

The City has agreed in the Lease Agreement to levy an annual tax on all taxable property located within the corporate limits of the City, at such rates, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), as may be necessary to make the payments called for by the Lease Agreement and to make available and use for such payments all taxes levied and collected for that purpose together with funds received from any other sources.

The City has also agreed in the Lease Agreement that in order to make funds available to make the payments required by the Lease Agreement in each fiscal year, it will, in its general revenue, appropriation, and budgetary measures through which its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy the payments required to be made under the Lease Agreement until all payments required to be made under the Lease Agreement have been made in full. The City's obligation to make the payments required under the Lease Agreement is absolute and unconditional and will not expire so long as any of the Series 2025 Bonds remain outstanding and unpaid. See "THE LEASE AGREEMENT – Terms; Lease Payments" in Appendix B hereto.

The obligations of the City under the Lease Agreement were determined by the Superior Court of Fulton County, Georgia to be legal, valid, binding, and enforceable obligations of the City. See "LEGAL MATTERS – Validation Proceedings and Approving Opinions" herein.

General. The Series 2025 Bonds are limited obligations of the Issuer. The Series 2025 Bonds are payable solely from payments to be made by the City pursuant to the Lease Agreement. The City's obligation to make payments to the Issuer sufficient in time and amount to enable the Issuer to pay the principal of and interest on the Series 2025 Bonds is absolute and unconditional, is secured by a pledge of the City's full faith and credit and taxing powers, subject to the millage limitation described above, and will not expire so long as any of the Series 2025 Bonds remain outstanding and unpaid. The City has agreed to make payments directly into the Sinking Fund created pursuant to the Bond Resolution and authorized to be maintained pursuant to the Bond Resolution. A summary of the Lease Agreement is set forth in Appendix B.

The Series 2025 Bonds will not constitute a general obligation of the State of Georgia, the City or any other political subdivision or municipal corporation of the State of Georgia within the meaning of any constitutional or statutory limitation upon indebtedness. Except as provided in the Lease Agreement, neither the State of Georgia, the City nor any other political subdivision or municipal corporation of the State of Georgia shall be subject to any pecuniary liability thereon. No owner of the Series 2025 Bonds shall ever have the right to compel the exercise of the taxing power of the State of Georgia, the City or any political subdivision or municipal corporation of the State of Georgia to pay the same or the interest thereon. The Issuer has no taxing power. The Series 2025 Bonds will not be secured by a lien on any real or personal property of the Issuer or the City.

Enforceability of Remedies

The realization of value from the payments made by the City pursuant to the Lease Agreement upon any default will depend upon the exercise of various remedies specified by the Bond Resolution and the Lease Agreement. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The various legal opinions to be delivered concurrently with the delivery of the Series 2025 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, reorganization, or other laws affecting the enforcement of creditors' rights generally.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no authority or municipality created under the Constitution or the laws of the State of Georgia shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for consolidation of its debts under any federal statute providing for such relief or consolidation or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, mayor, city council, or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any authority or municipality created under the Constitution or laws of the State of Georgia of any petition for federal relief from payment of its debts as they mature or a petition for consolidation of its debts under any federal statute providing for such relief or consolidation or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

PRINCIPAL AND INTEREST REQUIREMENTS

Set forth below are the principal and interest requirements for the City's outstanding long term obligations, including the Issuer's Revenue Bonds (City of Sandy Springs City Center Project), Series 2015, the Issuer's Taxable Refunding Revenue Bonds (City of Sandy Springs City Center Project), Series 2020, the Issuer's Revenue Bonds (City of Sandy Springs Public Facilities Project), Series 2020B (collectively, the "Prior Bonds") and the Series 2025 Bonds. See "CITY DEBT STRUCTURE - Summary of City Debt by Category and Overlapping Debt" herein for a summary of other indebtedness of the City and also see "CITY AD VALOREM TAXATION – Historical Pro Forma Tax Revenues Available for Debt Service for the Revenue Bonds of the Issuer from a Maximum 4.731 Mill Levy."

Fiscal Year Ended June 30	Prior Bonds			Series 2025 Bonds			Aggregate Total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	
2026	\$7,975,000	\$4,645,377	\$12,620,377	\$1,630,000	\$1,305,200	\$2,935,200	\$15,555,577
2027	8,295,000	4,334,497	12,629,497	790,000	2,145,381	2,935,381	15,564,878
2028	8,475,000	4,154,571	12,629,571	825,000	2,105,881	2,930,881	15,560,452
2029	8,675,000	3,954,951	12,629,951	870,000	2,064,631	2,934,631	15,564,582
2030	8,880,000	3,742,202	12,622,202	910,000	2,021,131	2,931,131	15,553,333
2031	9,105,000	3,515,738	12,620,738	960,000	1,975,631	2,935,631	15,556,369
2032	9,285,000	3,331,622	12,616,622	1,005,000	1,927,631	2,932,631	15,549,253
2033	9,455,000	3,166,290	12,621,290	1,055,000	1,877,381	2,932,381	15,553,671
2034	9,630,000	2,991,435	12,621,435	1,110,000	1,824,631	2,934,631	15,556,066
2035	9,820,000	2,806,743	12,626,743	1,165,000	1,769,131	2,934,131	15,560,874
2036	10,010,000	2,611,687	12,621,687	1,220,000	1,710,881	2,930,881	15,552,568
2037	10,220,000	2,406,007	12,626,007	1,285,000	1,649,881	2,934,881	15,560,888
2038	10,435,000	2,189,016	12,624,016	1,350,000	1,585,631	2,935,631	15,559,647
2039	10,660,000	1,963,883	12,623,883	1,415,000	1,518,131	2,933,131	15,557,014
2040	10,905,000	1,719,271	12,624,271	1,485,000	1,447,381	2,932,381	15,556,652
2041	7,660,000	1,469,007	9,129,007	1,560,000	1,373,131	2,933,131	12,062,138
2042	7,850,000	1,282,869	9,132,869	1,640,000	1,295,131	2,935,131	12,068,000
2043	8,045,000	1,092,114	9,137,114	1,705,000	1,229,531	2,934,531	12,071,645
2044	8,245,000	884,553	9,129,553	1,770,000	1,161,331	2,931,331	12,060,884
2045	8,460,000	671,832	9,131,832	1,845,000	1,088,319	2,933,319	12,065,151
2046	8,680,000	453,564	9,133,564	1,920,000	1,012,213	2,932,213	12,065,777
2047	8,900,000	229,620	9,129,620	2,000,000	930,613	2,930,613	12,060,233
2048	--	--	--	2,085,000	845,613	2,930,613	2,930,613
2049	--	--	--	2,175,000	757,000	2,932,000	2,932,000
2050	--	--	--	2,270,000	664,563	2,934,563	2,934,563
2051	--	--	--	2,370,000	565,250	2,935,250	2,935,250
2052	--	--	--	2,470,000	461,563	2,931,563	2,931,563
2053	--	--	--	2,580,000	353,500	2,933,500	2,933,500
2054	--	--	--	2,690,000	240,625	2,930,625	2,930,625
2055	--	--	--	2,810,000	122,938	2,932,938	2,932,938
Total	<u>\$199,665,000</u>	<u>\$53,616,849</u>	<u>\$253,281,849</u>	<u>\$48,965,000</u>	<u>\$39,029,856</u>	<u>\$87,994,856</u>	<u>\$341,276,705</u>

THE ISSUER

The Issuer is a public body corporate and politic organized and existing under the Constitution and laws of the State of Georgia, including specifically an Act of the General Assembly of Georgia, Ga. Laws 2006, p. 3908 et seq. (the “Act”). The Issuer was created for the purpose of providing buildings, facilities, equipment, and services for the citizens of the City. The Amendment specifically empowers the Issuer to issue its obligations for the purpose of financing any undertakings within the scope of its power.

The Issuer is governed by a seven-member Board of Directors, the members of which are appointed by the Mayor and Council of the City. The current members of the Issuer, their principal occupation and the dates on which their present terms expire are as set forth below:

<u>Name</u>	<u>Expiration of Term of Office</u>	<u>Occupation</u>
Rusty Paul, Chairman	December 31, 2025	Marketing Consultant
John Paulson	December 31, 2025	Engineer/Consultant
Melody Kelley	December 31, 2025	Assistant Professor
Melissa Mular	December 31, 2025	Retired Technology Executive
Jody Reichel	December 31, 2025	Real Estate
Tibby DeJulio	December 31, 2025	Financial Advisor
Andy Bauman	December 31, 2025	Attorney/Business Owner

THE CITY

General

The City of Sandy Springs, Georgia, is adjacent to and north of the City of Atlanta in Fulton County Georgia (“County”). The principal office of the City is currently located 1 Galambos Way, Sandy Springs, Georgia 30328.

City Government

The City is governed by a mayor and six-member City Council. The mayor and the council members shall serve for terms of two years and until their respective successors are elected and qualified. The City Council has two regularly scheduled public meetings each month to conduct normal business. Additional meetings are occasionally called for specific purposes. The names and occupations of the current members of the City Council and the expiration of their terms of office are as follows:

<u>Name</u>	<u>Expiration of Term of Office</u>	<u>Occupation</u>
Rusty Paul, <i>Mayor</i>	December 31, 2025	Marketing Consultant
John Paulson	December 31, 2025	Engineer/Consultant
Melody Kelley	December 31, 2025	Assistant Professor
Melissa Mular	December 31, 2025	Retired Technology Executive
Jody Reichel	December 31, 2025	Real Estate
Tibby DeJulio	December 31, 2025	Financial Advisor
Andy Bauman	December 31, 2025	Attorney/Business Owner

The Mayor shall appoint, upon recommendation and approval of appointment by the city council, a city clerk who shall not be a councilmember. The city clerk shall be a custodian of the official city seal and maintain city council records required by this charter. The city finance director shall receive, keep, and disburse all money of the city upon proper orders and maintain accurate records thereof; prepare and submit to the city council an annual statement covering the financial conditions of the city; and perform such other duties as may be required by the city council.

Rusty Paul, Mayor. Elected mayor in November 2013, Russell K. (Rusty) Paul brings more than 40 years of federal, state and local public policy and public administration experience to the job. He is currently serving his third term.

Mr. Paul was elected to the founding city council for Sandy Springs in November 2005 and served one term. He previously chaired the City's charter review commission and the Sandy Springs Development Authority.

Mr. Paul was confirmed unanimously by the U.S. Senate as Assistant Secretary for Congressional and Intergovernmental Relations in the first Bush Administration under Secretary Jack Kemp. Secretary Kemp also appointed him acting Assistant Secretary of Community Planning and Development and tapped him to oversee the department's disaster response to Hurricane Hugo and the 1989 San Francisco earthquake.

Mr. Paul received the Secretary's Golden Eagle Award, the highest honor a cabinet officer can bestow.

Besides his prior service in federal government, Mr. Paul is a former Georgia State Senator and also served on the Stone Mountain City Council and served three terms on the Georgia Municipal Association board of directors.

In 1995, Paul was elected chairman of the Georgia Republican Party and served on the Republican National Committee, where RNC Chair Jim Nicholson appointed him to chair the State Chairman's Advisory Committee.

Mr. Paul is a past chairman of the Sandy Springs/Perimeter Center Chamber of Commerce and a member of Sandy Springs Rotary. He and his wife, Jan, are parents of five adult children and attend Holy Innocents Episcopal Church.

Eden E. Freeman, City Manager. Eden E. Freeman began her service as City Manager of the City of Sandy Springs, Georgia, on January 17, 2022. As City Manager, Ms. Freeman is responsible for oversight of daily operations of the City government, achieving Council's adopted priorities, implementing Council policies, and coordinating community issues in a City with an all funds budget of \$1.062 billion.

Ms. Freeman has more than 25 years of state and local government experience. Prior to returning to Sandy Springs, Ms. Freeman served as Deputy City Manager and Chief Operating Officer for the City of Greenville, South Carolina, overseeing the following City departments: Parks, Recreation and Tourism (including the City's Special Events and Greenville Zoo); Public Works (Engineering, Solid Waste and Recycling, Streets); Public Transportation (Greenlink); Information Technology; and Parking Services and Facilities.

From 2014 – 2020, before joining the City of Greenville in 2020, Ms. Freeman served as City Manager of Winchester, Virginia, an Independent City. In Winchester, Ms. Freeman was responsible for supervising municipal operations including: Public Services (Engineering, Public Works, Solid Waste, Water Treatment, Wastewater Treatment, Parking and Facilities); Development Services (Economic Redevelopment, Planning, Zoning, Tourism); Police and Fire Rescue; Social Services; Juvenile Detention; Finance; Human Resources; and Innovation and Information Services.

From 2009 – 2014, Ms. Freeman was employed by the City of Sandy Springs as the City's Grants Administrator and was promoted to Assistant City Manager in 2011. Before joining the City of Sandy Springs, Ms. Freeman held several positions with Georgia State Government:

- Administrative Office of the Courts of Georgia - Assistant Director, Grants and Project Management (November 2006-November 2009)
- Office of the Governor, Criminal Justice Coordinating Council - Program Director II, Grants Administration/Criminal Justice System Improvement (2000-October 2006)
- Georgia Bureau of Investigation, Georgia Crime Information Center - Systems Analyst (1999-2000)

- Georgia Bureau of Investigation, Georgia Crime Information Center - Georgia Sexually Violent Offender Registry Supervisor (1996-1999)

Ms. Freeman is a member of the International City/County Management Association (ICMA) and the Georgia City County Management Association (GCCMA). Previously, she served as Secretary and then Treasurer of Virginia First Cities and a member of the Executive Committee of the Virginia Local Government Management Association (VLGMA). In addition, she also served on the Advisory Council of the National Criminal Justice Association (NCJA) and was elected to represent the Southern Region on the NCJA Board of Directors for five terms from 2012 to 2018.

Ms. Freeman holds a Master of Business Administration degree in Management from Georgia State University and a Bachelor of Science degree in Biology from Georgia College. She is a graduate of the Senior Executive Institute (SEI) at the University of Virginia, the Atlanta Regional Commission's Regional Leadership Institute (RLI), and a certified vinyasa yoga instructor.

Toni Carlisle, Chief Financial Officer. Ms. Carlisle is a seasoned finance and accounting professional with 10-years of local government and over 20 years of private company experience. Her experience spans a broad range of industries including consulting, manufacturing, technology, office products, water management, home improvement services and equipment leasing.

Ms. Carlisle has worked with companies of all sizes from small family owned to Fortune 500 in several roles, such as Project Manager, Controller, Accounting Manager and Accounts Payable Manager. Over the years, she has developed a keen ability to relate to colleagues on every level. Currently, Ms. Carlisle serves as Chief Financial Officer for the City.

Ms. Carlisle received her Bachelor's degree in Accounting from Alabama A&M University and Master's degree in Business Administration with an emphasis in Business Information Systems Management from Kennesaw State University.

City Services

The City provides a full range of local government services including, but not limited to, the following: police and fire protection, cultural and recreational activities, planning and zoning, and the construction and maintenance of highways, streets, sidewalks, and storm water infrastructure. All the services are paid primarily by tax revenues. The citizens of the City have not experienced any significant interruptions in those services since the City's incorporation twenty years ago. The City is responsible for enforcement of City ordinances, the municipal court and maintenance of City Finance and buildings.

Insurance

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

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 fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigations, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to

pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims have not exceeded the coverages 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 past three years.

Insurance for general liability, auto, cybersecurity and other liabilities is provided by multiple insurance providers. Note 15 of the financial statements of the City included as Appendix A contains a detailed discussion of the City's insurance coverage.

Employees

The City has approximately 547 full-time employees and 101 part-time employees.

Defined Contribution Pension Plan

The City of Sandy Springs' Profit Sharing Plan is a single employer defined contribution plan established and administered by the City of Sandy Springs for all full time employees. At June 30, 2024, there were 472 plan members. The City contributes 12% of each employee's salary directly to the Plan. Additionally, the City offers to match 100% for each dollar of employee contributions up to 5% of the employee's salary. Employees are not required to contribute to the Plan. Employees are eligible after one month of employment and are fully vested after four years and three months of service. Plan provisions and contribution requirements are established and may be amended by the City's Council. For the fiscal year ended June 30, 2024, the City's contribution to the Plan, which was also the City's pension expense, was \$4,189,763 and employees contributed \$1,877,680.

Population

The City's population, together with the population of the City, the County and the State of Georgia, for the decennial census years 1990 – 2020 and 2024 estimate (the latest available information) are shown below:

<u>Year</u>	<u>City</u>	<u>County</u>	<u>Georgia</u>
2024	105,505	1,090,354	11,180,878
2020	108,080	1,066,710	10,711,908
2010	93,853	920,581	9,687,653
2000	N/A ⁽¹⁾	816,006	8,186,453
1990	N/A ⁽¹⁾	648,951	6,478,216

⁽¹⁾ The City was not incorporated until December 2005.

Source: U.S. Bureau of Census.

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Labor Statistics

Set forth below is the labor force for the County for the past five available calendar years.

<u>Year</u>	<u>Labor Force</u>
2024	600,762
2023	593,642
2022	583,348
2021	574,215
2020	572,579

Source: Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics Unit.

The following table reflects the unemployment rates in the County, in the State of Georgia and in the United States for the years 2020 through 2024.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Fulton County	7.8%	4.5%	3.2%	3.4%	3.6%
State of Georgia	6.5	3.9	3.2	3.3	3.5
United States	8.1	5.3	3.6	3.6	4.0

Source: Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics Unit.

Building Permits

The following table reflects the number and dollar value of commercial and residential building permits issued by the City during fiscal years 2020 through 2024.

<u>Year</u>	<u>Commercial</u>		<u>Residential</u>		<u>Other</u>		<u>Total</u>	
	<u># Permits</u>	<u>Value</u>	<u># Permits</u>	<u>Value</u>	<u># Permits</u>	<u>Value</u>	<u># Permits</u>	<u>Value</u>
2024	421	\$885,266	846	\$1,724,246	1,553	\$589,275	2,820	\$3,168,747
2023	520	3,615,471	832	1,692,196	1,360	426,597	2,712	5,734,264
2022	650	1,486,175	957	2,503,159	1,156	368,375	2,763	4,357,709
2021	433	1,166,212	831	1,091,780	1,167	317,786	2,431	2,575,778
2020	590	1,873,491	729	1,306,698	1,270	915,915	2,589	4,096,104

Source: City of Sandy Springs, Georgia.

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Per Capita Income

The following chart sets forth the per capita income for the County, the State of Georgia and the United States for the years 2019 through 2023 (the most recent data available for the county, state and county)⁽¹⁾.

<u>Year</u>	<u>County</u>	<u>Georgia</u>	<u>United States</u>
2023	\$106,131	\$59,691	\$69,418
2022	100,577	57,193	66,096
2021	100,995	56,079	64,450
2020	93,399	51,460	59,114
2019	93,334	48,529	55,567

⁽¹⁾ Per capita income data for 2024 is currently unavailable for the county. The per capita income for 2024 for the State of Georgia is \$62,393 and the United States is \$72,425.

Source: U.S. Department of Commerce, U.S. Bureau of Economic Analysis.

Median Home Value

The following table shows the median home value in the County, the State of Georgia and the United States for the census years 2010 and 2020 and the years 2021 through 2023 (which is the latest available information).

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2023	\$431,200	\$272,900	\$303,400
2022	398,300	245,900	281,900
2021	345,100	206,700	244,900
2020	326,700	190,200	229,800
2010	253,100	161,400	188,400

Source: U.S. Bureau of Census; American Community Survey 5-Year Estimates.

Largest Employers

The following table shows the ten largest employers in the City for the year ended 2024 were as follows.

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
1. United Parcel Service General	Package Delivery	2,683
2. Optomi, LLC	IT Consulting	2,000
3. Onetrust LLC	Software	1,842
4. Inspire Brands, Inc. & Subsidiaries	Restaurant Management	1,196
5. Cisco Systems, Inc.	Information Technology	1,011
6. Cox Communications	Telecommunications	958
7. Independent Physicians Resource Inc.	Healthcare	950
8. Newell Brands Inc.	Consumer Products Company	950
9. Walden Security	Security Services	850
10. Mercedes-Benz USA, LLC	Automotive	796

Source: City of Sandy Springs, Georgia Annual Comprehensive Financial Report 2024.

Banking Deposits

The following table shows the number of institutions and banking deposits in the County for the fiscal years ending 2020 through 2024.

<u>Banking Deposits</u>		
<u>Year</u>	<u>Institutions</u>	Total Deposits as of June 30 (in millions)
2024	48	\$120,572
2023	48	120,606
2022	47	126,650
2021	49	129,506
2020	47	104,737

Source: Federal Deposit Insurance Corporation.

Industry Mix

The following table shows the industry mix for the County for the fourth quarter of 2024, the most recent information available. The table is intended to provide information regarding the types of industries employing residents in the County and the compensation paid to those employees. The tables do not provide information with respect to all industries and firms.

<u>Industry</u>	<u>Number of Firms</u>	<u>Average Monthly Employment</u>	<u>Average Weekly Wages</u>
Agriculture, forestry and fishing	87	181	\$1,448
Mining, quarrying, oil and gas extraction	28	507	2,052
Construction	3,202	23,769	2,225
Manufacturing	1,931	27,840	1,858
Services:			
Utilities	91	3,121	2,875
Wholesale Trade	3,186	36,901	2,446
Retail Trade	4,164	58,846	972
Transportation and warehousing	1,836	57,258	1,100
Information	2,586	52,956	3,225
Finance and Insurance	4,406	63,567	3,086
Real Estate, rental and leasing	4,276	26,453	1,971
Professional, scientific and technical services	17,539	118,497	2,919
Management of companies and enterprises	634	47,656	3,073
Administrative, support, waste management	4,519	66,089	1,436
Educational services	1,199	20,463	1,326
Health Care and social assistance	6,909	113,415	1,635
Arts, entertainment and recreation	1,423	18,461	1,094
Accommodation and food services	4,418	82,660	711
Other services	4,756	26,073	1,216
Unclassified	8,886	4,252	2,504
Federal Government	144	30,359	2,088
State Government	184	32,867	1,629
Local Government	229	46,238	1,384
Total All Industries	76,633	958,430	\$1,927

Source: Georgia Department of Labor.

CITY FINANCIAL INFORMATION

General Fund History

Set forth below is a historical comparative summary of the revenues, expenditures and changes in fund balance of the City's general fund for the last five fiscal years. Information in the table has been extracted from the City's audited financial statements for fiscal years ended June 30, 2020 through 2024. Although taken from financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the City for the fiscal years shown. For more complete information, reference is made to the audited financial statements for fiscal years 2020 to 2024, copies of which are available from the City upon request.

CITY OF SANDY SPRINGS, GEORGIA GENERAL FUND HISTORY					
Fiscal Years Ended June 30					
	2020	2021	2022	2023	2024
Revenues:					
Property Taxes	\$43,059,031	\$46,926,777	\$48,814,649	\$50,506,371	\$51,710,305
Sales Taxes	27,519,837	29,434,154	35,415,246	37,161,097	37,674,223
Franchise Taxes	9,875,047	9,024,621	9,092,140	9,583,654	9,847,227
Business Taxes	9,582,082	10,067,952	10,359,877	10,985,623	10,160,633
Insurance Premium Tax	6,514,775	7,535,304	7,782,186	8,782,622	9,585,852
Licenses and Permits	2,823,665	2,769,757	4,310,020	4,244,618	3,297,805
Intergovernmental	947,314	5,560,855 ⁽¹⁾	183,342	1,573,750	2,148,865
Charges for Services	1,287,372	740,582	2,884,759	4,262,272	6,352,534
Fines and Forfeitures	2,203,624	2,537,398	2,460,443	2,561,652	2,169,859
Interest Earned	1,411,623	120,186	411,043	5,148,768	9,932,795
Contributions	--	--	--	--	--
Miscellaneous	1,134,667	724,663	1,257,120	1,500,163	1,188,324
Total Revenues:	106,359,037	115,442,249	122,970,825	136,310,590	144,068,422
Expenditures:					
Current Operations					
General Government	15,989,170	17,086,373	17,012,557	19,090,682	22,544,790
Judicial	1,342,742	1,207,231	928,723	1,235,075	1,144,530
Public Safety	36,619,489	40,767,316	40,242,860	43,564,347	44,796,463
Public Works	12,044,770	12,384,345	13,096,101	14,915,335	15,988,790
Culture and Recreation	5,134,549	5,844,398	7,815,800	9,687,431	12,320,302
Housing and Development	3,744,690	3,720,239	4,564,771	5,208,325	6,077,461
Debt Service:					
Principal	1,165,241	798,811	2,020,914	2,671,538	2,748,221
Interest	168,675	134,854	189,371	163,134	143,198
Total Expenditures:	76,209,326	81,943,567	85,871,097	96,535,867	105,763,755
Excess of Revenues over Expenditures:	30,149,711	33,498,682	37,099,728	39,774,723	38,304,667
Other Financing Sources (Uses):					
Proceeds from Financed Purchases	--	2,958,011	--	--	--
Issuance of Lease Liability	--	--	--	1,736,791	1,801,749
Transfers from other funds	2,721,411	13,062,189	2,980,930	3,439,477	3,793,780
Transfers to other funds	(29,386,150)	(29,725,315)	(50,091,807)	(40,710,368)	(38,764,942)
Total other financing sources and (uses)	(26,664,739)	(13,705,115)	(47,110,877)	(35,534,100)	(33,169,413)
Net Change in Fund Balances	3,484,972	19,793,567	(10,011,149)	4,240,623	5,135,254
Beginning Fund Balance	46,377,011	49,861,983	69,655,550	59,644,401	63,885,024
Ending Fund Balance	\$49,861,983	\$69,655,500	\$59,644,401	\$63,885,024	\$69,020,278

⁽¹⁾ Reflects grants funds provided under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Accounting System and Policies

The accounting practices and policies of the City conform to generally accepted accounting principles as applied to governments. The City's accounting system is organized and operated on a fund basis. The City's funds are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. The City's primary fund is the General Fund, which contains all City revenues except those which are specifically allocated for other purposes. The City may appropriate money from the General Fund for all ordinary City expenses. The City also maintains several other funds to account for specific activities or to attain certain objectives.

The City uses funds to maintain its financial records. A fund is a fiscal and accounting entity with a self-balancing set of accounts.

Governmental fund financial statements report using the current financial resources measurements focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers most revenues to be available if they are collected within sixty (60) days of end of the fiscal year, however grant revenues are considered to be available if collected within 180 days of year end. Revenues subject to accrual are property taxes, sales & use taxes, licenses, interest income and grants. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest, compensated absences, claims and judgments and other long-term liabilities, which are reported as expenditures in the year due. Governmental fund types utilized by the City are General, Capital Projects, Confiscated Assets Fund, E911 Fund, Federal Grants Fund, Operating Grant Fund, CDBG Fund, Hotel/Motel Fund, Auto Excise Tax Fund and Impact Fees Fund. The General Fund is the City's primary operating fund and it accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Capital Projects Fund accounts for the activities for constructing or obtaining capital assets of the City. The General Fund and Capital Projects Fund are major governmental fund types. The Confiscated Assets Fund is used to account for the use of confiscated drug money by the City's Police Department, which are restricted by State law in purpose. The E911 Fund is used to account for the collection and expenditures of E911 fees, which are restricted by state law. The Federal Grants Fund is used to account for the expenditures and restricted resources of federally funded grants of the City. The Operating Grant Fund is used to account for the expenditures and revenues of local grants and contributions, which are restricted by the donors. The CDBG Fund is used to account for the expenditures and revenues of the Community Development Block Grant, which are restricted under the terms of the grant agreements. The Hotel/Motel Fund is used to account for the 7% lodging tax levied in the City, which are restricted by state law. The Auto Excise Tax Fund is used to account for automobile rental excise taxes levied in the City, which are restricted by state law. The Impact Fees Fund is used to account for fees assessed upon development activity that are collected to pay for system improvements (recreation/parks, streets, and public safety) as detailed within the government's impact fee ordinance.

Note 1 of the financial statements of the City included as Appendix A contains a detailed discussion of the City's significant accounting policies.

Budgetary Process

The City adopts a balanced operating budget for its governmental funds each year. The operating budget contains proposed expenditures and the means for financing them. The City is required to operate under the adopted balanced budget, but it may amend its budget during the fiscal year to adapt to changing governmental needs. The City uses the modified accrual basis of accounting in its adopted General Fund budget, which is in conformity with generally accepted accounting principles and which is consistent with the basis of accounting used in the City's General Fund financial statements. Annual budgets are also adopted for the City's Special Revenue Funds. Project length budgets are adopted for capital projects funds.

The Administration of the City generally begins budget preparations in February of each year. After various budget meetings, a proposed budget is adopted by the City Council prior to June 30, and is advertised in the legal organ of Fulton County, inviting public comment at the budget meetings of the City Council. After consideration of any public comment, the final budget is adopted by the City Council prior to July 1.

Budget

Set forth below is a summary of the City's adopted budgets for its General Fund for the years ending June 30, 2025 and June 30, 2026. These budgets are based upon certain assumptions and estimates of the City regarding future events, transactions, and circumstances. Realization of the results projected in this budget will depend upon implementation by management of the City of policies and procedures consistent with these assumptions. There can be no assurance that actual events will correspond with such assumptions, that uncontrollable factors will not affect such assumptions, or that the projected results will be achieved. Accordingly, the actual results achieved could materially vary from those projected in the budget set forth below.

General Fund Budget Fiscal Years Ending June 30, 2025 and June 30, 2026

Revenues:	<u>2025</u>	<u>2026</u>
Taxes	\$108,920,000	\$115,580,000
Licenses, Permits Fees	2,553,500	3,112,000
Charges for Services	501,120	491,120
Fines and Forfeitures	2,000,000	2,500,000
Investment Income	8,000,000	7,000,000
Transfers	2,382,400	1,901,041
Other Revenues	790,000	575,800
General Fund Balance	<u>30,169,924</u>	<u>27,629,954</u>
Total Revenues:	<u>155,316,944</u>	<u>158,789,915</u>
Expenditures:		
General Government	27,969,619	30,282,914
Public Safety	54,159,750	56,490,536
Judicial	1,767,600	1,804,100
Public Works	16,442,929	18,295,500
Culture and Recreation	4,767,945	5,077,475
Housing and Development	7,043,350	7,368,316
Other Financing Uses	<u>43,165,751</u>	<u>39,471,074</u>
Total Expenditures:	<u>155,316,944</u>	<u>158,789,915</u>

The City expects the net variances between budgeted and actual amounts for the fiscal years ended June 30, 2025 and 2026 to be favorable in the amount of approximately \$30,000,000 for each fiscal year. The expected net cumulative variances is expected to offset the amount of revenues from the General Fund balance provided above, which is expected to result in little to no reduction in the General Fund balance at the end of these fiscal years. See "CITY FINANCIAL INFORMATION – General Fund Variances" herein.

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General Fund Variances

The City has historically outperformed its General Fund budget in many instances for the fiscal years ended June 30, 2020 through 2024. Set forth below is a summary of variances between budgeted and actual amounts for the fiscal years ended June 30, 2020 through 2024.

General Fund Variances (Non-GAAP Budgetary Basis of Accounting)					
	Year Ended June 30				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues:					
Property Taxes	\$7,434,031	\$5,706,492	\$3,198,978	\$2,626,371	\$2,950,305
Sales Taxes	1,144,837	5,384,182	9,015,246	9,161,097	7,274,223
Franchise Taxes	850,047	99,621	692,140	1,233,654	912,227
Business Taxes	32,082	2,767,952	1,686,464	1,145,623	100,633
Insurance Premium Tax	264,775	304	282,186	1,082,622	1,085,852
Licenses and Permits	268,665	348,757	1,730,020	1,002,618	(116,195)
Intergovernmental	347,314	(208,594)	(7,450,810)	1,391,050	1,698,865
Charges for Services	(414,448)	(2,857,038)	(969,461)	1,538,985	1,763,217
Fines and Forfeitures	(296,376)	637,398	260,443	261,652	(330,141)
Interest Earned	411,623	(129,814)	311,043	5,028,768	6,932,795
Contributions	7,200	(261,800)	(596,041)	(309,300)	(58,572)
Miscellaneous	<u>666,367</u>	<u>282,463</u>	<u>380,161</u>	<u>807,663</u>	<u>398,896</u>
Total Revenues:	10,716,117	11,769,923	8,540,369	24,970,803	22,612,105
Expenditures:					
Current Operations					
General Government	2,681,030	3,094,376	2,979,039	2,169,884	3,481,210
Judicial	182,858	184,769	351,354	314,903	338,521
Public Safety	3,308,511	747,547	730,539	(52,376)	3,643,064
Public Works	13,075,309	12,634,706	2,223,436	2,047,970	2,669,995
Culture and Recreation	2,424,451	3,381,802	2,373,894	1,580,053	331,753
Housing and Development	<u>677,010</u>	<u>194,961</u>	<u>370,680</u>	<u>1,196,700</u>	<u>761,559</u>
Total Expenditures:	22,349,169	20,238,161	9,028,942	7,257,134	11,226,102
Net Cumulative Variance					
Favorable (Unfavorable)	\$33,065,286	\$32,008,084	\$17,569,311	\$32,227,937	\$33,838,207

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CITY AD VALOREM TAXATION

Ad Valorem Taxation

Ad valorem property taxes are levied against real and personal property within the City based upon their assessed valuations. There are, however, certain classes of property which are exempt from taxation, including public property, religious property, charitable property, property of nonprofit hospitals, nonprofit homes for the aged, nonprofit homes for the mentally handicapped, college and certain educational property, public library property, certain farm products, certain air and water pollution control property and personal effects. In addition, the City allows certain exemptions from ad valorem taxation.

The assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires taxable tangible property to be assessed, with certain exceptions, at forty percent of its fair market value and to be taxed on a levy made by each respective tax jurisdiction according to forty percent of the property's fair market value. Georgia law requires certain agricultural real property to be assessed for ad valorem property tax purposes at seventy-five percent of the value of which other real property is assessed, requires certain historical property to be valued at a lower fair market value for ad valorem property tax purposes and requires certain agricultural, timber, and environmentally sensitive real property and certain single-family real property located in transitional developing areas to be valued at their current uses.

The City determines a rate of levy for each fiscal year by computing a rate, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), which, when levied upon the assessed value of taxable property within its limits, will produce the necessary amount of property tax revenues. The Fulton County Tax Commissioner annually levies the ad valorem property taxes for the City.

Property tax revenues are recognized when they become available, which includes those tax receivables expected to be collected within sixty days after year end.

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Historical Pro Forma Tax Revenues Available for Debt Service for the Revenue Bonds of the Issuer from a Maximum 4.731 Mill Levy

The following table shows the historical pro forma debt service coverage of the maximum annual debt service on the Issuer's Revenue Bonds (City of Sandy Springs City Center Project), Series 2015, the Issuer's Taxable Refunding Revenue Bonds (City of Sandy Springs City Center Project), Series 2020, the Issuer's Revenue Bonds (City of Sandy Springs Public Facilities Project), Series 2020B and the Series 2025 Bonds, based on a 4.731 mill tax levy, assuming the issuance of the Series 2025 Bonds.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Net Maintenance and Operation Tax Digest	\$9,009,329,500	\$9,336,554,536	\$9,358,436,766	\$10,274,700,546	\$10,664,800,897
Revenues Generated by 4.731 mill tax on the Net Maintenance and Operation Tax Digest	\$42,623,138	\$44,171,240	\$44,274,764	\$48,609,608	\$50,455,173
Maximum Annual Debt Service on the Bonds in any Calendar Year	\$15,564,878	\$15,564,878	\$15,564,878	\$15,564,878	\$15,564,878
Coverage of Maximum Annual Debt Service	2.74x	2.84x	2.84x	3.12x	3.24x

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Tax Collection

Set forth below is information concerning tax levies and collections of the City for fiscal years 2020 through 2024, the most current information available.

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Total Tax Levy⁽¹⁾</u>	<u>Current Tax Collections⁽²⁾</u>	<u>Percent of Current Tax Collected</u>	<u>Delinquent Tax Collections⁽³⁾</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Total Tax Levy</u>
2024	2023	\$46,630,757	\$46,441,904	99.6%	\$--	\$46,441,904	99.60%
2023	2022	45,739,458	44,891,921	98.1	108,588	45,000,509	98.38
2022	2021	42,792,126	42,552,344	99.4	213,544	42,765,888	99.94
2021	2020	41,123,937	40,908,215	99.5	216,409	41,124,624	100.00
2020	2019	39,557,447	39,337,612	99.4	210,846	39,548,458	99.98

⁽¹⁾ The levy includes the City portion of property taxes, related State Homestead Credit, motor vehicle taxes, mobile home taxes, and related penalties, interest and adjustments.

⁽²⁾ Up to 90 days after the legal due date.

⁽³⁾ Includes interest and penalties on all prior year's levies. Excludes amounts included in current tax collections of prior year (from December 31 to 90 days after legal due date).

Source: City of Sandy Springs, Georgia Annual Comprehensive Financial Report for the Year Ended June 30, 2024.

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Historic Property Tax Information

The following table presents the assessed value (40% of fair market value) of taxable property within the City for the last five calendar years.

<u>Year</u>	<u>Real and Personal Property</u>	<u>Motor Vehicles</u>	<u>Gross Tax Digest</u>	<u>Bond Exemptions</u>	<u>General Obligation Bond Tax Digest⁽¹⁾</u>	<u>M&O Exemptions</u>	<u>M&O Tax Digest⁽²⁾</u>	<u>Estimated Actual Value</u>
2024	\$12,585,190,325	\$14,897,730	\$12,600,088,055	\$312,356,771	\$12,287,731,284	\$1,935,287,158	\$10,664,800,897	\$31,500,220,138
2023	12,025,373,182	17,251,270	12,042,624,452	316,519,867	11,726,104,585	1,767,923,906	10,274,700,546	30,106,561,130
2022	10,874,798,160	18,835,730	10,893,633,890	276,952,352	10,616,681,538	1,535,197,124	9,358,436,766	27,234,084,725
2021	10,505,892,140	22,570,250	10,528,462,390	283,986,180	10,244,476,210	1,191,907,854	9,336,554,536	26,321,155,975
2020	9,930,626,080	30,398,740	9,961,024,820	270,593,977	9,690,430,843	951,695,320	9,009,329,500	24,902,562,050

⁽¹⁾ Total assessed value, after deducting exemptions, if any, for purposes of levying tax for City's general obligation bonds.

⁽²⁾ Total assessed value, after deducting exemptions, for purposes of levying tax for the maintenance and operation of the City.

Source: Georgia Department of Revenue Tax Digests, Years 2020-2024.

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Tax Rates – Mills

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value (millage rates) of the City for the past five fiscal years.

Calendar Year	Fulton County	County Bonds	School	State	City	TOTAL
2024	8.870	0.170	17.080	0.000	4.731	30.851
2023	8.870	0.180	17.140	0.000	4.731	30.921
2022	8.870	0.200	17.240	0.000	4.731	31.041
2021	9.330	0.210	17.590	0.000	4.731	31.861
2020	9.776	0.220	17.796	0.000	4.731	32.523

Source: Georgia Department of Revenue.

Principal Taxpayers

Set forth below are the ten largest taxpayers of the City as of July 2025. A determination of the largest taxpayers within the City can be made only by manually reviewing individual tax records. Therefore, it is possible that owners of several small parcels may have an aggregate assessment in excess of those set forth in the table below. Furthermore, the taxpayers shown in the table below may own additional parcels within the City. No independent investigation has been made of and consequently no representation can be made as to, the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City.

Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation ⁽¹⁾	Taxes Paid ⁽²⁾	Percentage of Total Taxes Levied ⁽³⁾
1. Georgia Power Company	\$71,871,704	0.7%	\$340,025.03	0.7%
2. Cousins Northpark 500/600 LLC	56,849,360	0.5	268,954.32	0.5
3. SPUS8 CCC LP	54,452,399	0.5	257,614.30	0.5
4. REJV Concourse Atlanta LLC	49,419,759	0.4	233,804.88	0.5
5. BMF IV GA Edgewater LLC	39,012,520	0.4	184,568.23	0.4
6. JMC T2 LLC	38,772,000	0.4	183,430.33	0.4
7. Concourse Owner V/VI LLC	38,183,479	0.3	180,646.04	0.4
8. CMF Apartments Owner LLC	37,899,279	0.3	179,301.49	0.4
9. Lee's Crossing Apartments LP ET AL	37,870,841	0.3	179,166.95	0.4
10. Piedmont Operating Partnership LP	<u>37,007,920</u>	<u>0.3</u>	<u>175,084.47</u>	<u>0.4</u>
TOTAL	<u>\$461,339,261</u>	<u>4.1%</u>	<u>\$2,182,596.04</u>	<u>4.6%</u>

⁽¹⁾ Based on estimated total net maintenance and operations tax digest in 2025 of \$10,991,316,126.

⁽²⁾ Figures reflect reduction due to the freeport exemption for certain inventories of manufactured goods. See "CITY AD VALOREM TAXATION - Ad Valorem Taxation" herein.

⁽³⁾ Based on a total real and personal property tax levy of \$49,590,247.57.

Source: Fulton County Tax Commissioner.

Save Our Homes Act

In its 2024 legislative session, the Georgia General Assembly enacted House Bill 581, generally known as the "Save Our Homes Act" ("HB 581"). Georgia Governor Brian Kemp signed HB 581 into law on April 18, 2024. HB 581, among other things, provides for a new homestead exemption from ad valorem taxation, including from taxes levied by the City, for each Georgia resident.

At an election held on November 5, 2024, HB 581 was ratified by Georgia voters. Accordingly, the constitutional amendment will apply to all taxable years beginning on or after January 1, 2025, and will be granted to each person's homestead in an amount generally equal to the amount by which the current year assessed value of that homestead exceeds its previous year assessed value, as adjusted by the current inflation rate as determined by the State of Georgia Revenue Commissioner. The new exemption will limit increases in a home's value (HB 581 does not apply to commercial properties), as assessed for property tax purposes, to the rate of inflation each year, until a property changes ownership, at which time the property's assessed value may be increased to its full value. HB 581 provides that the governing authority of any county, consolidated government, municipality, or school district in Georgia may opt out of the exemption by adopting a resolution to do the same by March 1, 2025, after providing public notice and at least three public hearings thereon. The City did not exercise its option to opt out of the exemption provided by HB 581 and will comply with the provisions of HB 581 going forward.

There are currently six floating homestead exemptions in the City based on eligibility requirements (the "Existing Homestead Exemptions"). HB 581 provides an additional floating homestead exemption in addition to the Existing Homestead Exemptions, and the most beneficial homestead exemption, as determined by the Fulton County Tax Assessor's office each year, will apply to the homesteads each year. It is estimated that the Existing Homestead Exemptions will be more beneficial to the taxpayers because of the lower assessed values in base years between 2006 and 2023 as compared to the 2024 base year for the new homestead exemption. However, should the CPI rise above the 3% assessment increase cap of the Existing Homestead Exemptions, the homestead exemption provided by HB 581 would possibly be more beneficial depending on the base year. At that point, the financial impact to the City would be the incremental value between the Existing Homestead Exemptions and the homestead exemption provided by HB 581.

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CITY DEBT STRUCTURE

Summary of City Debt and Overlapping Debt by Category

Set forth below is information concerning the tax-supported debt of the City following the issuance of the Series 2025 Bonds. In addition to the City's debt obligations, property owners in the City are responsible for any debt obligations of other taxing entities in the proportion to which the jurisdiction of such entities overlaps the City. Also set forth below is the estimated overlapping tax-supported debt of such overlapping entities as of December 31, 2024, unless otherwise indicated. Although the City has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity which has this information available, and the amounts are based on information supplied by others. The information set forth below should be read in conjunction with the City's financial statements included as Appendix A hereto.

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>Percentage Applicable⁽⁶⁾</u>	<u>Amount Applicable</u>
<i>Direct Debt of the City:</i>			
Intergovernmental Contract ^{(1),(2)}	\$248,630,000	100.000%	\$248,630,000
Notes Payable	3,175,415	100.000%	3,175,415
Capital Leases ⁽³⁾	<u>4,019,134</u>	<u>100.000%</u>	<u>4,019,134</u>
TOTAL DIRECT:	<u>\$255,824,549</u>		<u>\$255,824,549</u>
<i>Overlapping:</i>			
Fulton County			
General Obligation Bonds ⁽⁴⁾	\$216,173,662	10.816%	\$23,381,343
Intergovernmental Contract ⁽²⁾	124,522,362	10.816%	13,468,339
Intergovernmental Contract (Hospital) ⁽⁵⁾	69,155,000	10.816%	7,479,805
Capital Leases ⁽³⁾	188,160,419	10.816%	20,351,431
Fulton County School District			
Intergovernmental Contract (Union City) ⁽²⁾	7,126,996	19.966%	1,422,976
Capital Leases ⁽³⁾	<u>6,069,763</u>	19.966%	<u>1,211,889</u>
TOTAL OVERLAPPING:	<u>\$611,208,202</u>		<u>\$67,315,783</u>
TOTAL DIRECT AND OVERLAPPING:	<u>\$867,032,751</u>		<u>\$323,140,332</u>

⁽¹⁾ Assumes issuance of the Series 2025 Bonds.

⁽²⁾ Intergovernmental Contracts under Georgia law, while not "debt", are binding obligations of the governmental entity to make payments.

⁽³⁾ The financial obligations of a governmental entity under capital leases do not constitute general obligations of the governmental entity to which its full faith and credit or taxing power are pledged, but are subject to and dependent upon lawful appropriations of general revenues being made by the governing body of the governmental entity to pay the lease payments due in each fiscal year under the leases. The governmental entity's obligations under the leases are from year to year only and do not constitute mandatory payment obligations of the governmental entity in any fiscal year in which funds are not appropriated by the governmental entity to pay the lease payments due in such fiscal year.

⁽⁴⁾ General obligation bonds are general obligations of the issuer to which its full faith and credit and taxing powers are pledged.

⁽⁵⁾ Represents an intergovernmental contract with the Fulton-DeKalb County Hospital Authority (the "Hospital Authority"), which is pledged to the payment of the Hospital Authority's outstanding revenue certificates. Fulton County's obligation to levy an ad valorem tax to make payments to the Hospital Authority, Georgia for debt service payments on such certificates is limited pursuant to the Hospital Authorities Act to seven mills a year. It is the intent that the principal and interest on such certificates will be paid from gross revenues of the Hospital Authority. Fulton County will not collect ad valorem taxes to pay such certificates unless the gross revenues of the Hospital Authority are insufficient.

⁽⁶⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values from the 2024 Tax Digests. The applicable percentage was estimated by dividing the City's total taxable assessed value by Fulton County's and Fulton County School District's total taxable assessed value.

Source: City of Sandy Springs, Georgia Annual Comprehensive Financial Report for the Year Ended June 30, 2024; Annual Comprehensive Financial Report of Fulton County, Georgia for the Fiscal Year Ended December 31, 2023; and Fulton County School District Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

Tax Supported Debt Ratios

The following table sets forth certain debt ratios following issuance of the Series 2025 Bonds.

	<u>Direct Tax Supported Debt</u>	<u>Overlapping Tax Supported Debt</u>	<u>Overall Tax Supported Debt</u>
Per Capita Debt ⁽¹⁾	\$2,424.76	\$638.03	3,062.80
Percentage of Gross Tax Digest ⁽²⁾	2.03%	0.53%	2.56%
Percentage of Fair Market Value ⁽³⁾	0.81%	0.21%	1.03%
Per Capita Debt as Percentage of Per Capita Income ⁽⁴⁾	2.28%	0.60%	2.89%

⁽¹⁾ Based upon 2024 City population figure of 105,505.

⁽²⁾ Based upon 2024 Gross Tax Digest of \$12,600,088,055.

⁽³⁾ Based on 2024 estimated actual value of \$31,500,220,138.

⁽⁴⁾ Based upon 2023 per capita income figure for the County of \$106,131.

Proposed Debt

The City does not propose to issue any additional debt or obligations within the next three years.

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Limitations on City Debt

The Constitution of the State of Georgia provides that the City may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of the City voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the City may not incur long-term obligations payable out of general property taxes in excess of ten percent of the assessed value of all taxable property within the City.

Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation and intergovernmental obligations are not subject to the legal limitations described above. In addition, refunded obligations cease to count against the City's debt limitations.

As computed in the table below, based upon the 2024 assessed value, the City could incur (upon necessary voter approval) approximately \$1,260,008,806 in additional long-term obligations payable out of general property taxes (or general obligation bonds).

Computation of Legal Debt Margin Table

Gross Tax Digest as of 2024 ⁽¹⁾	\$12,600,088,055
Debt Limit (10% of Assessed Value)	1,260,008,806
Amount of Debt Applicable to Debt Limit	<u>0</u>
Legal Debt Margin	<u>\$1,260,008,806</u>

- (1) The legal debt margin should be based upon the Net General Obligation Bond Digest, not the Gross Tax Digest. Because the City has no general obligation debt, the Net General Obligation Bond Digest is not available. The Net General Obligation Bond Digest is less than the Gross Tax Digest. Therefore, if the Net General Obligation Digest were available, the legal debt margin would be slightly smaller.

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LEGAL MATTERS

Pending Litigation

The City, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The City, after reviewing the current status of all pending and threatened litigation with its counsel, Daniel W. Lee, Esq., believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the City or its officials in such capacity are adequately covered by insurance or will not have a material adverse effect upon the financial position or results of operations of the City.

There is no litigation now pending or, to the knowledge of the Issuer or the City, threatened against the Issuer or the City which restrains or enjoins the issuance or delivery of the Series 2025 Bonds, the provision of the security for the payment of the Series 2025 Bonds, or the use of the proceeds of the Series 2025 Bonds or which questions or contests the validity of the Series 2025 Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization, nor existence of the Issuer or the City, nor the title of the present members or other officials of the Issuer or the City to their respective offices, is being contested or questioned. There is no litigation pending or, to the knowledge of the Issuer, threatened which in any manner questions the right of the Issuer to enter into the Lease Agreement, or to secure the Series 2025 Bonds. No litigation and no proceedings are pending against the City or its officials, or to their knowledge are threatened against them, which would affect the sale of the Series 2025 Bonds, the security therefor, or the ability of the City to enter into and perform its obligations under the Lease Agreement.

Validation Proceedings and Approving Opinions

The Series 2025 Bonds were validated in the Superior Court of Fulton County, Georgia on September 2, 2025, as required by Georgia law. The State of Georgia was the plaintiff in the proceeding, and the Authority and the City were the defendants. Under Georgia law, the judgment of validation is forever conclusive against the Issuer and the City upon the validity of the Series 2025 Bonds and the security therefor.

Legal matters incidental to authorization and issuance of the Series 2025 Bonds by the Issuer are subject to the approval of Gray, Pannell & Woodward LLP, Bond Counsel. It is anticipated that the approving opinion of Bond Counsel will be in substantially the form attached hereto as Appendix D. Certain legal matters will be passed upon for the Issuer and the City by their counsel Daniel W. Lee, Esq., Sandy Springs, Georgia and for the City by its disclosure counsel, Gray, Pannell & Woodward LLP.

Tax Matters

Generally. The following constitutes a discussion of certain of the federal and State of Georgia income tax consequences of the purchase, ownership, and disposition of the Series 2025 Bonds. This summary is presented for informational purposes only and is intended to be a discussion primarily of the federal and State of Georgia income tax consequences to individual owners who are citizens or residents of the United States. IT IS NOT PRACTICABLE TO COMMENT ON ALL ASPECTS OF THE FEDERAL, STATE, AND LOCAL TAX LAWS WHICH MAY AFFECT AN INDIVIDUAL OWNER'S PURCHASE OF THE SERIES 2025 BONDS. THEREFORE, STATE (OTHER THAN STATE OF GEORGIA), LOCAL, AND FOREIGN TAX CONSEQUENCES ARE NOT DISCUSSED; NOR ARE THE TAX CONSEQUENCES TO OWNERS OTHER THAN INDIVIDUALS. Such tax consequences will vary with each purchaser, depending upon its individual situation. The following summary should not be considered as legal or tax advice to prospective purchasers of the Series 2025 Bonds.

Legal matters incident to the authorization, validity, and issuance of the Series 2025 Bonds are subject to the approving opinion of Gray Pannell & Woodward LLP, Bond Counsel. The opinion of Bond Counsel is attached to this Official Statement as Appendix D. Copies of the opinion will be available at the time of the initial delivery of the Series 2025 Bonds.

Federal Tax Matters. In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations,

rulings, and judicial decisions, and assuming, among other things, the accuracy of certain representations and the continued compliance with certain covenants and tax law requirements, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes under § 103 of the and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2025 Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2025 Bonds.

State Tax Matters. In the opinion of Bond Counsel, under existing statutes, interest on the Series 2025 Bonds is exempt from all present state income taxation within the State of Georgia. Interest on the Series 2025 Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Purchasers of the Series 2025 Bonds should consult their tax advisors as to the taxable status of the Series 2025 Bonds in a particular state or local jurisdiction other than Georgia.

Circular 230. Prospective investors are urged to consult their own tax advisors before determining whether to purchase Series 2025 Bonds. The tax discussion herein under “LEGAL MATTERS -Tax Matters” is not intended or written to be used, and cannot be used, for purposes of avoiding taxpayer penalties. This discussion was written to support the promotion or marketing of the Series 2025 Bonds.

Other Tax Consequences to Investors. There may be other federal, state, local, or foreign tax considerations applicable to the circumstances of a particular investor. Prospective investors are urged to consult their own tax advisors before determining whether to purchase Series 2025 Bonds. Purchasers of Series 2025 Bonds who are nonresident alien individuals, corporations that are not incorporated in the United States or under the laws of the United States or of any state of the United States, or other non-United States persons should consult their own tax advisors with respect to the possible applicability of United States withholding and other taxes on income realized in respect to the Series 2025 Bonds.

Premium Bonds

The difference between the principal amount of the Series 2025 Bonds (collectively, the “Premium Bonds”) and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such Premium Bond in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

The foregoing is a general discussion of certain federal income tax consequences of original issue premium and discount and does not purpose to deal with all tax questions that may be relevant to particular investors or circumstances. Holders of the Series 2025 Bonds should consult their own tax advisors with respect to the apportionment for federal income tax purposes of accrued tax-exempt interest upon a sale or exchange (including redemption) and with respect to the state and local tax consequences of original issue premium and discount.

Original Issue Discount Bonds

Certain of the Series 2025 Bonds have been sold to the public at an original issue discount (the “Discount Bonds”). Generally, original issue discount is the excess of the stated redemption price at maturity of such a Discount Bond over the initial offering price to the public (excluding underwriters and other intermediaries) at which price a substantial amount of that maturity of the Discount Bonds was sold. Under existing law, an

appropriate portion of any original issue discount, depending in part on the period a Discount Bond is held by the purchaser thereof, will be treated for federal income tax purposes as interest that is excludable from gross income rather than as taxable gain.

Under § 1288 of the Code, original issue discount on Bonds accrues on a compounded basis. The amount of original issue discount that accrues to an owner of a Discount Bond, who acquires the Discount Bond in this initial offering, during any accrual period generally equals (i) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (iii) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Discount Bond. Proceeds received from the sale, exchange, redemption, or payment of a Discount Bond in excess of the owner's adjusted basis (as increased by the amount of original issue discount that has accrued and has been treated as tax-exempt interest in such owner's hands), will be treated as a gain from the sale or exchange of such Discount Bond and not as interest.

The federal income tax consequences from the purchase, ownership and redemption, sale, or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of Discount Bonds should consult their own tax advisors with respect to the consequences of owning Discount Bonds, including the effect of such ownership under applicable state and local laws.

Other Tax Consequences.

Prospective purchasers of the Series 2025 Bonds should be aware that ownership of the Series 2025 Bonds may result in collateral federal income tax consequences to certain taxpayers depending on their status and income. Prospective purchasers of the Series 2025 Bonds should consult independent advisors as to the consequences of owning the Series 2025 Bonds, including the effect of such ownership under applicable state and local laws and any collateral federal income tax and state tax consequences.

Changes in Federal Tax Law

From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Series 2025 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to the Series 2025 Bonds issued prior to enactment. In addition, regulatory actions from time to time are announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2025 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2025 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2025 Bonds should consult their own tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing law, legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2025 Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

RISK FACTORS

The following section is intended only as a summary of certain pertinent risk factors relating to an investment in the Series 2025 Bonds. This summary is not intended to be an exclusive summary of factors to be considered in connection with making an investment in the Series 2025 Bonds. In order for potential investors to identify risk factors and make an informed investment decision, they should thoroughly review this entire Official Statement and the appendices hereto and confer with their own tax and financial advisors when considering a purchase of the Series 2025 Bonds.

Public Health

Public health crises such as epidemics and pandemics and the various governmental and private actions taken in response thereto could adversely affect the operations and revenues of the City. The City cannot predict what effect the spread of a public health crisis, or the various governmental and private actions taken in response thereto, would have on the finances or operations of the City. A public health crisis could result in increased costs and challenges relating to establishing distance learning programs or other measures to permit instruction while schools are closed, disruption of the regional and local economy with corresponding decreases in State revenues, tax revenues, including property tax revenue, sales tax revenue and other revenues, increases in tax delinquencies, potential declines in property values, and decreases in new home sales and real estate development.

Climate Change

Planning for climate change in the State and its impact on the City's operations is an unknown challenge. The State's climate is exceedingly variable and projections of future conditions range significantly. While projections in the State indicate rising average temperatures, precipitation projections are much less clear and often contradictory. Other potential impacts include changes in the length, intensity, and frequency of droughts and floods. The financial impact of climate change is not yet known and therefore its future impact on the City cannot be quantified reliably at this time.

Cyber-Security

Computer networks and data transmission and collection are vital to the efficient operations of the City. Computer security measures, information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored there could be disrupted, accessed, publicly disclosed, lost or stolen. Any such disruption, access, disclosure or other loss of information could result in disruptions in operations and the services provided by the City, legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties and the services provided, and cause a loss of confidence in the operations of the City, which could materially adversely affect the operations of the City.

MISCELLANEOUS

Ratings

Moody's Investors Services, Inc. ("Moody's") and S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") have assigned ratings of "Aaa" and "AAA", respectively, to the Series 2025 Bonds. The ratings reflect only the views of the rating agencies, and an explanation of the significance of each rating may be obtained from the respective rating agency furnishing such rating at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007 and Standard & Poor's Financial Services LLC, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that either or both of such ratings will remain unchanged for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the liquidity and market price of the Series 2025 Bonds. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. Neither the Issuer nor the City has undertaken any responsibility either to bring to the attention of the owners of the Series 2025 Bonds any proposed suspension or withdrawal of such rating or to oppose any such revision, suspension or withdrawal.

Additionally, due to the ongoing uncertainty regarding the debt of the United States of America, including without limitation, the general economic conditions in the country, and other political and economic developments

that may affect the financial condition of the United States government, the United States debt limit, and the bond ratings of the United States and its instrumentalities, obligations issued by state and local governments, such as the Series 2025 Bonds, could be subject to a rating downgrade. Furthermore, if a significant default or other financial crisis should occur in the affairs of the United States or of any of its agencies or political subdivisions, then such event could also adversely affect the market for and ratings, liquidity, and market value of outstanding debt obligations, such as the Series 2025 Bonds.

Competitive Sale

The Series 2025 Bonds have been purchased at competitive sale from the Issuer by Robert W. Baird & Co. Incorporated (the “Purchaser”). The Purchaser has agreed, subject to certain conditions, to purchase the Series 2025 Bonds at a price of \$50,496,192.16 (which represents the par amount of the Series 2025 Bonds, plus net premium of \$2,001,928.45 and less Purchaser’s discount of \$470,736.29). The yields shown for the Series 2025 Bonds on the inside front cover page of this Official Statement were furnished by the Purchaser. All other information concerning the nature and terms of any re-offering should be obtained from the Purchaser and not from the Issuer.

Independent Professionals

Legal matters incident to the authorization, issuance and sale of the Series 2025 Bonds are subject to the approval of Gray, Pannell & Woodward LLP, Athens, Georgia, Bond Counsel. Certain legal matters will be passed on for the Issuer and the City by their counsel Daniel W. Lee, Esq., Sandy Springs, Georgia, and for the City by its disclosure counsel, Gray, Pannell & Woodward LLP, Athens, Georgia.

The financial statements of the City as of June 30, 2024 and for the year then ended, attached hereto as Appendix A, have been audited by Mauldin & Jenkins, LLC, Atlanta, Georgia, independent certified public accountants. Mauldin & Jenkins, LLC, Certified Public Accountants, Atlanta, Georgia, has not and will not sign a written consent to the inclusion of its audit report in Appendix A.

Municipal Advisor

First Tryon Advisors, LLC has served as municipal advisor (the “Municipal Advisor”) to the City with respect to the sale of the Series 2025 Bonds. The Municipal Advisor’s fee for services rendered with respect to the sale of the Series 2025 Bonds is contingent on the issuance and delivery of the Series 2025 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement and the appendixes thereto.

Additional Information

Use of the words “shall” or “will” in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2025 Bonds.

**AUTHORIZATION OF AND CERTIFICATION
CONCERNING OFFERING STATEMENT**

The execution and delivery of this Official Statement have been duly authorized and approved by the Issuer and the City. The contents of this Official Statement are the responsibility of the City, except that the Issuer is responsible for the statements contained under the caption “THE ISSUER” and the information with respect to the Issuer appearing under the caption “LEGAL MATTERS – Pending Litigation” herein, and, with the exception of the foregoing information for which the Issuer is responsible, the Issuer makes no representation as to the accuracy or completeness of any information contained herein.

CITY OF SANDY SPRINGS PUBLIC FACILITIES
AUTHORITY

By: /s/ Rusty Paul
Chairman

CITY OF SANDY SPRINGS, GEORGIA

By: /s/ Rusty Paul
Mayor

APPENDIX A

AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

CITY OF SANDY SPRINGS, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

Prepared by:
Finance Department

Submitted by:
Eden Freeman
City Manager

CITY OF SANDY SPRINGS, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

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INTRODUCTORY SECTION



SANDY SPRINGS

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November 4, 2024

Honorable Russell K. Paul, Mayor,
Members of the City Council, and
Citizens of Sandy Springs, Georgia

Ladies and Gentlemen:

The Annual Comprehensive Financial Report of the City of Sandy Springs, Georgia (City), for the fiscal year ended June 30, 2024, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. The report has been prepared in accordance with generally accepted accounting principles. All disclosures necessary to enable an interested reader to gain an understanding of the government's financial activities have been included.

The City's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Sandy Springs for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of the report.

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

PROFILE OF THE GOVERNMENT

Sandy Springs celebrated its 19th anniversary in 2024, incorporated in December of 2005. The City is positioned in the heart of the metro area in northern Fulton County, Georgia (County). It is the second largest city in metropolitan Atlanta and the seventh largest city in the State of Georgia (State). Sandy Springs is a demographically diverse community and covers 38.52 square miles. 22 miles of the Chattahoochee River flow through Sandy Springs, creating a unique recreational opportunity within a metropolitan setting.



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Policymaking and legislative authority of the government is vested in the Mayor and six council members, who are elected every four years unless a vacancy occurs during a term. Council members are elected by district, and the Mayor is elected at-large by popular vote. The Mayor and council members serve until their successors are qualified and certified. Terms of office begin after the certification of the election and swearing into office.

The City operates under a council/manager form of government, where the Council is the legislative authority, and the Mayor possesses all the executive powers granted to the government under the constitution and laws of the State and the City's charter. The City Manager maintains all administrative powers granted to the government under the constitution and laws of the State and the City's charter. The City is empowered to levy a property tax on both real and personal property located within its boundaries and is qualified to levy all other taxes granted to municipalities within the State of Georgia.

The City's General Services, including Police, Fire, Public Works/TSPLOST, Community Development, Information Technology, Finance, Economic Development, Communications, Facilities, Municipal Court, Recreation and Parks, and Performing Arts Center Operations, are performed by employees of the City. The City's call center and 911 services, as well as Public Works Field Services, Fleet Services, City Attorney's Office, and Municipal Court Solicitor, are conducted with private sector partners.

Sanitation services are provided through contracts with private carriers. Water and sewer services are delivered to residential and commercial properties by the City of Atlanta and the County. The City created a legally separate entity, the City of Sandy Springs Public Facilities Authority, to assist with the leasing and multi-year contracting of capital facilities. The Sandy Springs Hospitality Board is a component unit of the City and functions as the tourism and marketing arm of the government. In addition, the City has a joint venture with the City of Johns Creek for Emergency 911 services through the Chattahoochee River E911 Authority (ChatComm) and with the North Fulton Cities of Alpharetta, Milton, and Roswell for a unified radio system through the North Fulton Regional Radio System Authority (NFRRSA).

The annual budget serves as the foundation for the City's financial plan and assists in the control of the financial stability and health of the government. The Mayor and Council are required to adopt a final budget no later than the close of the fiscal year. The budget is prepared by fund, function, and department. Since fiscal year 2007, the budgeting process included performance management initiatives. Amounts in this budget may be re-allocated within funds by approval of the City Manager as long as the total budgeted amounts do not exceed the approved appropriations by fund.

LOCAL ECONOMY

Sandy Springs is located at the crossroads of one of the most traveled east-west and north-south vehicular connections with prime access to Interstate 285 and Georgia Highway 400, with Interstate 75 located just west of the City's border. Four stations on the MARTA rail transit system also serve Sandy Springs, creating



an attractive transportation location for business. Close to 5,600 businesses, from small, family-owned retailers to world-known corporate headquarters, currently call Sandy Springs home.

The City's largest employers are hospitals and regional corporate headquarters. The City is home to nationally recognized Children's Healthcare of Atlanta, Northside Hospital, and Emory Saint Joseph's Hospital. Sandy Springs is also home to many Fortune 500 and 1000 companies. Among the largest corporate employers that have chosen to call Sandy Springs their corporate home is United Parcel Service, Smurfit WestRock, Veritiv Corporation, Newell Brands, Intercontinental Exchange/NYSE, ServiceMaster, Graphic Packaging, Cox Communications, Inspire Brands, GoTo Foods, and Mercedes Benz USA. The City's commercial properties comprise more than 42 percent of the total tax digest by property value, which ensures a strong economic foundation for the government.

Niche ranks Sandy Springs number 9 for Best Cities to Retire in America, number 14 for Best City to Live in the U.S., number 16 for Best Cities to Raise a Family in America, and number 16 as one of the Healthiest Cities in America in 2024.^[1] Sandy Springs is home to a flourishing dining scene and nighttime activities, a place where one can expend energy paddle boarding on the Chattahoochee River or enjoy one of the City's many parks and green spaces and enjoy live entertainment.

According to the 2020 United States Census^[2], the 5-year estimated population for Sandy Springs is 108,080. There were approximately 51,204 households reported, with an estimated 50.5 percent recorded as owner-occupied housing units. The median value of owner-occupied housing as of October 2024 was \$647,026, according to the Zillow Home Values Index^[5]. The average household size was two (2) people, with a median household income of more than \$80,000.

Quality of life is an important component in attracting and keeping residents and businesses in Sandy Springs. In August 2018, the curtain went up on the Sandy Springs Performing Arts Center and in just a short time, the theatre complex became a prime destination in the metropolitan area. The City Springs facility intended to be a community gathering spot, and it has exceeded all expectations. In addition to the hub of energy created through the performances and events at City Springs, tremendous redevelopment activity has occurred throughout the City, with many new retailers and restaurants coming online.

NATIONAL ECONOMY

According to the Bureau of Labor Statistics^[3] for August 2024, unemployment for the State was at 3.6 percent. The unemployment also increased citywide to 3.5 percent from 3.4 percent in 2023.

LONG-TERM FINANCIAL PLANNING

As detailed within the following financial statements, the City's policy is to maintain a minimum General Fund balance reserve of 25 percent of the next year operating expenditures. Excess fund balances over



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reserve requirements will be used in subsequent periods for pay-as-you-go capital projects and one-time non-recurring expenditures.

To facilitate the provision of city services, the government is committed to a consistent millage rate for property taxes. The City's operating millage rate of 4.731 mills is statutorily set and cannot be increased without a public referendum. In addition, when residential property is reassessed, if a homeowner has filed for the proper homestead exemption, the assessment cannot be raised more than 3 percent (or the rate of inflation) in any one year for city taxes. Neighboring jurisdictions are not bound by the 3 percent cap in the utilization of increased assessments, where a large proportion of their increased assessments fall on the back of homeowners.

The City is expected to continue developing as an economic hub and preferred location for business and residential investment. Additionally, the commercial community continues to experience significant re-development through builders and investors developing mixed-use areas.

MAJOR INITIATIVES FOR THE YEAR

- Continue construction at the new Police Department Headquarters and Municipal Court complex, with completion anticipated winter 2025.
- Completed construction of the City's Fleet Enhancement Center in spring 2024.
- Completed construction of Fire Station #5 in the "panhandle" area of the City in early summer 2024.
- Completed construction of Veterans Park, which was opened on Veterans Day 2023.
- Ongoing construction work on Springway Trail Segment 2A, which is slated for completion by the end of the calendar year 2024.
- Completed Morgan Falls Athletic Complex Phase I improvements.
- Continued partnership with Art Sandy Springs to host ArtSS in the Open sculpture competition at City Springs and the City Hall Lobby rotating gallery exhibition.
- Conducted a comprehensive review of the City of Sandy Springs Development Code and adopted a slate of modifications.
- Updated the Roswell Road at Crossroads Small Area Plan.
- Updated the multifamily rental housing ordinance, developed updated inspection program, and created property management training and certification program.
- Completed installation of turf on City Green in the beginning of 2024 and hosted the inaugural Skate City Springs Ice Rink on City Green for the 2023 holiday season.
- Developed and launched the Sandy Springs Citizens Leadership Academy to educate residents on the importance of leadership in a community and the City of Sandy Springs' history and current operations.



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- Continued investments in our infrastructure:
 - Resurfaced more than 21 lane miles of roads; 1,500+ sidewalk repairs; and 1,450+ pothole repairs, and
 - 11 major and multiple minor stormwater system repairs and rehabilitations, bringing our total investments to more than \$30,000,000 since 2008.

TSPLOST



On November 9, 2021, a referendum passed to continue to impose an additional 0.75 percent Transportation Special Purpose Local Option Sales Tax ("TSPLOST") to begin on April 1, 2022. Approximately \$546 million was estimated to be raised by the imposition of this additional tax to improve the County's transportation infrastructure through various capital transportation projects within these cities to be collected through March 31, 2027.

Completed Projects

TSPLOST 2016

TS106 - Northside Drive at Riverview Road/Old Powers Ferry Road

TSPLOST 2021

S2170 - Mt. Vernon Highway Sidewalk, DeClaire Court to Long Island Drive Sidewalk

S2188-3 - Glenridge Drive at Messina Way Sidewalk

S2175 - Trowbridge Road Sidewalk, Spalding Trace to Trowbridge Lake Drive

S-2188-1 - Allen Road at Sandy Springs Circle Sidewalk

S2188-2 - South Johnson Ferry Road Sidewalk at Brookhaven City Limit S2188-4 - River Exchange Sidewalk at Spalding Drive

S2188-5 - Windsor Parkway Sidewalk at Peachtree-Dunwoody Road

INITIATIVES FOR FUTURE YEARS

- Continue to invest in the City's vital infrastructure including road resurfacing, and an updated inventory and condition assessment of stormwater assets.
- Continue planning for replacement of Fire Station #4.
- Complete construction at the police headquarters and municipal court complex.
- Continue construction efforts for the Springway Trail loop.
- Complete design and permitting for Old Riverside Park.
- Complete design and permitting for the Abernathy South Greenway enhancements.
- Implement the next phase of major enhancements to the Morgan Falls Overlook Athletic Complex.
- Design and construct enhancements to the Morgan Falls Dog Park.
- Conduct a master planning exercise to determine the future of the existing facilities at Hammond Park.



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- Implement recommended enhancements to optimize the City's Public Works and Capital Improvement Project delivery process.
- Initiate citywide design guidelines development.
- Develop a Perimeter Small Area Plan Addendum.
- In partnership with the City's Preferred Development Partner, expand the City Springs District to City owned parcels south of the existing campus.
- Construct an addition to the Abernathy Arts Center.
- Begin work on the City's Comprehensive Plan Update.
- Update the City's Transportation Master Plan.

FINANCIAL POLICIES

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safety of assets against loss from unauthorized use or disposition; and 2) the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

Single Audit - As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and internal staff.

As part of the City's annual single audit, required in conformity with provisions of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs as well as to determine that the City has complied with applicable laws and regulations.



SANDY SPRINGS

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Budgetary Controls - The City maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Council. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The official level of city budget control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. Administrative transfers of appropriations within a department may be authorized by the City Manager to meet unforeseen needs, as long as the total budgeted amounts do not exceed the original appropriations by department. The City's budget procedures, together with such procedures for discretely presented component units, are more fully explained in the accompanying notes to the financial statements. The City maintains an encumbrance accounting system as one means of accomplishing budgetary control. Encumbered amounts at year end are carried forward to the ensuing year's budget on a case-by-case basis.

OTHER INFORMATION

Awards and Achievements - 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 Sandy Springs for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the eighteenth consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for only one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments - The preparation of the report could not have been accomplished without the efficient and dedicated efforts of the staff of the Finance Department, the auditors for the City and its component units, and the cooperation of City staff in various departments. Our sincere appreciation is extended to everyone for the contributions made in the preparation of this report.

Respectfully submitted,

Eden E. Freeman
City Manager

Toni Carlisle
Chief Financial Officer

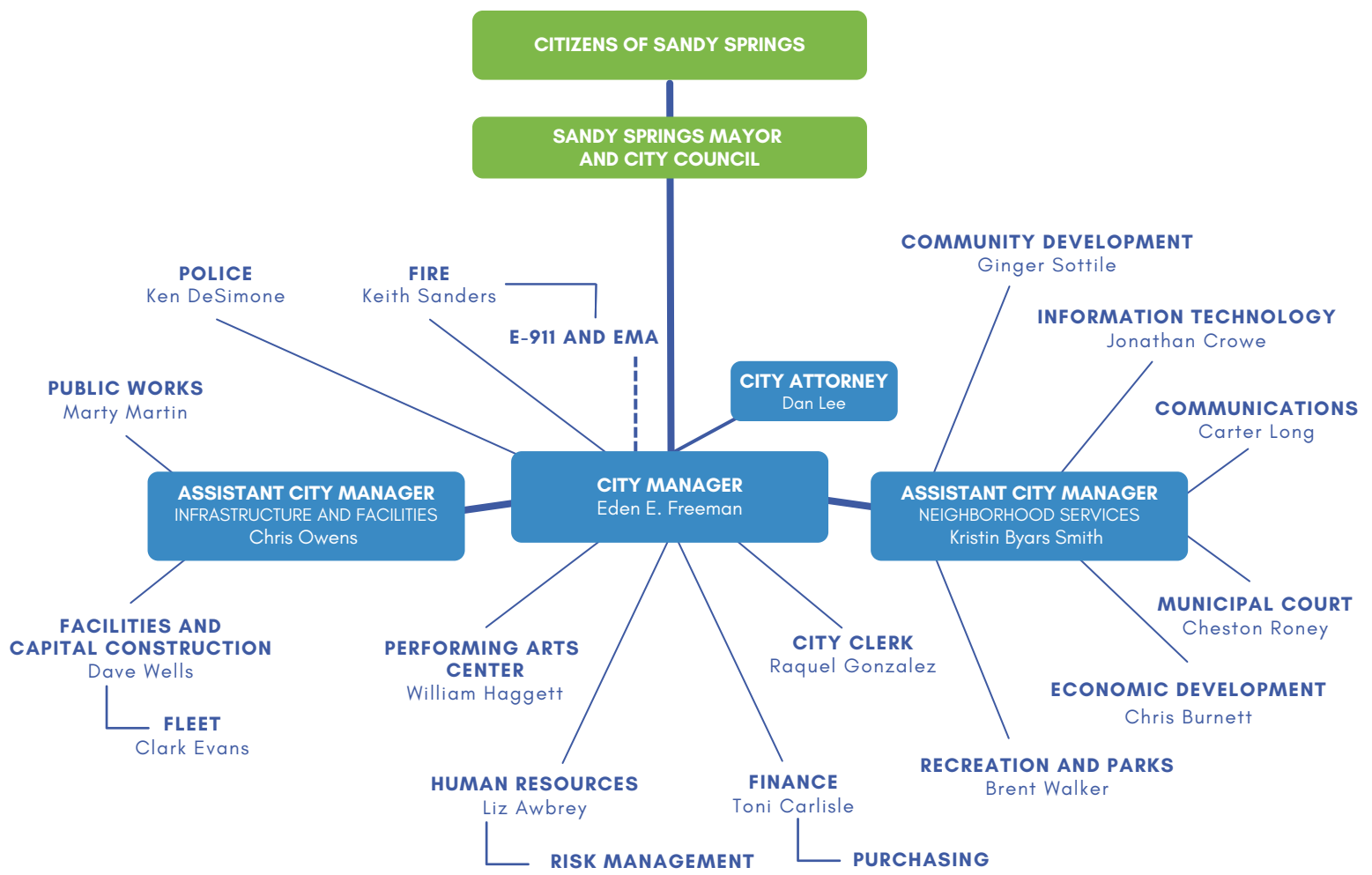


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- [1] Source: Niche.com
- [2] Source: United States Census Bureau (2020 5-year Estimate Data)
- [3] Source: Bureau of Labor Statistics (2021 Data)
- [4] Source: SPGlobal.com
- [5] Source: Zillow.com

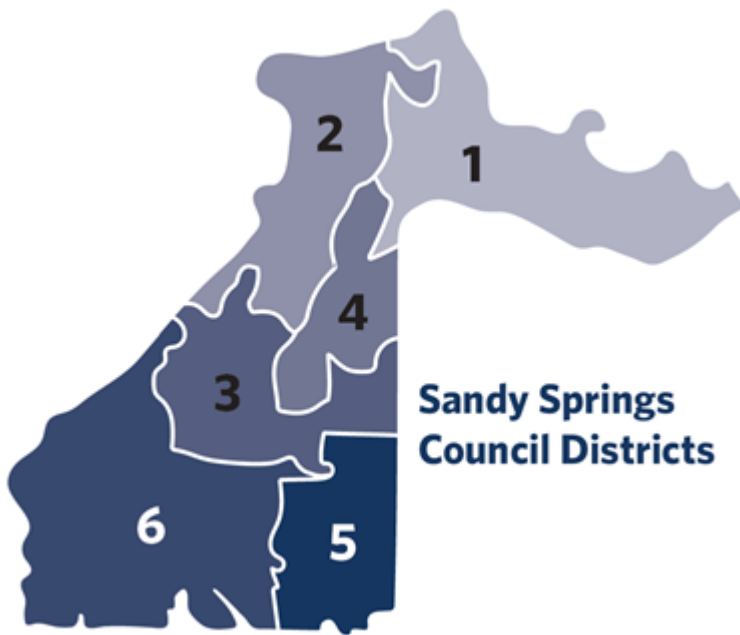
CITY OF SANDY SPRINGS ORGANIZATIONAL CHART



MAYOR AND CITY COUNCIL

Governance in Sandy Springs

The City of Sandy Springs is divided into six Council Districts. Each district is represented by a City Councilmember. The Mayor of Sandy Springs chairs the City Council.



Mayor Rusty Paul

rpaul@sandyspringsga.gov



DISTRICT 1

John Paulson

jpaulson@sandyspringsga.gov



DISTRICT 2

Melody Kelley

mkelley@sandyspringsga.gov



DISTRICT 3

Melissa Mular

mmular@sandyspringsga.gov



DISTRICT 4

Jody Reichel

jreichel@sandyspringsga.gov



DISTRICT 5

Tiberio "Tibby" DeJulio

tdejulio@sandyspringsga.gov



DISTRICT 6

Andy Bauman

abauman@sandyspringsga.gov

City of Sandy Springs, Georgia

Listing of Principal Officials

City Manager

Eden E. Freeman

Chief Financial Officer

Toni Carlisle

Assistant City Manager Infrastructure and Facilities

Chris Owens

Assistant City Manager Neighborhood Services

Kristin Byars-Smith

Chief of Fire

Keith Sanders

Chief of Police

Ken DeSimone

City Clerk

Raquel D. Gonzalez

Communications Director

Carter Long

Community Development Director

Ginger Sottile

Court Administrator

Cheston Roney

Economic Development Director

Chris Burnett

Facilities and Construction Director

David Wells

Human Resources Director

Elizabeth Awbrey

Information Technology Director

Jonathan Crowe

Performing Arts Center Director

William Haggett

Public Works Director

William Martin

Recreation and Parks Director

Jonathan Brent Walker



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sandy Springs
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**The Honorable Mayor and Members
of the City Council of the
City of Sandy Springs, Georgia**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sandy Springs, Georgia, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 16 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, and GASB Statement No. 101, *Compensated Absences*, as of July 1, 2023. These standards significantly changed the reporting of the City's major funds and compensated absences liability. Our opinions are not modified with respect to these matters.

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 and General Fund – Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the Schedules of Expenditures of Transportation Special Purpose Local Option Sales Taxes (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.

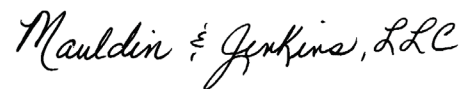
Other Information

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 November 4, 2024 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.



Atlanta, Georgia
November 4, 2024

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

As management of the City of Sandy Springs (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$617,174,557 (total net position), which represents an increase of \$57,034,297 or 10.18% from the prior year. Of the total net position, \$113,119,574 (unrestricted net position) is available to meet the ongoing obligations of the government.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$221,374,837. This represents a decrease of \$19,549,816 from the prior year.
- Total governmental fund revenues were \$196,846,816, an increase of \$19,592,733 or 11.05%.
- Total governmental fund expenditures were \$218,198,381, an increase of \$58,274,261 or 36.70% over the prior year, related to an increase in expenditures for previously approved capital projects.

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 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 and deferred outflows of resources, liabilities and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the fiscal year. 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 in this statement for some items that will only result in cash flows in future fiscal years (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report functions of the City that are principally supported by taxes (governmental activities). The governmental activities of the City include general government, judicial, public safety, public works, culture and recreation, housing and community development.

The government-wide financial statements can be found on pages 16 through 18 of this report.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Fund financial statements: 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, 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 are governmental funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City'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 City'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 maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The General Fund, Capital Projects Fund, TSPLOST Fund and Public Facilities Authority Fund are considered to be major funds.

The City adopts an annual appropriated budget for all its governmental funds, except capital project funds for which project length budgets are adopted. A budgetary comparison statement has been provided for the General Fund and each of the special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 19 through 21 of this report.

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 22 through 52 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedules as presented on a generally accepted accounting principal basis in this section. These schedules are intended to demonstrate the City's compliance with the legally adopted and amended budgets.

The combining and individual fund statements and schedules, referred to earlier, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 55 through 58 of this report. Required supplementary information can be found on pages 53 and 54 of this report.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the City's case, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$617,174,557, representing a \$57,034,297 or 10.18% increase over last year.

The largest portion of the City's net position, \$416,811,564 reflects its investment in capital assets (e.g., buildings, machinery and equipment, roadways, sidewalks, culverts, and signals); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Other than the amount of net position, \$87,243,419 is restricted as to use by law or agreement, the remaining portion of the City's net position represents unrestricted net position of \$113,119,574 that is available to meet the ongoing obligations of the government. This amount represents 80.70% of current governmental expenses.

The City has current and other assets of \$258,473,605, a decrease of \$17,879,588 or 6.47% over the prior year, which included the use of prior year bond proceeds that had been invested pending progress on capital construction projects. These assets include \$202,091,671 of cash and investments.

The City's capital assets are \$609,609,125, which represents an increase of \$68,646,751 or 12.69%. The increase is primarily infrastructure projects.

Long-term liabilities decreased \$8,456,968 or 3.59% as debt is repaid.

The table below summarizes the City's Net Position for 2024 and 2023.

City of Sandy Springs Net Position				
	Governmental Activities		Dollar	
	2024	2023	Increase	Percent
			(Decrease)	
Assets				
Current assets	\$ 258,473,605	\$ 276,353,193	\$ (17,879,588)	(6.47) %
Capital assets, net of accumulated depreciation	609,609,125	540,962,374	68,646,751	12.69
Total assets	868,082,730	817,315,567	50,767,163	6.21
Deferred charges on bond refunding	13,292,243	14,187,247	(895,004)	(6.31)
Liabilities				
Current liabilities	45,916,821	41,284,212	4,632,609	11.22
Long-term liabilities	211,811,715	216,146,735	(4,335,020)	(2.01)
Total liabilities	257,728,536	257,430,947	297,589	0.12
Deferred inflows of resources	6,471,880	6,684,405	(212,525)	(3.18)
Net Position				
Net investment in capital assets	416,811,564	367,043,192	49,768,372	13.56
Restricted	87,243,419	77,731,725	9,511,694	12.24
Unrestricted	113,119,574	122,612,545	(9,492,971)	(7.74)
Total net position	\$ 617,174,557	\$ 567,387,462	\$ 49,787,095	8.77 %

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Governmental activities: Governmental activities are those that have a direct impact on its citizens such as public safety, zoning, recreation, and parks and road improvements. The table below reflects changes in net position for 2024 and 2023, which reflects a restatement for the implementation of GASB Statement No. 100 and No. 101, which is further explained in Note 16 to the Financial Statements.

City of Sandy Springs Changes in Net Position

	Governmental Activities		Dollar	
	2024	2023	Increase	Percent
			(Decrease)	
Revenues				
Program revenues:				
Charges for services	\$ 16,518,009	\$ 17,626,794	\$ (1,108,785)	(6.29) %
Operating grants and contributions	30,428	-	30,428	100.00
Capital grants and contributions	44,790,756	30,911,118	13,879,638	44.90
General revenues:				
Property taxes	51,608,371	50,504,655	1,103,716	2.19
Sales and use taxes	37,674,223	37,161,097	513,126	1.38
Hotel/motel taxes	5,437,668	4,938,219	499,449	10.11
Franchise taxes	9,847,227	9,583,654	263,573	2.75
Business taxes	10,264,411	11,074,025	(809,614)	(7.31)
Insurance premium taxes	9,585,852	8,782,622	803,230	9.15
Unrestricted investment earnings	10,361,787	5,340,674	5,021,113	94.02
Miscellaneous revenues	1,092,938	1,328,548	(235,610)	(17.73)
Total revenues	<u>197,211,670</u>	<u>177,251,406</u>	<u>19,960,264</u>	<u>11.26</u>
Expenses				
General government	30,110,102	25,345,872	4,764,230	18.80
Judicial	1,166,282	1,251,216	(84,934)	(6.79)
Public safety	51,733,690	52,073,063	(339,373)	(0.65)
Public works	29,546,223	27,618,045	1,928,178	6.98
Health and welfare	-	8,111	(8,111)	100.00
Culture and recreation	16,670,974	13,432,564	3,238,410	24.11
Housing and development	6,332,142	5,456,446	875,696	16.05
Interest on long-term debt	4,617,960	5,408,365	(790,405)	(14.61)
Total expenses	<u>140,177,373</u>	<u>130,593,682</u>	<u>9,583,691</u>	<u>7.34</u>
Change in net position	57,034,297	46,657,724	<u>\$ 10,376,573</u>	22.24 %
Restatement - change in accounting principle	(3,623,601)	-		
Net position, beginning of year, as restated	<u>560,140,260</u>	<u>517,106,137</u>		
Net position, end of year	<u>\$ 617,174,557</u>	<u>\$ 563,763,861</u>		

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Revenues: Service charges include fines and forfeitures, E911 telephone service charges, impact fees, and licenses and permits. These revenues decreased by \$1,108,785, or 6.29%, primarily due to reduced income from housing and development, which continues to be adversely impacted by the pandemic in prior years. Operating grants and contributions slightly increased as the City received some donations and contributions to fund operating activities. Capital grants and contributions increased by \$13,879,638 or 44.90% as the availability of federal and state funding increased. Property taxes increased \$1,103,716 or 2.19% as assessed property values have increased. Sales and use taxes and hotel/motel taxes increased \$513,126 (1.38%) and \$499,449 (10.11%), respectively, and were driven by favorable conditions in the retail and travel economy. Franchise taxes increased by 2.75%, business taxes decreased by 7.31% and insurance premium taxes increased 9.15%. Unrestricted investment earnings rose by \$5,021,113, or 94.02%, as interest rates increased to levels not seen in the past 20 years.

Expenses: General government expenses increased 18.80%. Judicial expenses decreased by 6.79%, while housing and development expenses rose by 16.05% due to shifting market conditions that require competitive salary increases. Culture and recreation expenses increased \$3,238,410 or 24.11% as we continue to increase headcount and improve the parks in the City. Public Works expenses increased \$1,928,178 or 6.98% because of increases in non-depreciable road resurfacing projects. Interest expenses decreased \$790,405 or 14.61% because of refinancing of certain debt issued in a prior year.

Financial Analysis of the Government's Funds

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

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Governmental funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. The table below summarizes governmental revenues for 2024 and 2023.

City of Sandy Springs Governmental Revenues, Expenditures and Changes in Fund Balances

	Governmental Funds		Dollar Increase (Decrease)	Percent	
	2024	2023			
Revenues:					
Taxes					
Property taxes	\$ 51,710,305	\$ 50,506,371	\$ 1,203,934	2.38	%
Sales taxes	37,674,223	37,161,097	513,126	1.38	
Hotel/Motel taxes	5,437,668	4,938,219	499,449	10.11	
Franchise taxes	9,847,227	9,583,654	263,573	2.75	
Business taxes	10,264,411	11,074,025	(809,614)	(7.31)	
Insurance premium taxes	9,585,852	8,782,622	803,230	9.15	
Licenses and Permits	3,297,805	4,244,618	(946,813)	(22.31)	
Intergovernmental Revenues	44,323,968	30,912,079	13,411,889	43.39	
Charges for Services	10,639,548	10,216,989	422,559	4.14	
Fines and Forfeitures	2,492,563	2,993,320	(500,757)	(16.73)	
Interest Income	10,361,787	5,340,674	5,021,113	94.02	
Other	1,211,459	1,500,415	(288,956)	(19.26)	
Total Revenues	<u>196,846,816</u>	<u>177,254,083</u>	<u>19,592,733</u>	<u>11.05</u>	
Expenditures:					
General Government	22,681,727	19,201,570	3,480,157	18.12	
Judicial	1,144,530	1,235,075	(90,545)	(7.33)	
Public Safety	49,084,623	51,391,351	(2,306,728)	(4.49)	
Public Works	24,042,949	24,519,273	(476,324)	(1.94)	
Health and Welfare	-	8,111	(8,111)	100.00	
Culture and Recreation	14,720,301	11,635,498	3,084,803	26.51	
Housing and Development	6,193,256	5,424,482	768,774	14.17	
Capital outlay	84,466,484	30,407,756	54,058,728	177.78	
Debt Service	15,864,511	15,801,004	63,507	0.40	
Total Expenditures	<u>218,198,381</u>	<u>159,624,120</u>	<u>58,574,261</u>	<u>36.70</u>	
Excess (Deficiency) of Revenues over Expenditures	(21,351,565)	17,629,963	(38,981,528)	(221.11)	
Other financing sources					
Issuance of lease liability	1,801,749	1,736,791	64,958	100	
Net Change in Fund Balance	(19,549,816)	19,366,754	(38,916,570)	(200.95)	
Adjustment-change to reporting entity	-	-	-	-	
Fund Balance, Beginning of Year, as adjusted	240,924,653	221,557,899	19,366,754	8.74	
Fund Balance, End of Year	<u>\$ 221,374,837</u>	<u>\$ 240,924,653</u>	<u>\$ (19,549,816)</u>	<u>(8.11)</u>	%

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$221,374,837, a decrease of \$19,549,816, resulting from expenditures for capital construction projects. Of this balance, \$1,719,504 is considered non-spendable as these items are not expected to be converted to cash; \$104,396,167 is restricted by law or contractual agreement; \$266,744 is committed by resolution of the City Council; \$44,347,847 has been assigned by management for infrastructure projects; \$31,590,865 has been assigned to cover budgeted expenditures in excess of revenues for fiscal year 2025; \$508,669 has been assigned for tree replacement; \$2,835,132 has been assigned for future allowable federal program expenditures; and \$35,709,909 is considered unassigned and can be used to meet the near term operating needs of the City.

Total governmental revenues increased \$19,592,733 or 11.05%. Property taxes increased \$1,203,934 or 2.38% as assessed property values have increased. Sales taxes and hotel/motel taxes have increased \$513,126 or 1.38% and \$499,449 or 10.11%, respectively, as the general economy continues to improve. Licenses and permits have decreased \$946,813 or 22.31% because of the slowdown in the housing market and reduced construction activity which has led to lower building permits directly impacting revenue. Additionally, the remote work and reduction in investing in office and commercial spaces has affected local business activities, resulting in fewer business licenses. Intergovernmental revenues have increased by \$13,411,889 or 43.39%. Charges for services increased \$422,559 or 4.14% as revenues from the performing arts center have been favorable. Interest income increased \$5,021,113 or more than 94.02% as interest rates have increased.

Total governmental expenditures have increased \$58,574,261 or 36.70%. General government expenditures increased \$3,480,157 or 18.12% and is primarily attributable to ongoing market demands of higher project costs and the competitive salary market. Public safety expenditures decreased \$2,306,728 as a result of fluctuations in personnel. Culture and recreation expenditures increased \$3,084,803 or 26.51% because of the performing arts center continuing to make a strong return after struggling during and shortly years following the pandemic.

There was an issuance of a lease liability in fiscal year 2024.

General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance was \$69,020,278 an increase of \$5,135,254 or 8.04%. As a measure of the liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance on June 30, 2024, was \$35,709,909 and represents 33.76% of total General Fund expenditures. The following table compares revenues and expenditures for the General Fund for fiscal years 2024 and 2023.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

City of Sandy Springs General Fund Revenues, Expenditures and Changes in Fund Balances

	General Fund		Dollar	
	2024	2023	Increase (Decrease)	Percent
Revenues:				
Property taxes	\$51,710,305	\$50,506,371	\$ 1,203,934	2.38 %
Sales taxes	37,674,223	37,161,097	513,126	1.38
Franchise taxes	9,847,227	9,583,654	263,573	2.75
Business taxes	10,160,633	10,985,623	(824,990)	(7.51)
Insurance premium tax	9,585,852	8,782,622	803,230	9.15
Licenses and permits	3,297,805	4,244,618	(946,813)	(22.31)
Intergovernmental revenues	2,148,865	1,573,750	575,115	36.54
Charges for services	6,352,534	4,262,272	2,090,262	49.04
Fines and forfeitures	2,169,859	2,561,652	(391,793)	(15.29)
Interest earned	9,932,795	5,148,768	4,784,027	92.92
Other	1,188,324	1,500,163	(311,839)	(20.79)
Total revenues	<u>144,068,422</u>	<u>136,310,590</u>	<u>7,757,832</u>	<u>5.69</u>
Expenditures:				
General government	22,544,790	19,090,682	3,454,108	18.09
Judicial	1,144,530	1,235,075	(90,545)	(7.33)
Public safety	44,796,463	43,564,347	1,232,116	2.83
Public works	15,988,790	14,915,335	1,073,455	7.20
Culture and Recreation	12,320,302	9,687,431	2,632,871	27.18
Housing and development	6,077,461	5,208,325	869,136	16.69
Debt service:				
Principal	2,748,221	2,671,538	76,683	2.87
Interest	143,198	163,134	(19,936)	(12.22)
Total expenditures	<u>105,763,755</u>	<u>96,535,867</u>	<u>9,227,888</u>	<u>9.56</u>
Excess (deficiency) of revenues over expenditures	38,304,667	39,774,723	(1,470,056)	(3.70)
Issuance of lease liability	1,801,749	1,736,791	64,958	100.00
Transfers in	3,793,780	3,439,477	354,303	10.30
Transfers out	<u>(38,764,942)</u>	<u>(40,710,368)</u>	<u>1,945,426</u>	<u>(4.78)</u>
Net change in fund balance	5,135,254	4,240,623	894,631	21.10
Fund balance, beginning of year	<u>63,885,024</u>	<u>59,644,401</u>	<u>4,240,623</u>	<u>7.11</u>
Fund balance, end of year	<u>\$69,020,278</u>	<u>\$63,885,024</u>	<u>\$ 5,135,254</u>	<u>8.04 %</u>

Total General Fund revenues have increased \$7,752,832 or 5.69%. Property taxes have increased \$1,203,934 or 2.38% as property values and the tax digest have increased. Franchise taxes increased \$263,573 or 2.75%. Sales taxes have increased \$513,126 or 1.38%, as the retail economy continued to see robust consumer spending during this fiscal year. Business taxes decreased by 7.51% and insurance premium taxes increased modestly by 9.15%. Charges for services increased \$2,090,262 or 49.04% as the performing arts center continues to increase its programs during a less restricted period. Interest revenues have increased \$4,784,027 or 92.92% as interest rates have risen.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Total General Fund expenditures increased \$9,227,888 or 9.56%. The increase is largely attributed to the management of the competitive hiring market and the implementation of a comprehensive salary compensation program.

Capital Projects Fund

The Capital Projects fund is primarily funded by transfers from the General Fund designated for capital improvements. This fund received transfers of \$26,489,082 and \$27,542,952 for fiscal 2024 and 2023, respectively. Revenues for 2024 and 2023 were \$4,416,606 and \$3,429,917, respectively, an increase of \$986,689. These revenues are primarily related to federal and state transportation grants and are based upon availability.

Expenditures for 2024 and 2023 were \$35,638,903 and \$26,015,361, respectively, an increase of \$9,623,542 as the pace of completion for city infrastructure and related projects increased.

Public Facilities Authority Fund

The Public Facilities Authority Fund is used to serve as a financing and ownership partner for major city developments. It is primarily funded through transfers from the General Fund. Transfers for 2024 and 2023 were \$27,558,996 and \$19,947,054, respectively.

Total expenditures excluding debt service for 2024 and 2023 were \$39,996,172 and \$3,245,410, respectively. Debt service expenditures for 2024 and 2023 were \$12,623,318 and \$12,609,146 respectively. Expenditures are primarily related to the repayment of debt service for the City Springs facility as well as construction of new public safety facilities.

TSPLOST

The TSPLOST fund is used to account for the proceeds of the transportation special purpose local option sales tax for the various improvement projects as approved by voter referendum. Total revenues for 2024 were \$24,354,005 and 2023 were \$24,357,828 respectively, a decrease of \$3,823. Expenditures for 2024 and 2023 were \$17,826,401 and \$14,738,373, respectively, an increase of \$3,088,028 as more TSPLOST projects progress toward completion.

General Fund Budgetary Highlights

The General Fund budget versus actual comparison can be found on pages 53 and 54. For fiscal year 2024, the City had an overall budget variance reduction of \$34,827,136.

Total revenues were \$22,612,105 better than budgeted. Property taxes reflect a favorable budget variance of \$2,950,305 as budgeted tax revenues are based on prior year collections as the tax digest continues to grow. Sales taxes were \$7,274,223 or 23.93% better than budgeted as the local economy improves at a faster rate than projected. Franchise taxes were \$912,227 or 10.21% better than budgeted and is primarily related to electric franchise fees which were better than projected due to warmer weather conditions and growth in the electric utilities within the City. Insurance premium taxes were \$1,085,852 better than the budget as a result of increases in premiums throughout the insurance market. Interest earned was \$6,932,795 better than budgeted as a result of higher interest rates on the City's investments. All other revenue categories reflect modest variances as the City continues to use very conservative revenue estimates.

Total expenditures were \$9,821,061 less than approved budgeted expenditures. All expenditure categories reflect favorable budget variances as the City continues to use very conservative budget models.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Capital Asset and Debt Administration

Capital Assets: The City's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$609,609,125 (net of accumulated depreciation and amortization). This represents an increase of \$68,646,751 or 12.69% over the prior year. The increase is primarily driven by the PFA (Public Safety projects) and public works projects. Additional information on the City's capital assets can be found in Note 7 on page 41 of this report.

City of Sandy Springs Capital Assets (net of depreciation and amortization)

	Governmental Activities		Dollar	
	2024	2023	Increase	Percent
			(Decrease)	
Land	\$ 77,578,357	\$ 77,385,082	\$ 193,275	0.25 %
Construction in progress	145,843,213	80,304,593	65,538,620	81.61
Buildings	132,523,112	136,631,179	(4,108,067)	(3.01)
Improvements	80,041,393	81,593,934	(1,552,541)	(1.90)
Machinery and equipment	17,054,670	15,108,853	1,945,817	12.88
Infrastructure	154,968,647	147,850,325	7,118,322	4.81
Right-to-use lease assets	1,599,733	2,088,408	(488,675)	-
	<u>\$ 609,609,125</u>	<u>\$ 540,962,374</u>	<u>\$ 68,646,751</u>	<u>12.69 %</u>

Long-term Debt: At the end of fiscal year 2024 and 2023, the City had total debt outstanding of \$226,804,539 and \$235,261,507 respectively. All debt is backed by the full faith and credit of the City.

Additional information on the City's long-term debt can be found in Note 8 on pages 42 through 47 of this report.

**CITY OF SANDY SPRINGS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Economic Factors and Next Year's Budgets and Rates

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

- Sustainability of Existing Services – the City has deployed a philosophy of budgetary evaluation, which reviews the needs of the City to the standard, which realizes that services and associated costs should not be appropriated if they are not justified as long-term goals of the organization which are reviewed annually by the City Council. This philosophy is solidified during the budget process, with a multi-year financial outlook that provides the conduit to evaluate government priorities, realign and diversify revenue structures, and provide the data for decision making for continued financial success.
- Cost of Government – The operating millage rate of 4.731 mills is statutorily set and cannot be changed without a referendum. As part of the City's financial strategic plan, the government is committed to a consistent millage rate for property taxes to facilitate the provision of city services.
- Infrastructure Improvements – The City provided substantial capital funding to continue the work started in prior years to begin to address a significant backlog of existing infrastructure deficiencies. Funding was allocated for road repaving program, intersection improvements, parks, buildings, machinery and equipment, roadways, sidewalks, culverts, equipment, and signals.
- Economy Impact – The City's revenues and expenditures were implemented with a conservative approach to reflect the economic conditions that are expected to continue through 2024 and into 2025.
- The City restricts the use of one-time revenues to capital projects.

Requests for Information

This financial report is designed to provide a general overview of the City of Sandy Springs' finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Finance, City of Sandy Springs, 1 Galambos Way, Sandy Springs, Georgia, 30328, or by calling 770-730-5600.

CITY OF SANDY SPRINGS, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2024

	Primary Government	Component Units	
	Governmental Activities	Sandy Springs Hospitality & Tourism	Development Authority
ASSETS			
Cash and cash equivalents	\$ 202,091,671	\$ 2,149,269	\$ 106,049
Taxes receivable, net of allowances	4,850,901	-	-
Accounts receivable, net of allowances	3,612,270	10	-
Due from other governments, net of allowances	4,350,202	-	-
Lease receivable, due within one year	15,472	-	-
Lease receivable, due in more than one year	4,983,208	-	-
Accrued interest receivable	77,032	-	-
Due from primary government	-	315,850	-
Restricted:			
Cash and cash equivalents	36,862,645	-	-
Inventories	19,235	-	-
Prepaid items	1,610,969	41,838	-
Capital assets:			
Nondepreciable	223,421,570	-	-
Depreciable, net of accumulated depreciation and amortization	386,187,555	-	-
Total assets	868,082,730	2,506,967	106,049
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on bond refunding	13,292,243	-	-
Total deferred outflows of resources	13,292,243	-	-
LIABILITIES			
Accounts payable	27,063,357	59,337	-
Accrued liabilities	3,343,333	-	-
Due to component unit	315,850	-	-
Unearned revenue	201,457	-	-
Compensated absences, due within one year	4,155,109	-	-
Financed purchases, due within one year	1,098,790	-	-
Bonds payable, due within one year	7,690,000	-	-
Note payable, due within one year	504,651	-	-
Lease liability, due within one year	1,544,274	-	-
Compensated absences, due in more than one year	4,155,108	-	-
Financed purchases, due in more than one year	1,300,032	-	-
Bonds payable, due in more than one year	203,609,773	-	-
Note payable, due in more than one year	2,670,764	-	-
Lease liability, due in more than one year	76,038	-	-
Total liabilities	257,728,536	59,337	-
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement receipts	1,562,500	-	-
Lease arrangements	4,909,380	-	-
Total deferred inflows of resources	6,471,880	-	-
NET POSITION			
Net investment in capital assets	416,811,564	-	-
Restricted:			
Infrastructure improvements	86,148,106	-	-
Public safety projects	730,797	-	-
Tourism	-	2,447,630	-
Development	364,516	-	106,049
Unrestricted	113,119,574	-	-
Total net position	\$ 617,174,557	\$ 2,447,630	\$ 106,049

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

CITY OF SANDY SPRINGS, GEORGIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 30,110,102	\$ 893,759	\$ -	\$ -
Judicial	1,166,282	2,169,859	-	-
Public safety	51,733,690	4,201,923	-	13,149,695
Public works	29,546,223	194,718	20,000	30,066,306
Culture and recreation	16,670,974	6,299,507	10,428	715,178
Housing and development	6,332,142	2,758,243	-	859,577
Interest on long-term debt	4,617,960	-	-	-
Total governmental activities	<u>140,177,373</u>	<u>16,518,009</u>	<u>30,428</u>	<u>44,790,756</u>
Total primary government	<u>\$ 140,177,373</u>	<u>\$ 16,518,009</u>	<u>\$ 30,428</u>	<u>\$ 44,790,756</u>
Component Units				
Sandy Springs Hospitality & Tourism	\$ 1,486,928	\$ -	\$ 1,747,667	\$ -
Development Authority	520,737	-	517,933	-
Total component units	<u>\$ 2,007,665</u>	<u>\$ -</u>	<u>\$ 2,265,600</u>	<u>\$ -</u>
General revenues:				
Property taxes				
Sales taxes				
Hotel/Motel taxes				
Franchise taxes				
Excise taxes				
Business taxes				
Insurance premium tax				
Unrestricted investment earnings				
Miscellaneous revenues				
Total general revenues				
Change in net position				
Net position, July 1				
Restatement - change in accounting principle				
Net position, July 1, as restated				
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	Sandy Springs Hospitality & Tourism	Sandy Springs Development Authority
\$ (29,216,343)	\$ -	\$ -
1,003,577	-	-
(34,382,072)	-	-
734,801	-	-
(9,645,861)	-	-
(2,714,322)	-	-
(4,617,960)	-	-
(78,838,180)	-	-
(78,838,180)	-	-
-	260,739	-
-	-	(2,804)
-	260,739	(2,804)
51,608,371	-	-
37,674,223	-	-
5,437,668	-	-
9,847,227	-	-
103,778	-	-
10,160,633	-	-
9,585,852	-	-
10,361,787	-	-
1,092,938	2,971	-
135,872,477	2,971	-
57,034,297	263,710	(2,804)
563,763,861	2,183,920	108,853
(3,623,601)	-	-
560,140,260	2,183,920	108,853
\$ 617,174,557	\$ 2,447,630	\$ 106,049

CITY OF SANDY SPRINGS, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

ASSETS	General Fund	Capital Projects Fund	TSPLOST Fund	Public Facilities Authority	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 65,434,892	\$ 45,050,755	\$ 77,879,055	\$ -	\$ 13,726,969	\$ 202,091,671
Taxes receivable, net of allowances	4,295,701	-	-	-	555,200	4,850,901
Other receivables, net of allowances	1,419,837	19,550	-	-	610,383	2,049,770
Intergovernmental receivables, net of allowances	-	1,231,303	2,474,025	-	644,874	4,350,202
Lease receivable, due within one year	15,472	-	-	-	-	15,472
Lease receivable, due in more than one year	4,983,208	-	-	-	-	4,983,208
Restricted:						
Cash and cash equivalents	-	-	-	36,862,645	-	36,862,645
Due from other funds	4,644,323	2,794,469	-	-	-	7,438,792
Inventory	19,235	-	-	-	-	19,235
Prepaid items	1,610,969	-	-	-	-	1,610,969
Total assets	\$ 82,423,637	\$ 49,096,077	\$ 80,353,080	\$ 36,862,645	\$ 15,537,426	\$ 264,272,865
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 6,776,554	\$ 3,769,932	\$ 5,503,923	\$ 10,385,439	\$ 627,509	\$ 27,063,357
Accrued liabilities	1,501,471	978,298	-	-	-	2,479,769
Due to other funds	-	-	-	3,820,535	3,618,257	7,438,792
Due to component unit	-	-	-	-	315,850	315,850
Unearned revenue	201,457	-	-	-	-	201,457
Total liabilities	8,479,482	4,748,230	5,503,923	14,205,974	4,561,616	37,499,225
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	14,497	-	-	-	-	14,497
Unavailable revenue - intergovernmental	-	-	-	-	474,926	474,926
Lease arrangements	4,909,380	-	-	-	-	4,909,380
Total deferred inflow of resources	4,923,877	-	-	-	474,926	5,398,803
FUND BALANCES						
Fund balances:						
Nonspendable:						
Inventory	19,235	-	-	-	-	19,235
Prepaid items	1,610,969	-	-	-	-	1,610,969
Leases	89,300	-	-	-	-	89,300
Restricted:						
Public safety projects	-	-	-	-	730,797	730,797
Capital projects	-	-	-	22,656,671	-	22,656,671
Infrastructure improvements	-	-	74,849,157	-	5,795,026	80,644,183
Housing and development	-	-	-	-	364,516	364,516
Committed:						
Tree replacement	-	-	-	-	266,744	266,744
Assigned:						
Capital projects	-	44,347,847	-	-	-	44,347,847
Tree replacement	-	-	-	-	508,669	508,669
Federal programs	-	-	-	-	2,835,132	2,835,132
2025 fiscal year appropriations of fund balance	31,590,865	-	-	-	-	31,590,865
Unassigned	35,709,909	-	-	-	-	35,709,909
Total fund balances	69,020,278	44,347,847	74,849,157	22,656,671	10,500,884	221,374,837
Total liabilities, deferred inflows of resources, and fund balances	\$ 82,423,637	\$ 49,096,077	\$ 80,353,080	\$ 36,862,645	\$ 15,537,426	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.						609,609,125
Accrued interest receivables related to leases are not a current financial resource, and therefore, are not reported in the funds.						77,032
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.						(214,375,860)
Some revenues are not available in the current period, and therefore, are not reported in the funds.						489,423
Net position of governmental activities						\$ 617,174,557

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

CITY OF SANDY SPRINGS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Major Funds				(Previously Major)	Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Capital Projects Fund	TSPLOST Fund	Public Facilities Authority	ARPA Fund		
Revenues:							
Property taxes	\$ 51,710,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,710,305
Sales taxes	37,674,223	-	-	-	-	-	37,674,223
Hotel/Motel taxes	-	-	-	-	-	5,437,668	5,437,668
Auto excise taxes	-	-	-	-	-	103,778	103,778
Franchise taxes	9,847,227	-	-	-	-	-	9,847,227
Business taxes	10,160,633	-	-	-	-	-	10,160,633
Insurance premium tax	9,585,852	-	-	-	-	-	9,585,852
Licenses and permits	3,297,805	-	-	-	-	-	3,297,805
Intergovernmental	2,148,865	4,278,614	24,354,005	-	-	13,542,484	44,323,968
Charges for services	6,352,534	114,857	-	-	-	4,172,157	10,639,548
Fines and forfeitures	2,169,859	-	-	-	-	322,704	2,492,563
Interest earned	9,932,795	-	-	13	-	428,979	10,361,787
Contributions	10,428	20,000	-	-	-	-	30,428
Miscellaneous	1,177,896	3,135	-	-	-	-	1,181,031
Total revenues	<u>144,068,422</u>	<u>4,416,606</u>	<u>24,354,005</u>	<u>13</u>	<u>-</u>	<u>24,007,770</u>	<u>196,846,816</u>
Expenditures:							
Current:							
General government	22,544,790	136,937	-	-	-	-	22,681,727
Judicial	1,144,530	-	-	-	-	-	1,144,530
Public safety	44,796,463	225,920	-	-	-	4,062,240	49,084,623
Public works	15,988,790	8,054,159	-	-	-	-	24,042,949
Culture and recreation	12,320,302	534,072	-	-	-	1,865,927	14,720,301
Housing and development	6,077,461	86,919	-	-	-	28,876	6,193,256
Capital outlay	-	26,600,896	17,826,401	39,996,172	-	43,015	84,466,484
Debt service:							
Principal	2,748,221	-	-	7,510,000	-	287,000	10,545,221
Interest	143,198	-	-	5,113,318	-	62,774	5,319,290
Total expenditures	<u>105,763,755</u>	<u>35,638,903</u>	<u>17,826,401</u>	<u>52,619,490</u>	<u>-</u>	<u>6,349,832</u>	<u>218,198,381</u>
Excess (deficiency) of revenues over expenditures	<u>38,304,667</u>	<u>(31,222,297)</u>	<u>6,527,604</u>	<u>(52,619,477)</u>	<u>-</u>	<u>17,657,938</u>	<u>(21,351,565)</u>
Other financing sources (uses):							
Issuance of lease liability	1,801,749	-	-	-	-	-	1,801,749
Transfers in	3,793,780	26,489,082	-	27,558,996	-	-	57,841,858
Transfers out	<u>(38,764,942)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,076,916)</u>	<u>(57,841,858)</u>
Total other financing sources (uses)	<u>(33,169,413)</u>	<u>26,489,082</u>	<u>-</u>	<u>27,558,996</u>	<u>-</u>	<u>(19,076,916)</u>	<u>1,801,749</u>
Net change in fund balances	5,135,254	(4,733,215)	6,527,604	(25,060,481)	-	(1,418,978)	(19,549,816)
Fund balances, July 1	63,885,024	49,081,062	68,321,553	47,717,152	-	11,919,862	240,924,653
Adjustment - change to reporting entity	-	-	-	-	-	-	-
Fund balances, July 1, as adjusted	<u>63,885,024</u>	<u>49,081,062</u>	<u>68,321,553</u>	<u>47,717,152</u>	<u>-</u>	<u>11,919,862</u>	<u>240,924,653</u>
Fund balances, June 30	<u>\$ 69,020,278</u>	<u>\$ 44,347,847</u>	<u>\$ 74,849,157</u>	<u>\$ 22,656,671</u>	<u>\$ -</u>	<u>\$ 10,500,884</u>	<u>\$ 221,374,837</u>

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

CITY OF SANDY SPRINGS, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

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

Net change in fund balances - total governmental funds	\$	(19,549,816)
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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 or amortization expense. This is the amount by which capital outlays exceeded depreciation expense or amortization expense in the current period.		69,760,023
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The effect of disposals of capital assets is to decrease net position.		(1,113,272)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		335,193
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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.		8,743,472
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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.		(1,141,303)
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Change in net position - governmental activities	\$	57,034,297
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The accompanying notes are an integral part of these financial statements.

CITY OF SANDY SPRINGS, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City, which was incorporated in 2005, operates under a charter adopted December 1, 2005, as a municipal corporation governed by an elected mayor and a six-member council. The government provides such services as police protection, fire and rescue services, cultural and recreational activities, housing and development and public works.

The accompanying financial statements present the City and its component units, three entities for which the City is considered to be financially accountable. 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 Sandy Springs Hospitality & Tourism has been included as a discretely presented component unit in the accompanying financial statements. A voting majority of the Sandy Springs Hospitality & Tourism’s governing body is appointed by the City and the City provides a significant amount of funding to the Hospitality & Tourism. The Sandy Springs Hospitality & Tourism does not have the power to levy taxes, determine its own aggregate budget without the approval of the City of Sandy Springs, Georgia, or issue bonded debt. Financial information with regard to the Sandy Springs Hospitality & Tourism can be obtained from their administrative offices at 1 Galambos Way, Sandy Springs, Georgia 30328. Separate financial statements for the Sandy Springs Hospitality & Tourism are not prepared.

The Sandy Springs Development Authority has been included as a discretely presented component unit in the financial statements. The Authority provides taxable and tax-exempt bond financing opportunities pursuant to the Georgia Development Authorities Law to stimulate diverse, high-quality economic development, in accordance with the City’s policy for economic development incentives. The Development Authority operates under the direction of a seven member board and meets on an as-needed basis. Members serve four-year terms. Each member is appointed by the Mayor and confirmed by City Council, and the City can impose its will on the Development Authority by influencing the activities undertaken by the Development Authority. Separate financial statements for the Sandy Springs Development Authority are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Public Facilities Authority of the City of Sandy Springs (the "Authority") has been included as a blended component unit in the accompanying financial statements. All members of the City Council serve as members for the Authority. Although it is legally separate from the City, its sole purpose is to create a governmental entity by which a municipality can, through contractual relationships, lease space for terms over one year, by using the Authority to serve as a financing and ownership partner for major city developments. The debt and assets of the Authority have been reported as a form of the City's debt and assets and all debt service activity is reported as debt service activity of the City.

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 non-fiduciary activities of the primary government and its component units. The primary government is reported separately from its discretely presented component units. The statement of net position includes noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. However, any inter-fund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers most revenues to be available if they are collected within 60 days of the end of the current fiscal period; however, grant revenues are considered to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, and other long-term liabilities are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right-to-use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The City reports the following major governmental funds:

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

The **Capital Projects Fund** is used to account for the capital expenditures made by the City.

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

The **Public Facilities Authority Fund** is a capital projects fund used to serve as a financing and ownership partner for major city developments.

Additionally, the City reports the following fund types:

The **special revenue funds** are used to account for specific revenues, such as confiscations/forfeitures, emergency telephone system charges, hotel/motel tax revenues, automobile rental tax revenues, and various grants and contributions, which are legally restricted or committed to expenditures for particular purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Encumbrances

The City employed encumbrance accounting during the year. Encumbrances, if existing at the end of the fiscal year, are recorded and appropriations lapse at year end. Open encumbrances would then be an assignment of fund balance since the commitments would be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities. There were no encumbrances outstanding at June 30, 2024, and none were recorded.

E. Budgets

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

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

F. Deposits and Investments

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

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf/S1+ rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Receivables

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

H. Interfund Receivables and Payables

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items in both government-wide and fund financial statements and the expenditure is recognized as the benefits are received.

J. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. Inventories reported in the governmental funds are equally offset by nonspendable fund balance, which indicates that they do not constitute “available, spendable resources.”

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NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

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

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

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

Buildings	20-50 years
Right-to-use leased buildings	3-5 years
Right-to-use leased equipment	3-5 years
Improvements	15-40 years
Machinery and equipment	3-20 years
Infrastructure	40-60 years

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

L. Leases

Lessee

The City of Sandy Springs is a lessee for several leases for buildings and equipment. 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 \$25,000 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

Lessee (continued)

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.

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 a noncancellable lease of land. The City recognizes a lease receivable and a deferred inflow of resources in the General Fund and government-wide financial statements. The City recognizes lease receivables 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

Lessor (continued)

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 either states the interest rate in the lease agreement or 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 collect.

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

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The City has one item that qualifies for reporting in this category, which is the deferred charge on refunding. The deferred charge on refunding is reported in the government-wide and proprietary fund statements of net position. 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.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Outflows/Inflows of Resources (Continued)

The government-wide statement of net position reports the *deferred service concession arrangement receipts* as a deferred inflow of resources. This balance includes the effect of deferring the recognition of revenue from the present value of installment payments to be received by the City under the tennis center service concession arrangement. The balance of the deferred inflow of resources as of June 30, 2024 will be recognized as a revenue and increase net position over the remaining life of the contract. As of June 30, 2024 the present value of the service concession arrangement was \$1,550,000 and will be amortized over the life of the agreement ending June 30, 2033. The second item reported as a deferred inflow of resources arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and intergovernmental revenues as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The City also reports deferred revenue on a lease receivable, which is reported both at the fund level and the government wide level.

N. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, regular holidays, and floating holidays (collectively PTO). Sick pay is accumulated and 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 as earned PTO has been accrued in the government-wide 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.

O. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity

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

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

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 there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the City Council. Approval of a resolution after a formal vote of the City Council is required to establish a commitment of fund balance. Similarly, the City Council may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Council, through City Ordinance, has expressly delegated to the Finance Director the authority to assign funds for particular purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity (Continued)

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund and other governmental funds may only report negative unassigned fund balances. The City has a policy to maintain an unassigned fund balance in the General Fund of twenty-five percent of the subsequent year's budgeted expenditures and outgoing transfers.

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, and (3) Unassigned.

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

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

Q. Use of Estimates

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

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 “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$214,375,860 difference are as follows:

Financed purchases	\$ (2,398,822)
Bonds payable, including premiums and discounts	(211,299,773)
Deferred charges on refunding	13,292,243
Notes payable	(3,175,415)
Lease liabilities	(1,620,312)
Compensated absences (i.e., vacation)	(8,310,217)
Accrued interest	<u>(863,564)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (214,375,860)</u></u>

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 change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense or amortization expense.” The details of this \$69,760,023 difference are as follows:

Capital outlay	\$ 88,847,212
Depreciation expense	(17,561,916)
Amortization expense - lease assets	<u>(1,525,273)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u><u>\$ 69,760,023</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)

Another element of the reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.” The details of this \$1,141,303 difference are as follows:

Compensated absences (i.e., vacation)	\$ (1,872,294)
Lease remeasurement	794,881
Accrued interest - debt	40,205
Amortization of bond premium	790,909
Amortization of deferred charges on refunding	<u>(895,004)</u>
Net adjustment to reduce <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ (1,141,303)</u>

Another element of the reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$8,743,472 difference are as follows:

Principal retirements	\$ 10,545,221
Issurance of lease liability	<u>(1,801,749)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ 8,743,472</u>

Another element of the reconciliation states that “revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this \$335,193 difference are as follows:

Accrued interest receivable - leases	\$ (29,661)
Unavailable revenue - taxes	(101,934)
Unavailable revenue - intergovernmental	<u>466,788</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	<u>\$ 335,193</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE - BUDGETS

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

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Director of Finance and the City Manager. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution. The following funds had an excess of actual expenditures over appropriations for the fiscal year ended June 30, 2024:

General Fund:

Culture and recreation - Special facilities	\$ 148,680
Debt service - Principal	1,353,760
Debt service - Interest	51,281
Opioid Settlement Fund	3,439
Hotel/Motel Fund	46,886
Federal Grants Fund - Culture and recreation	15,350
Impact Fees Fund	28,876
	<u>\$ 1,648,272</u>

These expenditures in excess of appropriations were funded by greater than anticipated revenues, savings in other departments, and available fund balance.

NOTE 4. DEPOSITS AND INVESTMENTS

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

Statement of Net Position:

Cash and cash equivalents	\$ 202,091,671
Restricted cash and cash equivalents	36,862,645
	<u>\$ 238,954,316</u>

Cash deposited with financial institutions	\$ 152,800,786
Cash deposited with Georgia Fund 1	86,153,530
	<u>\$ 238,954,316</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Operating funds of the City are currently invested in the Georgia Fund 1.

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.

At June 30, 2024, information on the credit risk and interest rate risk related to the City's investments is disclosed as follows:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Georgia Fund 1	0.09	AAAf/S1	\$ 86,153,530

Fair value measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose investment in the Georgia Fund 1 within the fair value hierarchy.

Custodial credit risk - Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2024, the financial institution holding all of the City's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. As of June 30, 2024, all of the City's bank balances were collateralized as defined by GASB and required by State Statutes.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1, which is also the lien date. The City contracts with Fulton County to bill and collect City of Sandy Springs 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 October 15 of each year. Property taxes are recorded as receivables and deferred inflows of resources when assessed. Revenues are recognized when available.

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

	<u>General</u>	<u>Capital Projects</u>	<u>TSPLOST</u>	<u>Nonmajor Governmental</u>
Receivables:				
Intergovernmental	\$ 9,412,927	\$ 1,231,303	\$ 2,474,025	\$ 644,874
Taxes	4,515,701	-	-	555,200
Leases	4,998,680	-	-	-
Other	1,432,337	19,550	-	610,383
Total receivables	20,359,645	1,250,853	2,474,025	1,810,457
Less allowance for uncollectible	9,632,927	-	-	-
Net total receivable	<u>\$ 10,726,718</u>	<u>\$ 1,250,853</u>	<u>\$ 2,474,025</u>	<u>\$ 1,810,457</u>

NOTE 6. LEASE RECEIVABLE

The City leased a parcel of land to a third party for the placement of radio and telecommunication equipment. The City receives monthly fixed payments of \$2,530 increasing 10% on January 1, 2025 and again every five years thereafter. There is no interest rate stated in the lease agreement. The City has used an incremental borrowing rate of 4%. For the current year, the City recognized \$25,403 in lease revenue and \$16,964 in interest revenue related to the lease. As of June 30, 2024, the City's receivable for lease payments was \$416,804. Also, the City has a deferred inflow of resources associated with the lease that will be recognized over the lease term that ends on December 31, 2039. This deferred inflow of resources has a balance of \$393,742 as of June 30, 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASE RECEIVABLE (CONTINUED)

The City leased the use of the land and building at City Springs to a third party. The City receives quarterly fixed payments of \$33,006, escalating every five years. The City has used an incremental borrowing interest rate of 4.46%. For the current year, the City recognized \$49,622 in lease revenue and \$132,023 in interest revenue related to the lease. As of June 30, 2024, the City's receivable for lease payments was \$4,581,876. The City has a deferred inflow of resources associated with the leases that will be recognized over the lease term that ends on June 30, 2115. This deferred inflow of resources has a balance of \$4,515,638 as of June 30, 2024. Also, the City has accrued interest receivable associated with the lease with a balance of \$77,032 as of June 30, 2024.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Lease receivable - Land	\$ 430,200	\$ -	\$ (13,396)	\$ 416,804	\$ 15,472
Lease receivable - Building	<u>4,581,876</u>	<u>-</u>	<u>-</u>	<u>4,581,876</u>	<u>-</u>
	<u>\$ 5,012,076</u>	<u>\$ -</u>	<u>\$ (13,396)</u>	<u>\$ 4,998,680</u>	<u>\$ 15,472</u>

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NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASE RECEIVABLE (CONTINUED)

Future repayments to be received by the City are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 15,472	\$ 148,429	\$ 163,901
2026	17,664	147,755	165,419
2027	18,384	160,217	178,601
2028	19,133	159,468	178,601
2029	19,912	158,689	178,601
2030-2034	128,848	822,840	951,688
2035-2039	177,418	869,660	1,047,078
2040-2044	19,973	931,990	951,963
2045-2049	-	1,024,869	1,024,869
2050-2054	-	1,127,366	1,127,366
2055-2059	-	1,240,197	1,240,197
2060-2064	-	1,364,207	1,364,207
2065-2069	-	1,500,606	1,500,606
2070-2074	-	1,650,667	1,650,667
2075-2079	-	1,815,734	1,815,734
2080-2084	-	1,997,307	1,997,307
2085-2089	-	2,197,037	2,197,037
2090-2094	-	2,416,741	2,416,741
2095-2099	-	2,658,415	2,658,415
2100-2104	-	2,924,257	2,924,257
2105-2109	862,008	3,216,683	4,078,691
2110-2114	3,005,529	3,538,351	6,543,880
2115	714,339	734,375	1,448,714
Total	<u>\$ 4,998,680</u>	<u>\$ 32,805,860</u>	<u>\$ 37,804,540</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS

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

	Beginning Balance	Increases	Remeasurements	Decreases	Transfers	Ending Balance
Governmental activities:						
Nondepreciable capital assets:						
Land	\$ 77,385,082	\$ 45,424	\$ -	\$ (1,382)	\$ 149,233	\$ 77,578,357
Construction in progress	80,304,593	78,095,297	-	(346,739)	(12,209,938)	145,843,213
Total	157,689,675	78,140,721	-	(348,121)	(12,060,705)	223,421,570
Capital assets, being depreciated:						
Buildings	158,282,979	-	-	-	-	158,282,979
Improvements	99,634,800	822,350	-	-	645,030	101,102,180
Machinery and equipment	54,977,291	6,241,324	-	(2,704,968)	673,280	59,186,927
Infrastructure	235,134,962	1,841,068	-	-	10,742,395	247,718,425
Right-to-use lease asset - Buildings	2,546,093	1,801,749	(2,295,453)	-	-	2,052,389
Right-to-use lease asset - Equipment	1,736,791	-	-	-	-	1,736,791
Total	552,312,916	10,706,491	(2,295,453)	(2,704,968)	12,060,705	570,079,691
Less accumulated depreciation/amortization for:						
Buildings	(21,651,800)	(4,108,067)	-	-	-	(25,759,867)
Improvements	(18,040,866)	(3,019,921)	-	-	-	(21,060,787)
Machinery and equipment	(39,868,438)	(4,968,787)	-	2,704,968	-	(42,132,257)
Infrastructure	(87,284,637)	(5,465,141)	-	-	-	(92,749,778)
Right-to-use lease asset - Buildings	(1,650,302)	(961,028)	1,530,302	-	-	(1,081,028)
Right-to-use lease asset - Equipment	(544,174)	(564,245)	-	-	-	(1,108,419)
Total	(169,040,217)	(19,087,189)	1,530,302	2,704,968	-	(183,892,136)
Total capital assets being depreciated/amortized, net	383,272,699	(8,380,698)	(765,151)	-	12,060,705	386,187,555
Governmental activities capital assets, net	\$ 540,962,374	\$ 69,760,023	\$ (765,151)	\$ (348,121)	\$ -	\$ 609,609,125

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

Governmental activities:	
General government	\$ 7,413,258
Judicial	10,382
Public safety	3,281,769
Public works	5,807,370
Culture and recreation	2,513,015
Housing and development	61,395
Total depreciation/amortization expense - governmental activities	<u>\$ 19,087,189</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT

Changes in Long-Term Liabilities

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

	Restated Beginning Balance	Additions	Remeasurements	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable	\$ 214,865,000	\$ -	\$ -	\$ (7,510,000)	\$ 207,355,000	\$ 7,690,000
Plus: Premiums	4,735,682	-	-	(790,909)	3,944,773	-
Total bonds payable	219,600,682	-	-	(8,300,909)	211,299,773	7,690,000
Financed purchases from direct borrowings	3,470,984	-	-	(1,072,162)	2,398,822	1,098,790
Notes payable from direct borrowings	3,676,485	-	-	(501,070)	3,175,415	504,651
Lease liability	2,075,433	1,801,749	(794,881)	(1,461,989)	1,620,312	1,544,274
Compensated absences	6,437,923	1,872,294	-	-	8,310,217	4,155,109
Governmental activity Long-term liabilities	<u>\$ 235,261,507</u>	<u>\$ 3,674,043</u>	<u>\$ (794,881)</u>	<u>\$ (11,336,130)</u>	<u>\$ 226,804,539</u>	<u>\$ 14,992,824</u>

For governmental activities, compensated absences are generally liquidated by the General Fund.

Beginning balances of the compensated absences liability have been restated due to the implementation of GASB Statement No. 101 by the City. See Note 16.

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NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings

During April 2019, the City entered into an agreement with a financial institution to finance the purchase of vehicles and equipment for fire protection services. The vehicles and equipment have an original cost of \$4,287,603. Annual payments of \$698,336, including interest at a rate of 3.25% began in April 2019 and will continue through April 2025.

During October 2020, the City entered into an agreement to finance the purchase of vehicles and equipment for fire protection services. The vehicles and equipment have an original cost of \$2,958,011. Annual payments of \$444,484, including interest at a rate 1.28% began in October 2021 and will continue through October 2027.

The debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,098,790	\$ 44,029	\$ 1,142,819
2026	427,844	16,640	444,484
2027	433,320	11,164	444,484
2028	438,868	5,617	444,485
	<u>\$ 2,398,822</u>	<u>\$ 77,450</u>	<u>\$ 2,476,272</u>

Bonds Payable

During November 2015, the Public Facilities Authority issued \$159,475,000 of Series 2015 Revenue Bonds for the purpose of (a) financing the cost of acquiring, constructing and installing certain public buildings in connection with the City Center Project, and (b) paying the cost necessary to accomplish the foregoing. The bonds carry a rate of interest ranging from 2.0% – 5.0% per annum and mature May 1, 2047. The bonds are payable solely from the City through a lease agreement with the Authority, whereby the City agrees to make rental payments in an amount sufficient to enable the Authority to make the annual and semi-annual principal and interest payments. The City has unconditionally agreed to levy taxes, without limitation as to rate or amount, as necessary to meet its obligation under this agreement. During fiscal year 2021, the Public Facilities Authority refunded \$129,940,000 of the Series 2015 Bonds through the issuance of the Series 2020 Refunding Revenue Bonds.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Bonds Payable (Continued)

In fiscal year 2021, the Public Facilities Authority issued \$161,770,000 of Series 2020 Refunding Revenue Bonds to (i) refund the Public Facilities Revenue Bonds, Series 2015, maturing in the years 2027 through 2047 and (ii) paying the costs of issuing the Series 2020 Bonds. The Public Facilities Authority defeased \$129,940,000 of the 2015 bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The City has pledged its full faith and credit and taxing power to service the debt. The Series 2020 Bonds bear interest at rates ranging from 0.22% to 2.58% and are payable semi-annually on May 1 and November 1 beginning in May of 2021 through the maturity date of May 1, 2047. The refunding transaction undertaken by the Public Facilities Authority resulted in aggregate debt service savings of \$16,674,801 and an economic gain (net present value of the aggregate debt service savings) of \$12,706,737. The current outstanding amount of debt considered legally defeased equals \$129,940,000 as of June 30, 2024.

Also during fiscal year 2021, the Public Facilities Authority issued \$53,170,000 of Series 2020B Revenue Bonds to (i) acquire, construct, and install certain public buildings, facilities and equipment necessary and convenient for the efficient operation of the City, and (ii) pay expenses necessary to accomplish the foregoing. The City has pledged its full faith and credit and taxing power to service the debt. The Series 2020B Bonds bear interest at rates ranging from 2% to 5% and are payable semi-annually on May 1 and November 1 beginning in May of 2021 through the maturity date of May 1, 2040.

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

Year Ending June 30,	Principal	Interest	Total
2025	\$ 7,690,000	\$ 4,936,132	\$ 12,626,132
2026	7,975,000	4,645,378	12,620,378
2027	8,295,000	4,334,498	12,629,498
2028	8,475,000	4,154,572	12,629,572
2029	8,675,000	3,954,952	12,629,952
2030-2034	46,355,000	16,747,288	63,102,288
2035-2039	51,145,000	11,977,338	63,122,338
2040-2044	42,705,000	6,413,568	49,118,568
2045-2047	26,040,000	1,355,016	27,395,016
Total	<u>\$ 207,355,000</u>	<u>\$ 58,518,742</u>	<u>\$ 265,873,742</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Notes Payable from Direct Borrowings

The City has executed a note payable agreement with the State Road and Tollway Authority (SRTA). The note, financed through the Georgia Transportation Infrastructure Bank (GTIB), allowed the City to borrow \$2,750,000 for the Windsor Parkway Realignment Project. The project was completed and the note finalized in August 2016. Monthly payments of principal and interest in the amount of \$19,611 are due until the note matures on August 1, 2029. The note bears interest at 1.66%.

The City's debt service requirements to maturity on the note are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 217,651	\$ 17,678	\$ 235,329
2026	221,292	14,038	235,330
2027	224,993	10,336	235,329
2028	228,757	6,573	235,330
2029	232,583	2,746	235,329
2030	39,139	81	39,220
Total	<u>\$ 1,164,415</u>	<u>\$ 51,452</u>	<u>\$ 1,215,867</u>

The City has executed a note payable agreement with the U.S. Department of Housing and Urban Development under the Section 108 Loan Guarantee Program. The note, financed through Suntrust Bank, allowed the City to borrow \$2,872,000 for the South Roswell Road Sidewalk Project. The City intends to pay back this note using future CDBG grant revenues. Annual principal payments in the amount of \$287,000 began August 1, 2021 and are due until the note matures on August 1, 2030. Interest payments are due semi-annually beginning August 1, 2019 until maturity. The note bears interest at a variable rate of 0.2% above the applicable LIBOR rate for the first day of each month.

The City's debt service requirements to maturity on the note are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 287,000	\$ 55,189	\$ 342,189
2026	287,000	47,431	334,431
2027	287,000	39,398	326,398
2028	287,000	31,175	318,175
2029	287,000	22,774	309,774
2030-2031	576,000	18,594	594,594
Total	<u>\$ 2,011,000</u>	<u>\$ 214,561</u>	<u>\$ 2,225,561</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Leases

City as a Lessee

In August 2020, the City entered into a lease agreement as lessee for the use of a building located at 4410 Bankers Circle for a term of five (5) years. The initial lease liability was recorded in the amount of \$250,640. As of June 30, 2024, the value of the lease liability was \$75,696. The City is required to make variable monthly principal and interest payments from \$4,875 to \$5,487. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of one year and the value of the right-to-use asset as of the end of the current fiscal year was \$250,640 and had accumulated amortization of \$180,154.

In July 2023, the City entered into a lease agreement as lessee for the use of 7840 Roswell Road Building 300 for a term of two (2) years. The initial lease liability was recorded in the amount of \$520,400. As of June 30, 2024, the value of the lease liability was \$266,318. The City is required to make variable monthly principal and interest payments from \$21,775 to \$22,434. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of one year and the value of the right-to-use asset as of the end of the current fiscal year was \$520,400 and had accumulated amortization of \$260,200.

In July 2023, the City entered into a lease agreement as lessee for the use of 7840 Roswell Road Building 400 for a term of two (2) years. The initial lease liability was recorded in the amount of \$648,397. As of June 30, 2024, the value of the lease liability was \$331,821. The City is required to make variable monthly principal and interest payments from \$27,130 to \$27,952. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of one year and the value of the right-to-use asset as of the end of the current fiscal year was \$648,397 and had accumulated amortization of \$324,198.

In July 2023, the City entered into a lease agreement as lessee for the use of 7840 Roswell Road Suites 501 and 510 for a term of two (2) years. The initial lease liability was recorded in the amount of \$632,952. As of June 30, 2024, the value of the lease liability was \$323,917. The City is required to make variable monthly principal and interest payments from \$26,484 to \$27,286. The City used its incremental borrowing rate of 2.0%. The building has a useful life equal to the remaining lease term of one year and the value of the right-to-use asset as of the end of the current fiscal year was \$632,952 and had accumulated amortization of \$316,476.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Leases (Continued)

City as a Lessee (continued)

In July 2022, the City entered into a lease agreement as lessee for the use of certain public safety equipment for a term of forty-two (42) months. The initial lease liability was recorded in the amount of \$1,560,564. As of June 30, 2024, the value of the lease liability is \$513,747. The City is required to make variable annual principal and interest payments from \$498,182 to \$569,691. The lease has an interest rate of 2.0%. The equipment has a useful life equal to the remaining lease term of one year and the value of the right-to-use asset as of the current fiscal year end was \$1,560,564 and had accumulated amortization of \$1,040,376.

In December 2022, the City entered into a lease agreement as lessee for the use of certain photocopier equipment for a term of forty-eight (48) months. The initial lease liability was recorded in the amount of \$176,227. As of June 30, 2024, the value of the lease liability is \$108,813. The City is required to make monthly fixed payments of \$3,901. The lease has an interest rate of 3.14%. The equipment has a useful life equal to the remaining lease term of three years and the value of the right-to-use asset as of June 30, 2024 of \$176,227 with accumulated amortization of \$68,043.

The City's debt service requirements to maturity on the leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,544,274	\$ 23,999	\$ 1,568,273
2026	56,687	1,409	58,096
2027	19,351	152	19,503
Total	<u>\$ 1,620,312</u>	<u>\$ 25,560</u>	<u>\$ 1,645,872</u>

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 823,788
General Fund	Public Facilities Authority Fund	3,820,535
Capital Projects Fund	Nonmajor governmental funds	2,794,469
		<u>\$ 7,438,792</u>

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

NOTES TO FINANCIAL STATEMENTS

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

The composition of amounts due from/to the primary government and its component unit is as follows:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Hospitality & Tourism	Nonmajor governmental funds	\$ 315,850

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 3,793,780
Capital Projects Fund	General Fund	24,141,625
Capital Projects Fund	Nonmajor governmental funds	2,347,457
Public Facilities Authority	General Fund	14,623,317
Public Facilities Authority	Nonmajor governmental funds	12,935,679
		<u>\$ 57,841,858</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

In addition to the liabilities enumerated in the statement of net position, at June 30, 2024, the City has contractual commitments on uncompleted contracts of \$59,999,837.

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN

The City of Sandy Springs' Profit Sharing Plan is a single employer defined contribution plan established and administered by the City of Sandy Springs for all full time employees. At June 30, 2024, there were 472 plan members. The City contributes 12% of each employee's salary directly to the Plan. Additionally, the City offers to match 100% for each dollar of employee contributions up to 5% of the employee's salary. Employees are not required to contribute to the Plan. Employees are eligible after one month of employment and are fully vested after three months. Plan provisions and contribution requirements are established and may be amended by the City's Council. For the fiscal year ended June 30, 2024, the City's contribution to the Plan, which was also the City's pension expense, was \$4,189,763 and employees contributed \$1,877,680.

NOTE 12. JOINT VENTURES

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

The Chattahoochee River 911 Authority (ChattComm) was created pursuant to the provisions of the Official Code of Georgia Annotated (OFGA) Section 36-75-1 by the Cities of Sandy Springs and Johns Creek. ChattComm Board membership includes the City Manager from each participating city, or their designee. ChattComm was created by the two cities contributing a pre-determined capital amount necessary to equip the facility. In accordance with GASB 14: *The Financial Reporting Entity*, ChattComm was determined to be a joint venture; however, the City does not have an equity interest in the joint venture. The cities have also pledged their future E911 revenues to ChattComm to pay for the operation of the emergency 911 answering facility. Additionally, the two cities will be responsible for funding any operating deficits as well as any future capital purchases of ChattComm. For the year ended June 30, 2024, the City of Sandy Springs has collected and remitted \$3,820,030 of E911 revenues. Since the inception of ChattComm, the City of Sandy Springs has contributed approximately \$8,251,000 to cover the capital and operating needs. While the General Fund of the City reports a receivable for this amount, management has evaluated the ability of the City to collect the receivable and determined the need to allow for 100% of the outstanding receivable as of June 30, 2024. At June 30, 2024, ChattComm had a negative net position of (\$10,395,641). Separate financial statements may be obtained from the City of Sandy Springs, who has been contracted by ChattComm to serve as the accountants, at 1 Galambos Way, Sandy Springs, Georgia 30328.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. JOINT VENTURES (CONTINUED)

In July 2013 the Cities of Alpharetta, Milton, Roswell, and Sandy Springs created the North Fulton Regional Radio System Authority (the "Authority"), which was established by Georgia House Bill 526. The Authority will provide an interoperable, high quality, and reliable and uninterrupted communication signal for public safety and public services within the area in which the Authority has operational capability. The Authority's Board membership includes the City Manager or City Administrator, or his or her designee, from each participating city. The Authority was created by the cities contributing a pre-determined capital amount necessary to fund the construction and equipping of the radio system. In accordance with GASB 14: *The Financial Reporting Entity*, the Authority was determined to be a joint venture; however, the City does not have an equity interest in the joint venture. For the fiscal year ended June 30, 2024, the City of Sandy Springs contributed \$872,608 to the Authority. Separate financial statements may be obtained from the City of Milton, who has been contracted by the Authority to serve as the accountants, at 2006 Heritage Walk, Milton, Georgia 30004.

NOTE 13. HOTEL/MOTEL LODGING TAX

The City has levied a 7% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied of 5% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended June 30, 2024, the City received \$5,437,668 in hotel/motel taxes. Of this amount, \$3,884,670, or 71.4%, was used for the promotion of tourism, conventions, or trade shows.

NOTE 14. MOTOR VEHICLE EXCISE TAX

The City has levied an excise tax on the rental of motor vehicles. The Official Code of Georgia Annotated 48-13-93 requires that all motor vehicle excise taxes be expended or obligated contractually, in accordance with the City's ordinance, for the acquisition, construction, renovating, improving, maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety facilities or public improvements for sports and recreational facilities. During the period ended June 30, 2024, the City received \$103,778 in motor vehicle excise taxes. Of this amount, \$103,778, or 100%, was used for these purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RISK MANAGEMENT

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

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 fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigations, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

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

Settled claims have not exceeded the coverages 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 past three years.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. ACCOUNTING CHANGES

Change in Accounting Principle

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, the City is required to reevaluate the accounting treatment of compensated absences. Also, in conjunction with the implementation of GASB Statement No. 100, *Accounting Changes and Error Corrections*, the City is required to reevaluate its reporting of a Change in Accounting Principle by restating net position for the effect of a newly adopted accounting principle on prior periods. Therefore, in conjunction with the implementation of GASB Statements No. 101 and 100, the following restatement was required to the beginning net position of the governmental activities and beginning governmental fund balances.

	Governmental Activities
Beginning net position, as previously reported	\$ 563,763,861
Restatement due to implementation of GASB No. 101 and implementation of GASB No. 100	(3,623,601)
Beginning net position, as restated	<u><u>\$ 560,140,260</u></u>

Change in Major Funds

In the current year, the City's ARPA Fund no longer meets the definition of a major fund. The ARPA fund reported \$- fund balance as of June 30, 2023, and therefore the only impact is the presentation of the fund as a nonmajor governmental fund.

	Governmental Funds
Beginning fund balances, as previously reported	\$ 240,924,653
Adjustment-change to reporting entity in accordance with implementation of GASB No. 100	-
Beginning fund balances, as adjusted	<u><u>\$ 240,924,653</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SANDY SPRINGS, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	\$ 48,760,000	\$ 48,760,000	\$ 51,710,305	\$ 2,950,305
Sales taxes	30,400,000	30,400,000	37,674,223	7,274,223
Franchise taxes	8,935,000	8,935,000	9,847,227	912,227
Business taxes	10,060,000	10,060,000	10,160,633	100,633
Insurance premium tax	8,500,000	8,500,000	9,585,852	1,085,852
Licenses and permits	3,414,000	3,414,000	3,297,805	(116,195)
Intergovernmental	450,000	450,000	2,148,865	1,698,865
Charges for services	4,348,317	4,589,317	6,352,534	1,763,217
Fines and forfeitures	2,500,000	2,500,000	2,169,859	(330,141)
Interest earned	3,000,000	3,000,000	9,932,795	6,932,795
Contributions	69,000	69,000	10,428	(58,572)
Miscellaneous	779,000	779,000	1,177,896	398,896
Total revenues	121,215,317	121,456,317	144,068,422	22,612,105
Expenditures:				
Current:				
General government:				
Mayor and council	284,352	302,352	293,213	9,139
City manager	1,144,465	1,144,465	970,294	174,171
General operations	6,580,430	6,559,730	5,792,502	767,228
Legal services	1,601,143	1,601,143	1,256,670	344,473
Human resources	914,827	914,827	783,964	130,863
Facilities and buildings	8,828,347	8,828,347	7,672,726	1,155,621
City clerk	640,936	640,936	560,050	80,886
Data processing/MIS	3,853,109	3,813,109	3,347,586	465,523
Public information	2,221,091	2,221,091	1,867,785	353,306
Total general government	26,068,700	26,026,000	22,544,790	3,481,210
Judicial	1,483,051	1,483,051	1,144,530	338,521
Public safety:				
Police department	29,388,683	29,413,683	26,710,047	2,703,636
Fire department	17,434,646	17,524,646	16,730,727	793,919
E911	1,501,198	1,501,198	1,355,689	145,509
Total public safety	48,324,527	48,439,527	44,796,463	3,643,064
Public works:				
Public works	15,541,257	15,541,257	13,376,053	2,165,204
Sanitation and wastewater	871,590	2,863,240	2,491,630	371,610
Storm drainage	85,938	254,288	121,107	133,181
Total public works	16,498,785	18,658,785	15,988,790	2,669,995
Culture and recreation:				
Recreation	4,293,708	4,437,408	3,956,975	480,433
Special facilities	8,214,647	8,214,647	8,363,327	(148,680)
Total culture and recreation	12,508,355	12,652,055	12,320,302	331,753

Continued

CITY OF SANDY SPRINGS, GEORGIA

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Housing and development:				
Building/inspection/code enforcement	\$ 6,113,595	\$ 6,218,595	\$ 5,812,487	\$ 406,108
Economic development	655,425	620,425	264,974	355,451
Total housing and development	<u>6,769,020</u>	<u>6,839,020</u>	<u>6,077,461</u>	<u>761,559</u>
Debt service:				
Principal	1,676,232	1,394,461	2,748,221	(1,353,760)
Interest	91,917	91,917	143,198	(51,281)
Total debt service	<u>1,768,149</u>	<u>1,486,378</u>	<u>2,891,419</u>	<u>(1,405,041)</u>
 Total expenditures	<u>113,420,587</u>	<u>115,584,816</u>	<u>105,763,755</u>	<u>9,821,061</u>
 Excess of revenues over expenditures	7,794,730	5,871,501	38,304,667	32,433,166
Other financing sources (uses):				
Issuance of lease liability	-	-	1,801,749	1,801,749
Transfers in	3,201,560	3,201,559	3,793,780	592,221
Transfers out	(36,598,172)	(38,764,942)	(38,764,942)	-
Total other financing sources (uses)	<u>(33,396,612)</u>	<u>(35,563,383)</u>	<u>(33,169,413)</u>	<u>2,393,970</u>
 Net change in fund balances	(25,601,882)	(29,691,882)	5,135,254	34,827,136
 Fund balance, beginning of year	<u>63,885,024</u>	<u>63,885,024</u>	<u>63,885,024</u>	<u>-</u>
 Fund balance, end of year	<u>\$ 38,283,142</u>	<u>\$ 34,193,142</u>	<u>\$ 69,020,278</u>	<u>\$ 34,827,136</u>

Note: See footnotes 1 and 3 of the basic financial statements for budgetary policies.

NONMAJOR GOVERNMENTAL FUNDS

Confiscated Assets Fund – To account for the use of confiscated drug money by the City's Police Department, which are restricted by state law in purpose.

Opioid Settlement Fund – To account for opioid settlement funds received and the related expenditures.

E911 Fund – To account for the collection and expenditures of E911 fees, which are restricted by state law.

Tree Fund – This fund is used to account for the charges for services collected by the City from third parties who remove trees during the land development process pursuant to the City's Tree Replacement Ordinance. The revenues in this fund are committed by an ordinance passed by the City Council.

Federal Grants Fund – To account for the expenditures and revenues of federal grants.

CDBG Fund – To account for the expenditures and revenues of the Community Development Block Grant, which are restricted under the terms of the grant agreements.

Hotel/Motel Fund – To account for the 7% lodging tax levied in the City, which are restricted by state law.

Auto Excise Tax Fund – To account for automobile rental excise taxes levied in the City, which are restricted by state law.

Impact Fees Fund – To account for fees assessed upon development activity that are collected to pay for system improvements (recreation/parks, streets, and public safety) as detailed within the government's impact fee ordinance.

ARPA Fund - To account for all local fiscal recovery funds received through the American Rescue Plan Act.

CITY OF SANDY SPRINGS, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2024

ASSETS	Special Revenue Funds				
	Confiscated Assets Fund	Opioid Settlement Fund	E911 Fund	Tree Fund	Federal Grants Fund
Cash	\$ 1,166,824	\$ 159,550	\$ -	\$ 1,689,829	\$ 1,845
Taxes receivable	-	-	-	-	-
Intergovernmental receivable	-	502,941	-	-	140,497
Other receivable	-	-	610,383	-	-
Total assets	<u>\$ 1,166,824</u>	<u>\$ 662,491</u>	<u>\$ 610,383</u>	<u>\$ 1,689,829</u>	<u>\$ 142,342</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 13,592	\$ -	\$ 610,383	\$ -	\$ 1,194
Due to other funds	610,000	-	-	914,416	141,148
Due to component unit	-	-	-	-	-
Total liabilities	<u>623,592</u>	<u>-</u>	<u>610,383</u>	<u>914,416</u>	<u>142,342</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - intergovernmental	-	474,926	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>474,926</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted:					
Public safety projects	543,232	187,565	-	-	-
Infrastructure improvements	-	-	-	-	-
Housing and development	-	-	-	-	-
Committed:					
Tree replacement	-	-	-	266,744	-
Assigned:					
Tree replacement	-	-	-	508,669	-
Federal programs	-	-	-	-	-
Total fund balances	<u>543,232</u>	<u>187,565</u>	<u>-</u>	<u>775,413</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,166,824</u>	<u>\$ 662,491</u>	<u>\$ 610,383</u>	<u>\$ 1,689,829</u>	<u>\$ 142,342</u>

Special Revenue Funds					
CDBG Fund	Hotel/ Motel Fund	Auto Excise Tax Fund	Impact Fees Fund	ARPA Fund	Total Nonmajor Governmental Funds
\$ 3,198,212	\$ 436,849	\$ -	\$ 7,073,860	\$ -	\$ 13,726,969
-	545,883	9,317	-	-	555,200
1,436	-	-	-	-	644,874
-	-	-	-	-	610,383
<u>\$ 3,199,648</u>	<u>\$ 982,732</u>	<u>\$ 9,317</u>	<u>\$ 7,073,860</u>	<u>\$ -</u>	<u>\$ 15,537,426</u>
\$ -	\$ -	\$ -	\$ 2,340	\$ -	\$ 627,509
-	666,882	9,317	1,276,494	-	3,618,257
-	315,850	-	-	-	315,850
-	982,732	9,317	1,278,834	-	4,561,616
-	-	-	-	-	474,926
-	-	-	-	-	474,926
-	-	-	-	-	730,797
-	-	-	5,795,026	-	5,795,026
364,516	-	-	-	-	364,516
-	-	-	-	-	266,744
-	-	-	-	-	508,669
<u>2,835,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,835,132</u>
<u>3,199,648</u>	<u>-</u>	<u>-</u>	<u>5,795,026</u>	<u>-</u>	<u>10,500,884</u>
<u>\$ 3,199,648</u>	<u>\$ 982,732</u>	<u>\$ 9,317</u>	<u>\$ 7,073,860</u>	<u>\$ -</u>	<u>\$ 15,537,426</u>

CITY OF SANDY SPRINGS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	Confiscated Assets Fund	Opioid Settlement Fund	E911 Fund	Tree Fund	Federal Grants Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	214,016
Charges for services	-	-	3,820,030	272,266	-
Fines and forfeitures	206,007	116,697	-	-	-
Interest income	-	-	-	-	-
Total revenues	206,007	116,697	3,820,030	272,266	214,016
EXPENDITURES					
Current:					
Public safety	39,705	3,839	3,820,030	-	198,666
Culture and recreation	-	-	-	102,911	15,350
Housing and development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	39,705	3,839	3,820,030	102,911	214,016
Excess (deficiency) of revenues over expenditures	166,302	112,858	-	169,355	-
OTHER FINANCING USES					
Transfers out	(610,000)	-	-	(624,693)	-
Total other financing uses	(610,000)	-	-	(624,693)	-
Net change in fund balances	(443,698)	112,858	-	(455,338)	-
FUND BALANCES, beginning of year, as adjusted	986,930	74,707	-	1,230,751	-
FUND BALANCES, end of year	<u>\$ 543,232</u>	<u>\$ 187,565</u>	<u>\$ -</u>	<u>\$ 775,413</u>	<u>\$ -</u>

Special Revenue Funds					
CDBG Fund	Hotel/ Motel Fund	Auto Excise Tax Fund	Impact Fees Fund	ARPA Fund	Total Nonmajor Governmental Funds
\$ -	\$ 5,437,668	\$ 103,778	\$ -	\$ -	\$ 5,541,446
392,789	-	-	-	12,935,679	13,542,484
-	-	-	79,861	-	4,172,157
-	-	-	-	-	322,704
138,382	-	-	290,597	-	428,979
531,171	5,437,668	103,778	370,458	12,935,679	24,007,770
-	-	-	-	-	4,062,240
-	1,747,666	-	-	-	1,865,927
-	-	-	28,876	-	28,876
43,015	-	-	-	-	43,015
287,000	-	-	-	-	287,000
62,774	-	-	-	-	62,774
392,789	1,747,666	-	28,876	-	6,349,832
138,382	3,690,002	103,778	341,582	12,935,679	17,657,938
-	(3,690,002)	(103,778)	(1,112,764)	(12,935,679)	(19,076,916)
-	(3,690,002)	(103,778)	(1,112,764)	(12,935,679)	(19,076,916)
138,382	-	-	(771,182)	-	(1,418,978)
3,061,266	-	-	6,566,208	-	11,919,862
\$ 3,199,648	\$ -	\$ -	\$ 5,795,026	\$ -	\$ 10,500,884

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

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	\$ 150,000	\$ 150,000	\$ 206,007	\$ 56,007
Total revenues	150,000	150,000	206,007	56,007
Expenditures:				
Public safety	150,000	150,000	39,705	110,295
Total expenditures	150,000	150,000	39,705	110,295
Excess of revenues over expenditures	-	-	166,302	166,302
Other financing uses:				
Transfers out	-	(610,000)	(610,000)	-
Total other financing uses	-	(610,000)	(610,000)	-
Net change in fund balances	-	610,000	(443,698)	166,302
Fund balances, beginning of year	986,930	986,930	986,930	-
Fund balances, end of year	<u>\$ 986,930</u>	<u>\$ 1,596,930</u>	<u>\$ 543,232</u>	<u>\$ 166,302</u>

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

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	\$ -	\$ 88,000	\$ 116,697	\$ 28,697
Total revenues	-	88,000	116,697	28,697
Expenditures:				
Public safety	-	400	3,839	(3,439)
Total expenditures	-	400	3,839	(3,439)
Net change in fund balances	-	87,600	112,858	25,258
Fund balances, beginning of year	74,707	74,707	74,707	-
Fund balances, end of year	<u>\$ 74,707</u>	<u>\$ 162,307</u>	<u>\$ 187,565</u>	<u>\$ 25,258</u>

CITY OF SANDY SPRINGS, GEORGIA
E911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	\$ 4,000,000	\$ 4,000,000	\$ 3,820,030	\$ (179,970)
Total revenues	4,000,000	4,000,000	3,820,030	(179,970)
Expenditures:				
Public safety	4,000,000	4,000,000	3,820,030	179,970
Total expenditures	4,000,000	4,000,000	3,820,030	179,970
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA

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

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	\$ 300,000	\$ 300,000	\$ 272,266	\$ (27,734)
Total revenues	300,000	300,000	272,266	(27,734)
Expenditures:				
Culture and recreation	103,668	103,668	102,911	757
Total expenditures	103,668	103,668	102,911	757
Excess of revenues over expenditures	196,332	196,332	169,355	(26,977)
Other financing uses:				
Transfers out	(705,000)	(852,420)	(624,693)	227,727
Total other financing uses	(705,000)	(852,420)	(624,693)	227,727
Net change in fund balances	(508,668)	(656,088)	(455,338)	200,750
Fund balances, beginning of year	1,230,751	1,230,751	1,230,751	-
Fund balances, end of year	<u>\$ 722,083</u>	<u>\$ 574,663</u>	<u>\$ 775,413</u>	<u>\$ 200,750</u>

CITY OF SANDY SPRINGS, GEORGIA
FEDERAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 666,572	\$ 666,572	\$ 214,016	\$ (452,556)
Total revenues	666,572	666,572	214,016	(452,556)
Expenditures:				
Public safety	666,572	666,572	198,666	467,906
Culture and recreation	-	-	15,350	(15,350)
Total expenditures	666,572	666,572	214,016	452,556
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA
CDBG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 590,431	\$ 564,238	\$ 392,789	\$ (171,449)
Interest income	85,000	-	138,382	138,382
Total revenues	675,431	564,238	531,171	(33,067)
Expenditures:				
Capital outlay	3,160,789	3,086,464	43,015	3,043,449
Debt service:				
Principal	287,000	287,000	287,000	-
Interest	62,774	62,774	62,774	-
Total expenditures	3,510,563	3,436,238	392,789	3,043,449
Net change in fund balances	(2,835,132)	(2,872,000)	138,382	3,010,382
Fund balances, beginning of year	3,061,266	3,061,266	3,061,266	-
Fund balances, end of year	<u>\$ 226,134</u>	<u>\$ 189,266</u>	<u>\$ 3,199,648</u>	<u>\$ 3,010,382</u>

CITY OF SANDY SPRINGS, GEORGIA
HOTEL/MOTEL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 4,600,000	\$ 5,291,785	\$ 5,437,668	\$ 145,883
Total revenues	4,600,000	5,291,785	5,437,668	145,883
Expenditures:				
Culture and recreation	1,478,440	1,700,780	1,747,666	(46,886)
Total expenditures	1,478,440	1,700,780	1,747,666	(46,886)
Excess of revenues over expenditures	3,121,560	3,591,005	3,690,002	98,997
Other financing uses:				
Transfers out	(3,121,560)	(3,591,005)	(3,690,002)	(98,997)
Total other financing uses	(3,121,560)	(3,591,005)	(3,690,002)	(98,997)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

CITY OF SANDY SPRINGS, GEORGIA
AUTO EXCISE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 80,000	\$ 80,000	\$ 103,778	\$ 23,778
Total revenues	80,000	80,000	103,778	23,778
Excess of revenues over expenditures	80,000	80,000	103,778	23,778
Other financing uses:				
Transfers out	(80,000)	(80,000)	(103,778)	(23,778)
Total other financing uses	(80,000)	(80,000)	(103,778)	(23,778)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	\$ 1,430,000	\$ 1,430,000	\$ 79,861	\$ (1,350,139)
Interest income	-	-	290,597	290,597
Total revenues	1,430,000	1,430,000	370,458	(1,059,542)
Expenditures:				
Housing and development	-	-	28,876	(28,876)
Total expenditures	-	-	28,876	(28,876)
Excess of revenues over expenditures	1,430,000	1,430,000	341,582	(1,088,418)
Other financing uses:				
Transfers out	(75,000)	(5,767,017)	(1,112,764)	4,654,253
Total other financing uses	(75,000)	(5,767,017)	(1,112,764)	4,654,253
Net change in fund balances	1,355,000	(4,337,017)	(771,182)	3,565,835
Fund balances, beginning of year	6,566,208	6,566,208	6,566,208	-
Fund balances, end of year	<u>\$ 7,921,208</u>	<u>\$ 2,229,191</u>	<u>\$ 5,795,026</u>	<u>\$ 3,565,835</u>

CITY OF SANDY SPRINGS, GEORGIA

ARPA FUND

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 12,935,679	\$ 12,935,679	\$ 12,935,679	\$ -
Total revenues	12,935,679	12,935,679	12,935,679	-
Other financing uses:				
Transfers out	(12,935,679)	(12,935,679)	(12,935,679)	-
Total other financing uses	(12,935,679)	(12,935,679)	(12,935,679)	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANDY SPRINGS, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
TSPLOST 2016
FOR THE YEAR ENDED JUNE 30, 2024

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
TSPLOST TIER 1						
Traffic Efficiency Improvements	\$ 18,000,000	\$ 18,566,765	\$ 12,753,735	\$ 5,781,738	\$ 18,535,473	99.83 %
Perimeter Transit Last Mile Connectivity, Sidewalk Program, Mt. Vernon Highway Multiuse Path	28,500,000	28,950,743	16,439,883	2,698,711	19,138,594	66.11 %
Johnson Ferry Road/Mt. Vernon Highway Efficiency Improvements, Hammond Drive, Phase 1 Efficiency Improvements	41,649,009	41,947,504	21,711,351	5,305,386	27,016,737	64.41 %
TSPLOST TIER 2						
Perimeter Transit Last Mile Connectivity, Sidewalk Program, Mt. Vernon Highway Multiuse Path, SR 400 Trail System, Roberts Drive Multiuse Path	12,500,000	- (1)	-	-	-	0.00 %
Johnson Ferry Road/Mt. Vernon Highway Efficiency Improvements	350,991	- (1)	-	-	-	0.00 %
Johnson Ferry Road/Mt. Vernon Highway Efficiency Improvements	2,704,716	- (1)	-	-	-	0.00 %
TSPLOST TIER 3						
Roadway Maintenance and Paving	15,617,086	- (1)	-	-	-	0.00 %
TOTAL TSPLOST	\$ 119,321,802	\$ 89,465,012	\$ 50,904,969	\$ 13,785,835	\$ 64,690,804	

Notes:

(1) - In 2021 the City determined that the funding from these taxes would not be sufficient to reach tiers 2 and 3; therefore, the City moved all budgets up to tier 1.

CITY OF SANDY SPRINGS, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH PROCEEDS FROM
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX
TSPLOST 2021
FOR THE YEAR ENDED JUNE 30, 2024

PROJECT	ESTIMATED COST		EXPENDITURES			PROJECT COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
TSPLOST TIER 1						
Operations and Safety Improvements	\$ 18,325,000	\$ 18,325,000	\$ 39,088	\$ 634,780	\$ 673,868	3.68 %
Pedestrian and Bike Improvements	21,779,153	21,779,153	811,961	1,314,906	2,126,867	9.77 %
Bridges	6,160,000	6,160,000	3,203,000	96,715	3,299,715	53.57 %
Congestion Relief	38,500,000	38,500,000	2,720,149	1,994,165	4,714,314	12.24 %
TSPLOST TIER 2						
Pedestrian and Bike Improvements	14,958,380	14,958,380	-	-	-	0.00 %
TSPLOST TIER 3						
Pedestrian and Bike Improvements	4,958,380	4,958,380	-	-	-	0.00 %
Maintenance and Safety Enhancements	10,000,000	10,000,000	-	-	-	0.00 %
TOTAL TSPLOST	\$ 114,680,913	\$ 114,680,913	\$ 6,774,198	\$ 4,040,566	\$ 10,814,764	

COMPONENT UNITS

Sandy Springs Hospitality & Tourism – To account for the revenue and expenditures of promoting tourism within the City as funded by hotel/motel tax revenue.

Sandy Springs Development Authority – To account for the development activities undertaken throughout the City.

CITY OF SANDY SPRINGS, GEORGIA

BALANCE SHEET COMPONENT UNIT - SANDY SPRINGS HOSPITALITY & TOURISM JUNE 30, 2024

ASSETS

Cash	\$ 2,149,269
Accounts receivable	10
Due from primary government	315,850
Prepaid items	<u>41,838</u>
Total assets	<u>\$ 2,506,967</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	<u>\$ 59,337</u>
Total liabilities	<u>59,337</u>

FUND BALANCE

Nonspendable - prepaid items	41,838
Restricted for tourism	<u>2,405,792</u>
Total fund balance	<u>2,447,630</u>
Total liabilities and fund balance	<u>\$ 2,506,967</u>

CITY OF SANDY SPRINGS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - SANDY SPRINGS HOSPITALITY & TOURISM
FOR THE YEAR ENDED JUNE 30, 2024

REVENUES

Intergovernmental	\$ 1,747,667
Miscellaneous	<u>2,971</u>
Total revenues	<u>1,750,638</u>

EXPENDITURES

Current:	
Housing and development	<u>1,486,928</u>
Total expenditures	<u>1,486,928</u>
Net change in fund balance	263,710

FUND BALANCE, beginning of year	<u>2,183,920</u>
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FUND BALANCE, end of year	<u><u>\$ 2,447,630</u></u>
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CITY OF SANDY SPRINGS, GEORGIA
BALANCE SHEET
COMPONENT UNIT - DEVELOPMENT AUTHORITY
JUNE 30, 2024

ASSETS

Cash	\$ 106,049
	<u> </u>
Total assets	\$ 106,049
	<u> </u>

FUND BALANCE

Restricted for development	\$ 106,049
	<u> </u>
Total fund balance	\$ 106,049
	<u> </u>

CITY OF SANDY SPRINGS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2024

REVENUES

Charges for services	\$ 517,933
	<u>517,933</u>
Total revenues	<u>517,933</u>

EXPENDITURES

Current:	
Community development	<u>520,737</u>
Total expenditures	<u>520,737</u>
Net change in fund balance	(2,804)

FUND BALANCE, beginning of year	<u>108,853</u>
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FUND BALANCE, end of year	<u><u>\$ 106,049</u></u>
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STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Sandy Springs' 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.

Page

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 84

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity 90

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..... 93

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 96

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 SANDY SPRINGS, GEORGIA

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

	2024	2023	2022	2021	2020
Primary government:					
Net investment in capital assets	\$ 416,811,564	\$ 367,043,192	\$ 330,327,766	\$ 316,301,742	\$ 318,342,207
Restricted	87,243,419	77,731,725	67,925,213	59,747,342	48,435,304
Unrestricted	113,119,574	118,988,944	118,853,158	108,859,047	91,630,708
Total primary government net position	<u>\$ 617,174,557</u>	<u>\$ 563,763,861</u>	<u>\$ 517,106,137</u>	<u>\$ 484,908,131</u>	<u>\$ 458,408,219</u>

2019	2018	2017	2016	2015
\$ 297,446,240	\$ 276,338,164	\$ 253,053,379	\$ 243,216,434	\$ 216,411,054
44,985,095	61,044,391	8,476,972	5,755,644	3,658,688
81,376,670	52,871,010	87,470,740	84,692,787	84,692,787
<u>\$ 423,808,005</u>	<u>\$ 390,253,565</u>	<u>\$ 349,001,091</u>	<u>\$ 333,664,865</u>	<u>\$ 304,762,529</u>

CITY OF SANDY SPRINGS, GEORGIA

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

	2024	2023	2022	2021	2020
Expenses					
General government	\$ 30,110,102	\$ 25,345,872	\$ 23,440,173	\$ 23,490,759	\$ 22,032,642
Judicial	1,166,282	1,251,216	940,350	1,215,519	1,350,747
Public safety	51,733,690	52,073,063	51,837,529	43,481,583	40,247,937
Public works	29,546,223	27,618,045	30,916,105 (5)	27,268,850	21,716,386
Health and welfare	-	8,111	-	1,006,918 (4)	-
Culture and recreation	16,670,974	13,432,564	10,689,505	12,178,080	8,668,399
Housing and development	6,332,142	5,456,446	4,711,685	4,954,816	4,525,417
Interest on long-term debt	4,617,960	5,408,365	5,668,978	5,993,692	6,275,574
Total expenses	<u>\$ 140,177,373</u>	<u>\$ 130,593,682</u>	<u>\$ 128,204,325</u>	<u>\$ 119,590,217</u>	<u>\$ 104,817,102</u>
Program revenues					
Charges for services:					
General government	\$ 893,759	\$ 908,920	\$ 886,045	\$ 869,166	\$ 853,600
Judicial	2,169,859	2,561,652	2,460,443	2,537,398	2,203,624
Public safety	4,201,923	4,490,395	3,879,072	3,907,187	4,207,705
Public works	194,718	1,629,312	1,124,649	676,095	915,039
Culture and recreation	6,299,507	4,293,019	2,915,506	771,329	1,318,119
Housing and development	2,758,243	3,743,496	4,289,195	2,138,784	2,210,204
Operating grants and contributions	30,428	-	4,750,388	4,567,629 (3)	76,200
Capital grants and contributions	44,790,756 (7)	30,911,118 (7)	22,897,495	24,503,340	22,994,707
Total program revenues	<u>\$ 61,339,193</u>	<u>\$ 48,537,912</u>	<u>\$ 43,202,793</u>	<u>\$ 39,970,928</u>	<u>\$ 34,779,198</u>
Net (expense)/revenue	<u>\$ (78,838,180)</u>	<u>\$ (82,055,770)</u>	<u>\$ (85,001,532)</u>	<u>\$ (79,619,289)</u>	<u>\$ (70,037,904)</u>
General Revenues and Other Changes in Net Position					
Taxes					
Property taxes	\$ 51,608,371	\$ 50,504,655	\$ 48,843,037	\$ 46,896,331	\$ 42,913,155
Sales taxes	37,674,223	37,161,097	35,415,246 (6)	29,163,162	27,790,829
Other taxes	35,135,158	34,378,520	31,589,920	29,345,381	29,938,267
Unrestricted investment earnings	10,361,787 (9)	5,340,674 (8)	420,041	124,317	1,521,138
Miscellaneous revenues	1,092,938	1,328,548	931,294	590,010	2,474,729
Gain on sale of capital assets	-	-	-	-	-
Total	<u>\$ 135,872,477</u>	<u>\$ 128,713,494</u>	<u>\$ 117,199,538</u>	<u>\$ 106,119,201</u>	<u>\$ 104,638,118</u>
Change in Net Position	<u>\$ 57,034,297</u>	<u>\$ 46,657,724</u>	<u>\$ 32,198,006</u>	<u>\$ 26,499,912</u>	<u>\$ 34,600,214</u>

Notes:

- (1) - In 2016, the City (through its Public Facilities Authority) issued \$159,475,000 Series 2015 Revenue Bonds.
(2) - In 2018, the City increased impact fees and there were several new projects and developments.
(3) - In 2021, the City received COVID-19 relief funding from the Coronavirus Relief Fund.
(4) - In 2021, the City experienced significant costs associated with community health initiatives responding to the COVID -19 pandemic.
(5) - In 2022, the City experienced a significant increase in non-depreciable road resurfacing projects.
(6) - In 2022, the City experienced an increase in sales tax revenue resulting from businesses re-opening following the pandemic.
(7) - In 2023 and 2024, the City's TSPLOST projects had increased activity.
(8) - In 2023, the City increased the Georgia Fund 1 deposits by \$12.6 million and the interest rate on the account increased from 0.045% to 5.2%.
(9) - In 2024, the City continued to see increased interest earnings on their Georgia Fund 1 deposits after a full year at a 5.2% interest rate.

2019	2018	2017	2016	2015
\$ 20,570,073	\$ 14,774,462	\$ 12,198,772	\$ 11,497,805	\$ 10,882,951
1,500,223	1,621,822	1,530,501	1,480,915	1,580,859
40,621,132	37,471,210	35,514,365	34,184,497	37,612,816
17,614,378	22,343,592	18,888,072	16,052,761	18,784,694
-	-	-	-	-
11,784,629	12,125,056	8,545,292	15,500,207	6,506,492
6,249,077	5,750,697	5,872,460	5,294,454	3,953,501
6,489,771	6,317,627	6,421,029	4,541,961 (1)	105,166
<u>\$ 104,829,283</u>	<u>\$ 100,404,466</u>	<u>\$ 88,970,491</u>	<u>\$ 88,552,600</u>	<u>\$ 79,426,479</u>
\$ 1,721,471	\$ 871,594	\$ 839,593	\$ 788,373	\$ 795,720
2,543,046	2,650,421	2,611,790	2,850,289	3,295,524
4,127,827	3,653,718	3,585,456	3,486,436	3,493,548
1,598,758	7,040,817 (2)	3,004,014	1,403,124	945,755
1,480,729	644,594	682,874	779,550	774,113
2,130,066	4,019,473	4,441,424	3,157,280	2,847,881
1,933	151,259	5,625	3,091	33,619
22,994,063	22,775,443	2,665,236	3,292,060	3,779,357
<u>\$ 36,597,893</u>	<u>\$ 41,807,319</u>	<u>\$ 17,836,012</u>	<u>\$ 15,760,203</u>	<u>\$ 15,965,517</u>
<u>\$ (68,231,390)</u>	<u>\$ (58,597,147)</u>	<u>\$ (71,134,479)</u>	<u>\$ (72,792,397)</u>	<u>\$ (63,460,962)</u>
\$ 38,192,028	\$ 34,803,725	\$ 33,556,314	\$ 33,240,654	\$ 32,196,455
28,981,123	27,474,424	29,989,575	25,812,125	25,513,897
32,009,808	31,285,973	30,980,394	30,749,432	28,949,996
1,852,629	912,960	1,091,867	489,424	200,608
750,242	2,811,263	790,598	614,813	923,889
-	2,561,276	850,242	-	-
<u>\$ 101,785,830</u>	<u>\$ 99,849,621</u>	<u>\$ 97,258,990</u>	<u>\$ 90,906,448</u>	<u>\$ 87,784,845</u>
<u>\$ 33,554,440</u>	<u>\$ 41,252,474</u>	<u>\$ 26,124,511</u>	<u>\$ 18,114,051</u>	<u>\$ 24,323,883</u>

CITY OF SANDY SPRINGS, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Taxes	Sales Taxes	Hotel/Motel Taxes	Franchise Taxes	Business Taxes	Total
2015	\$ 32,196,455	\$ 25,513,897	\$ 4,462,241	\$ 9,671,503	\$ 14,816,252	\$ 86,660,348
2016	33,240,654	25,812,125	5,262,170	9,842,953	15,644,309	89,802,211
2017	33,556,314	29,989,575	5,492,264	9,715,393	15,772,737	94,526,283
2018	34,803,725	27,474,424	5,531,780	9,224,562	16,529,631	93,564,122
2019	38,192,028	28,981,123	5,681,086	9,626,740	16,701,982	99,182,959
2020	42,913,155	27,790,829	3,873,529	9,875,047	16,189,691	100,642,251
2021	46,896,331	29,163,162	2,630,102	9,024,621	17,690,658	105,404,874
2022	48,843,037	35,415,246	4,277,495	9,092,140	18,220,285	115,848,203
2023	50,504,655	37,161,097	4,938,219	9,583,654	19,856,647	122,044,272
2024	51,608,371	37,674,223	5,437,668	9,847,227	19,850,263	124,417,752

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Fund					
Nonspendable - Prepaids	\$ 1,610,969	\$ 1,801,345	\$ 1,607,727	\$ 1,072,666	\$ 332,096
Nonspendable - Inventory	19,235	34,275	30,740	20,536	26,590
Nonspendable - Leases	89,300	27,671	-	-	-
Assigned - Stormwater projects	-	-	-	-	1,225,000
Appropriations of fund balance for next fiscal year's budget	31,590,865	22,685,951	20,929,552	1,212,505	2,567,605
Unassigned	35,709,909	39,335,782	37,076,382	67,349,843	45,710,692
Total general fund	<u>\$ 69,020,278</u>	<u>\$ 63,885,024</u>	<u>\$ 59,644,401</u>	<u>\$ 69,655,550</u>	<u>\$ 49,861,983</u>
All Other Governmental Funds					
Nonspendable - Prepaids	\$ -	\$ 2,155,218	\$ 56,795	\$ -	\$ -
Restricted:					
Public safety	730,797	1,061,637	770,527	729,990	699,370
Tourism	-	-	-	-	-
Recreation	-	-	-	-	-
Infrastructure improvements	80,644,183	74,887,761	63,748,456	53,160,980	40,782,753
Housing and development	364,516	226,134	1,186,914	2,850,892	2,928,130
Debt service	-	-	-	-	-
Capital projects	22,656,671	46,310,908	42,105,140	49,715,577 (c)	5,413,633
Committed:					
Tree replacement	266,744	722,082	1,192,805	736,838	661,527
Recreation	-	-	-	-	-
Assigned:					
Capital projects	44,347,847	48,332,088	50,986,121	37,900,230	43,182,939
Recreation	-	-	-	-	983,812
Community development	-	-	-	-	-
Public safety projects	-	-	49,500	-	-
Tree replacement	508,669	508,669	63,199	-	-
Federal programs	2,835,132	2,835,132	1,754,041	-	-
Total all other governmental funds	<u>\$ 152,354,559</u>	<u>\$ 177,039,629</u>	<u>\$ 161,913,498</u>	<u>\$ 145,094,507</u>	<u>\$ 94,652,164</u>

(a) In 2016, the City (through its Public Facilities Authority) issued \$159,475,000 Series 2015 Revenue Bonds.

(b) In 2018, the City TSPLOST program began.

(c) In 2021, the Public Facilities Authority issued Series 2020 and Series 2020B Bonds, the proceeds of which were restricted for capital projects.

2019	2018	2017	2016	2015
\$ 111,045	\$ 308,894	\$ 835,278	\$ 133,121	\$ -
32,944	-	-	-	-
-	-	-	-	-
1,750,000	3,058,310	2,993,250	2,551,567	989,978
17,866,830	14,526,344	16,775,312	12,758,427	9,532,370
26,616,192	25,373,013	21,894,817	22,341,887	25,341,826
<u>\$ 46,377,011</u>	<u>\$ 43,266,561</u>	<u>\$ 42,498,657</u>	<u>\$ 37,785,002</u>	<u>\$ 35,864,174</u>
\$ -	\$ -	\$ -	\$ -	\$ -
274,645	454,191	367,997	243,874	680,588
-	-	-	-	1,101
-	100,522	31,278	121,603	123,385
36,126,144	27,106,782 (b)	8,077,697	2,989,421	2,853,614
2,804,178	-	-	-	-
-	-	-	3,657,953 (a)	-
4,179,490	25,388,237	55,340,593	145,089,744 (a)	-
480,219	284,427	250,357	-	-
-	285,325	-	-	-
35,111,789	11,812,923	31,805,684	31,887,995	49,572,700
2,225,000	-	-	-	-
-	-	-	41,678	41,678
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 81,201,465</u>	<u>\$ 65,432,407</u>	<u>\$ 95,873,606</u>	<u>\$ 184,032,268</u>	<u>\$ 53,273,066</u>

CITY OF SANDY SPRINGS, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	2024	2023	2022	2021	2020
Revenues					
Taxes	\$ 124,519,686	\$ 122,045,988	\$ 115,819,815	\$ 105,706,312	\$ 100,517,135
Licenses and permits	3,297,805	4,244,618	4,310,020	2,769,757	2,823,665
Intergovernmental	44,323,968 (8)	30,912,079	27,458,676	29,065,918 (3)	22,911,157
Charges for services	10,639,548	10,216,989	8,283,089	5,078,542	5,678,785
Fines and forfeitures	2,492,563	2,993,320	2,789,934	2,879,793	3,033,974
Contributions	30,428	-	183,959	1,200	76,200
Interest earned	10,361,787 (9)	5,340,674 (6)	420,041	124,317	1,684,604
Miscellaneous	1,181,031	1,500,415	1,103,161	761,877	2,646,596
Total revenues	<u>196,846,816</u>	<u>177,254,083</u>	<u>160,368,695</u>	<u>146,387,716</u>	<u>139,372,116</u>
Expenditures					
Current:					
General government	22,681,727	19,201,570	17,287,366	17,785,070	20,692,633
Judicial	1,144,530	1,235,075	928,723	1,207,231	1,342,742
Public safety	49,084,623 (8)	51,391,351	51,701,275	57,696,164 (4)	41,065,976
Public works	24,042,949	24,519,273	26,935,911	32,377,554	33,310,882
Health and welfare	-	8,111	-	1,006,918	-
Culture and recreation	14,720,301	11,635,498	9,277,909	9,577,701	10,461,625
Housing and development	6,193,256	5,424,482	4,702,822	4,912,573	4,399,163
Capital outlay	84,466,484	30,407,756	27,527,393 (5)	-	-
Debt service:					
Principal	10,545,221	10,208,538	9,362,914	5,793,811	3,915,241
Interest	5,319,290	5,592,466	5,836,540	6,752,795	7,248,183
Costs of issuance	-	-	-	2,498,907	-
Total expenditures	<u>218,198,381</u>	<u>159,624,120</u>	<u>153,560,853</u>	<u>139,608,724</u>	<u>122,436,445</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,351,565)</u>	<u>17,629,963</u>	<u>6,807,842</u>	<u>6,778,992</u>	<u>16,935,671</u>
Other Financing Sources (Uses)					
Issuance of long term debt	-	-	-	60,498,907	-
Proceeds from sale of capital assets	-	-	-	-	-
Proceeds from financed purchases	-	-	-	2,958,011	-
Proceeds from lease liability	1,801,749	1,736,791	-	-	-
Transfers in	57,841,858	50,937,673	53,700,120	44,037,504	35,645,853
Transfers out	<u>(57,841,858)</u>	<u>(50,937,673)</u>	<u>(53,700,120)</u>	<u>(44,037,504)</u>	<u>(35,645,853)</u>
Total other financing sources (uses)	<u>1,801,749</u>	<u>1,736,791</u>	<u>-</u>	<u>63,456,918</u>	<u>-</u>
Net change in fund balances	<u>\$ (19,549,816)</u>	<u>\$ 19,366,754</u>	<u>\$ 6,807,842</u>	<u>\$ 70,235,910</u>	<u>\$ 16,935,671</u>
Debt service as a percentage of noncapital expenditures	12.3%	12.9% (7)	12.8%	11.5%	12.0%

- (1) Activity for the City Center development project was incurred and reclassified to Culture and Recreation in 2016.
- (2) In 2018, the City made several large capital outlays and expenditures for the City Center Project and the building opened in May 2018.
- (3) In 2021, the City received COVID-19 relief funding from the Coronavirus Relief Fund.
- (4) In 2021, the Public Facilities Authority had construction in progress on several fire stations.
- (5) In 2022, several of the City's construction projects started back up following significant delays due to the pandemic.
- (6) In 2023, the City increased the Georgia Fund 1 deposits by \$12.6 million and the interest rate on the account increased from 0.045% to 5.2%.
- (7) This is calculated by dividing the total debt service expenditures above by the total noncapital expenditures. Noncapital expenditures is calculated by subtracting the total amount of capital and lease asset additions from Notes 7 and 8 from the total expenditures above.
- (8) In 2024, the City recognized \$12.9 million in ARPA revenue and expenditures for a Public Safety building.
- (9) In 2024, the City continued to see increased interest earnings on their Georgia Fund 1 deposits after a full year at a 5.2% interest rate.

2019	2018	2017	2016	2015
\$ 99,174,113	\$ 93,780,228	\$ 94,499,719	\$ 89,787,515	\$ 86,357,021
2,977,714	4,984,317	5,284,871	4,069,503	3,817,492
22,830,155	22,775,443	2,380,642	3,887,278	3,931,859
7,532,520	11,016,993	6,914,186	5,288,144	4,596,207
2,919,796	2,879,306	2,966,094	3,107,404	3,738,842
1,933	151,259	328,994	3,091	55,785
1,936,622	912,960	1,091,867	489,424	200,608
922,109	714,941	790,598	614,813	971,677
138,294,962	137,215,447	114,256,971	107,247,172	103,669,491
18,336,795	21,743,685	18,482,980	15,900,684	28,833,479
1,492,453	1,619,227	1,531,040	1,477,948	1,577,453
42,329,360	36,932,141	34,853,005	33,733,508	36,818,536
31,428,914	30,090,874	26,117,779	27,296,011	26,276,197
-	-	-	-	-
16,105,238	65,731,006 (2)	102,723,830	67,514,805 (1)	6,815,373
6,206,702	5,713,276	6,441,126	5,357,955	4,931,583
-	-	-	-	-
4,632,679	3,581,612	4,016,664	791,182	776,790
7,379,407	7,335,973	7,470,230	3,810,937	107,079
81,915	-	-	914,011	-
127,993,463	172,747,794	201,636,654	156,797,041	106,136,490
10,301,499	(35,532,347)	(87,379,683)	(49,549,869)	(2,466,999)
2,872,000	-	388,305	182,196,838	-
1,418,406	5,859,052	3,546,371	33,061	44,177
4,287,603	-	-	-	-
-	-	-	-	-
32,954,060	37,190,638	30,672,451	52,802,746	31,191,169
(32,954,060)	(37,190,638)	(30,672,451)	(52,802,746)	(31,191,169)
8,578,009	5,859,052	3,934,676	182,229,899	44,177
\$ 18,879,508	\$ (29,673,295)	\$ (83,445,007)	\$ 132,680,030	\$ (2,422,822)
13.0%	11.3%	13.5%	6.8%	1.2%

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

Fiscal Year	Property Taxes	Sales Taxes	Hotel/Motel Taxes	Franchise Taxes	Business Taxes	Total
2015	\$ 31,893,128	\$ 25,513,897	\$ 4,462,241	\$ 9,671,503	\$ 14,816,252	\$ 86,357,021
2016	33,225,958	25,812,125	5,262,170	9,842,953	15,644,309	89,787,515
2017	33,529,750	29,989,575	5,492,264	9,715,393	15,772,737	94,499,719
2018	35,019,831	27,474,424	5,531,780	9,224,562	16,529,631	93,780,228
2019	38,183,182	28,981,123	5,681,086	9,626,740	16,701,982	99,174,113
2020	43,059,031	27,519,837	3,873,529	9,875,047	16,189,691	100,517,135
2021	46,926,777	29,434,154	2,630,102	9,024,621	17,690,658	105,706,312
2022	48,814,649	35,415,246	4,277,495	9,092,140	18,220,285	115,819,815
2023	50,506,371	37,161,097	4,938,219	9,583,654	19,856,647	122,045,988
2024	51,710,305	37,674,223	5,437,668	9,847,227	19,850,263	124,519,686

CITY OF SANDY SPRINGS, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN CALENDAR YEARS

Calendar Year	Real Property				Personal Property	
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Motor Vehicles	Other (1)
2014	\$ 3,890,836,390	\$ 2,692,498,250	\$ 8,588,690	\$ 312,520	\$ 267,150,490	\$ 68,968,965
2015	4,143,679,220	3,004,411,100	7,995,190	113,480	187,532,150	79,418,444
2016	4,274,611,200	3,178,568,040	9,964,420	113,480	128,485,280	58,405,806
2017	4,287,740,310	3,346,676,380	9,233,920	113,480	84,974,890	55,208,940
2018	5,209,552,730	3,542,347,870	8,934,839	232,280	57,197,080	53,479,113
2019	5,569,524,370	4,062,572,960	10,010,190	87,520	40,913,220	90,693,443
2020	5,754,347,030	4,045,474,710	10,963,440	97,960	30,398,740	85,978,670
2021	6,226,269,420	4,165,935,530	13,957,880	103,080	22,570,250	99,626,230
2022	6,566,498,830	4,193,729,340	13,237,520	104,200	18,835,730	101,228,270
2023	7,174,352,500	4,743,643,060	6,006,080	104,200	17,251,270	101,267,342

Source: Fulton County Tax Commissioner

(1) Reflects conservation use.

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
\$ 523,071,081	\$ 6,405,284,224	4.731	\$ 16,013,210,560	40%
603,418,507	6,819,731,077	4.731	17,049,327,693	40%
626,029,331	7,024,118,895	4.731	17,560,297,238	40%
565,443,801	7,218,504,119	4.731	18,046,260,298	40%
889,548,811	7,982,195,101	4.731	19,955,487,753	40%
974,401,936	8,799,399,767	4.731	21,998,499,418	40%
947,687,936	8,979,572,614	4.731	22,448,931,535	40%
1,191,907,854	9,336,554,536	4.731	23,341,386,340	40%
1,225,602,081	9,668,031,809	4.731	24,170,079,523	40%
1,444,805,822	10,597,818,630	4.731	26,494,546,575	40%

CITY OF SANDY SPRINGS, GEORGIA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN CALENDAR YEARS
(rate per \$1,000 of assessed value)

Calendar Year	Direct		Overlapping				Total Direct and Overlapping Rates
	Sandy Springs (1)	Fulton County	Operating Millage	Debt Service Millage	Total School District Millage	State	
2014	4.731	10.551	18.502	-	18.502	0.200	33.984
2015	4.731	10.500	18.502	-	18.502	0.050	33.783
2016	4.731	10.700	18.483	-	18.483	0.000	33.914
2017	4.731	10.630	18.483	-	18.483	0.000	33.844
2018	4.731	10.430	17.796	-	17.796	0.000	32.957
2019	4.731	10.119	17.796	-	17.796	0.000	32.646
2020	4.731	9.996	17.796	-	17.796	0.000	32.523
2021	4.731	9.776	17.590	-	17.590	0.000	32.097
2022	4.731	9.070	17.240	-	17.240	0.000	31.041
2023	4.731	8.888	17.140	-	17.140	0.000	30.759

Source: Fulton County Tax Commissioner

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

(1) Total rate is for M&O. No components to separately display.

CITY OF SANDY SPRINGS, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT CALENDAR YEAR AND NINE FISCAL YEARS AGO
JUNE 30, 2024

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Development Authority of Fulton County	\$ 184,190,249	1	1.74 %	\$ 75,398,299	1	1.11 %
City of Sandy Springs Development Authority	91,565,289	2	0.86			
Cousins Northpark 500/600 LLC	68,933,999	3	0.65			
Georgia Power Company	67,254,344	4	0.63	46,084,143	4	0.68
SPUS8 CCC LP	60,336,478	5	0.57			
REJV Concourse Atlanta LLC	59,295,599	6	0.56			
BMF IV GA Edgewater LLC	48,038,719	7	0.45			
Concourse Owner V/VI LLC	45,813,841	8	0.43	59,938,341	3	0.88
Cousins Northpark Owner 400 LLC	43,776,800	9	0.41			
JMC T2 LLC	39,280,000	10	0.37			
FULCOPROP 56 LLC				64,673,152	2	0.95
Sprintcom, Inc				38,026,519	5	0.56
Ctech Holdings LLC				34,176,159	6	0.50
BT Property, LLC				32,503,631	7	0.48
Highwoods DLF 97 26 DFL 99 32				29,283,720	8	0.43
FULLCOPROP 400, LLC				28,618,842	9	0.42
VEF V Atlanta Portfolio SPE LLC				27,082,401	10	0.40
Totals	\$ 708,485,318		6.67 %	\$ 435,785,207		6.41 %

Source: Fulton County Tax Commissioner

CITY OF SANDY SPRINGS, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Period Ended June 30,	Taxes Levied for the Fiscal Year		Collected within the		Collections in Subsequent Years	Total Collections to Date		
			Fiscal Year of the Levy			Amount	Percentage of Levy	
			Amount	Percentage of Levy				
2015	\$	28,502,532	\$	28,290,291	99.3 %	\$	28,471,388	99.89 %
2016		30,754,398		30,678,557	99.8		30,732,635	99.93
2017		31,940,164		31,638,544	99.1		31,918,090	99.93
2018		32,925,336		32,533,102	98.8		32,920,225	99.98
2019		36,117,676		35,807,887	99.1		36,100,020	99.95
2020		39,557,447		39,337,612	99.4		39,548,458	99.98
2021		41,123,937		40,908,215	99.5		41,124,624	100.00
2022		42,792,126		42,552,344	99.4		42,765,888	99.94
2023		45,739,458		44,891,921	98.1		45,000,509	98.38
2024		46,630,757		46,441,904	99.6	-	46,441,904	99.60

Source: Fulton County Tax Commissioner

CITY OF SANDY SPRINGS, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Period Ended June 30,	Governmental Activities					Percentage of Personal Income (1)	Per Capita (1)
	Bonds Payable	Notes Payable	Financed Purchases Payable	Lease Liability	Total		
2015	\$ -	\$ -	\$ 4,629,444	\$ -	\$ 4,629,444	0.09 %	\$ 45.43
2016	179,186,870	2,497,296	3,838,262	-	185,522,428	3.50	1,761.34
2017	175,738,334	2,590,946	2,556,253	-	180,885,533	3.30	1,711.26
2018	172,229,890	2,397,156	1,678,431	-	176,305,477	3.19	1,651.74
2019	168,635,288	5,072,124	4,140,387	-	177,847,799	3.21	1,634.68
2020	164,918,678	4,871,797	3,175,473	-	172,965,948	3.13	1,589.80
2021	235,849,709	4,668,119	5,538,351	-	246,056,179	4.12	2,223.45
2022	227,770,985	4,174,034	4,517,255	1,753,360	238,215,634	3.36	2,152.60
2023	219,600,682	3,676,485	3,470,984	2,075,433	228,823,584	3.23	2,067.73
2024	211,299,773	3,175,415	2,398,822	1,620,312	218,494,322	3.16	2,037.79

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

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

CITY OF SANDY SPRINGS, GEORGIA

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST NINE FISCAL YEARS

Fiscal Year	Bonds Payable	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2016	\$ 179,186,870	\$ 3,657,953	\$ 175,528,917	1.00%	\$ 1,661
2017	175,738,334	-	175,738,334	0.97%	1,663
2018	172,229,890	-	172,229,890	0.86%	1,614
2019	168,635,288	-	168,635,288	0.77%	1,580
2020	164,918,678	-	164,918,678	0.73%	1,516
2021	235,849,709	-	235,849,709	1.05%	2,131
2022	227,770,985	-	227,770,985	0.98%	2,053
2023	219,600,682	-	219,600,682	0.94%	1,980
2024	211,299,773	-	211,299,773	0.80%	1,971

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City had no bonded debt prior to 2016.

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

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

CITY OF SANDY SPRINGS, GEORGIA

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

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Overlapping general obligation debt:			
Fulton County	\$ 216,174,000 (2)	11.489 %	\$ 24,836,489
Total overlapping debt	216,174,000		24,836,489
City direct debt:			
Bonds payable	211,299,773	100	211,299,773
Notes payable	3,175,415	100	3,175,415
Financed purchases	2,398,822	100	2,398,822
Lease liability	1,620,312	100	1,620,312
Total direct debt	218,494,322		218,494,322
Total direct and overlapping debt	\$ 434,668,322		\$ 243,330,811

Source: Assessed value date used to estimate applicable percentages and debt outstanding obtained from Fulton County School District.

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

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

(2) Obtained from the fiscal year 12/31/2023 Fulton County Annual Comprehensive Financial Report.

CITY OF SANDY SPRINGS, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Period	Population (1)	Personal Income (amounts expressed in thousands) (1)	Per Capita Personal Income (1)	Median Age (1)	Unemployment Rate (2)
2015	101,908	\$ 5,091,731	\$ 49,964	35.6	4.4 %
2016	105,330	5,307,263	50,387	35.4	4.2
2017	105,703	5,478,269	51,827	35.6	3.7
2018	106,739	5,531,962	51,827	35.7	2.8
2019	108,797	5,966,101	54,837	36.4	3.7
2020	110,779	6,074,788	54,837	36.4	3.7
2021	110,664	6,068,482	54,837	36.5	3.1
2022	110,926	7,091,166	63,927	36.7	3.2
2023	107,763	7,398,145	68,652	36.7	2.7
2024	107,221	6,908,363	64,107	37.4	2.8

(1) Source: U.S. Census Bureau

(2) Georgia Department of Labor

CITY OF SANDY SPRINGS, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2024			2015		
	Employees (1)	Rank	Percentage of Total City Employment (2)	Employees (1)	Rank	Percentage of Total City Employment (2)
United Parcel Service General	2,683	1	4.3%	1,678	4	2.7%
Optomi, LLC	2,000	2	3.2%			
Onetrust LLC	1,842	3	2.9%			
Inspire Brands, Inc. & Subsidiaries	1,196	4	1.9%			
Cisco Systems, Inc.	1,011	5	1.6%	1,690	3	2.8%
Cox Communications	958	6	1.5%	2,016	2	3.3%
Independent Physicians Resource Inc.	950	7	1.5%			
Newell Brands Inc.	950	8	1.5%			
Walden Security	850	9	1.4%			
Mercedes-Benz USA, LLC	796	10	1.3%			
IBM Corporation				3,748	1	6.1%
Airwatch LLC				1,640	5	2.7%
Oracle America Inc				1,050	6	1.7%
AT&T Mobility				796	7	1.3%
Cox Enterprises, Inc.				764	8	1.2%
World Pay US				707	9	1.2%
National Account Svc, Co.				698	10	1.1%
Totals	13,236		21.1%	14,787		24.1%

(1) Source: City of Sandy Springs employer's business license filing

(2) Source: U.S. Bureau of Labor Statistics

CITY OF SANDY SPRINGS, GEORGIA

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

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government	83	83	80	65	72	73	53	50	50	49
Judicial	11	11	10	8	11	11	12	12	12	12
Public safety										
Police										
Officers	167	162	169	143	153	149	142	137	133	129
Civilians	23	23	17	21	21	25	37	22	22	22
Fire										
Firefighters (1)	121	121	117	110	110	113	113	109	115	96
Civilians	4	4	5	6	6	5	7	4	1	1
Emergency Management	1	1	1	1	1	-	-	-	-	-
Public works										
Highways and streets	46	46	44	38	42	37	34	32	32	31
Culture and recreation (3)	92	98 (4)	38	64	103	78 (2)	12	11	11	10
Housing and development	46	45	45	33	39	36	40	39	39	34
Total	594	594	526	489	558	527	450	416	415	384

Source: City of Sandy Springs Human Resources Department

(1) Includes the full time equivalents for the part time positions.

(2) Increase due to the Performing Arts Center at the new City Springs facility opening at the end of fiscal year 2018.

(3) Consists of R&P and CSS FT & PT.

(4) Increase due to increased performances held at the Performing Arts Center.

CITY OF SANDY SPRINGS, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government										
Ordinances approved	24	33	26	31	21	31	30	35	38	48
Court cases	12,985	13,942	15,184	(2) 18,434	20,267	18,024	18,529	19,550	18,323	18,323
Grants managed	17	11	13		6	14	9	12	13	17
Police										
Calls for service	98,028	102,864	100,111	113,838	135,868	129,057	111,374	121,704	93,201	95,138
Part 1 crimes reported (1)	1,843	1,952	1,802	1,814	1,963	2,205	2,312	2,744	2,727	2,766
Traffic citations issued	18,648	19,902	19,293	12,654	17,835	13,059	35,979	23,936	24,125	21,274
Fire										
Incident responses	12,950	13,199	14,368	14,138	13,875	11,812	12,049	13,251	10,853	11,347
Average response time	7.49 min	7.46 min	6.24 min	7.15 min	7.04 min	7.02 min	7.01 min	7	7	7
Fire safety programs conducted	293	238	143	48	551	633	285	622	369	463
Inspections conducted	7,463	5,214	7,297	7,316	5,511	5,336	6,981	5,617	4,448	5,729
Highways and streets										
Traffic signals timed	132	132	131	132	132	136	136	132	130	126
Average days to repair pothole	3-days	3-days	3-days	1-2 days	1-2 days	1-2 days	1-3 days	1-3 days	1-3 days	1-5 days
Community development										
Stormwater plans reviewed	115	99	80	57	80	91	85	87	68	57
New building permits issued	3,304	3,266	4,064	2,083	2,033	2,025	2,418	2,197	2,127	2,749
Culture and recreation										
Park acres maintained	296	295	295	276	272	272	272	272	220	220
Park and facilities	30	28	27	27	26	26	26	17	17	17
Annual program registrants	103,049	112,632	89,229	60,157	73,832	115,071	94,996	50,206	52,268	45,110

Sources: Various City departments.

(1) Stats are reported using NIBRS (National Incident-Based Reporting System). Sandy Springs transitioned to NIBRS in February 2019. NIBRS captures single crime incident details and information on any other offense within the same incident. For more info on NIBRS – see: <https://www.fbi.gov/services/cjis/ucr/nibrs>

(2) In 2022, the City began tracking data for citations arbitrated just within the City. All numbers prior to 2022 are all citations issued, including those arbitrated by the City and the State.

CITY OF SANDY SPRINGS, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police										
Stations (1)	1	1	1	1	1	1	1	1	1	1
Patrol Units	221	230	226	226	220	210	205	191	191	176
Patrol Zones	9	9	9	9	9	9	9	8	8	8
Fire stations										
Leased (1)	-	-	-	-	-	1	1	1	1	1
Owned	5	5	5	4	4	3	3	3	3	3
Public Works										
Streets (miles)	302	302	302	302	302	302	302	302	360	360
Traffic Signals	132	132	132	132	132	136	136	132	126	126
Culture and recreation										
Park acreage	296	295	295	272	272	272	272	272	220	220
Recreational facilities	30	28	27	26	26	26	26	17	17	17

Source: Various City departments.

(1) Reflects building lease.

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

APPENDIX B

SUMMARY OF BOND RESOLUTION AND LEASE AGREEMENT

SUMMARY OF BOND RESOLUTION AND LEASE AGREEMENT

The following is a summary of certain provisions of the Bond Resolution and the Lease Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Bond Resolution and the Lease Agreement, a copy of each is on file in the office of the Secretary of the Authority.

BOND RESOLUTION

Definition of Certain Terms

“Additional Bonds” means any revenue bonds of the Authority ranking on a parity with the Series 2025 Bonds which may hereafter be issued pursuant to the Bond Resolution.

“Authority” means the City of Sandy Springs Public Facilities Authority and its successors and assigns.

“Bond Registrar” means initially U.S. Bank National Association, Atlanta, Georgia, its successors and assigns or any successor commercial bank or banks appointed by the Authority and approved by the City to serve as bond registrar, in accordance with the terms of the Bond Resolution and any supplemental resolution, for any series of Bonds secured by the Bond Resolution.

“Bond Resolution” means the Bond Resolution of the Authority adopted on August 5, 2025, as supplemented by a Supplemental Resolution, adopted by the Authority on September 16, 2025, and as same may be supplemented from time to time.

“Bondholders” and “owners” mean the registered owners of the outstanding Bonds.

“Bonds” means the Series 2025 Bonds and any Additional Bonds authorized by and issued pursuant to the Bond Resolution.

“City” means the City of Sandy Springs, Georgia and its successors or assigns.

“Code” means the Internal Revenue Code of 1986, as amended and any applicable regulations thereunder.

“Fiscal Year” means the period commencing on the 1st day of July in each calendar year and extending through the 30th day of June of the following year, or such other period as shall hereafter be adopted by the City as provided in the Bond Resolution.

“Government Obligations” means (a) direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and the interest on which is fully and unconditionally guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par by anyone other than the holder.

“Interest Payment Date” means the 1st day of each May and November of each year, commencing May 1, 2026.

“Lease Agreement” means the Lease Agreement, dated as of September 1, 2025, between the Authority and the City, with respect to the Projects, as the same from time to time may be amended.

“Lease Payments” means the payments which are to be received by the Authority pursuant to the Lease Agreement, which are equal to the amounts sufficient to enable the Authority to pay the principal of and interest on the Bonds as the same become due, whether at maturity or by proceedings for mandatory redemption; provided, however, the City shall receive a credit against any required Lease Payment to the extent moneys are on deposit in the Sinking Fund and available to pay the principal of, premium, if any, and interest on the Bonds coming due on the next succeeding May 1 or November 1, as the case may be. In addition to the foregoing, each Lease Payment shall include (a) the payment of charges for paying the Bonds and interest thereon and the charges for the registration of the Bonds secured thereby and their transfer or exchange in accordance with the terms thereof; and (b) the payment of any charges for investment services, including, but not limited to the fees of the custodians and depositories, and any deficit in any preceding Lease Payment.

“Paying Agent” means initially U.S. Bank National Association, Atlanta, Georgia, its successors and assigns, or any successor commercial bank or banks appointed by the Authority and approved by the City to serve as paying agent, in accordance with the terms of the Bond Resolution and any supplemental resolution, for any series of Bonds secured by the Bond Resolution.

“Permitted Investments” means and includes any of the following securities, if and to the extent the same are at the time legal for investment of Authority funds:

(1) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated, as amended;

(2) Bonds or obligations of such county, municipal corporation, school district, political subdivision, authority, or body or bonds or obligations of the State of Georgia or other states or of other counties, municipal corporations, and political subdivisions of the State of Georgia;

(3) Bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(4) Obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(5) Bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(6) Certificates of deposit of national or state banks located within this state which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within this state which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within this state or with a trust office within this state, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of

the State of Georgia or other states or of any City or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (3) above, obligations of the agencies and instrumentalities of the United States government described in (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (5) above;

(7) Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(A) The portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (3) and (4) above and repurchase agreements fully collateralized by any such obligations;

(B) Such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(C) Such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(D) Securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(8) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

(9) any other investments authorized by the laws of the State of Georgia.

“Projects” means the public facility projects financed with the proceeds of the proceeds of the Series 2025 Bonds, as described more fully in the Project Report attached as an exhibit to the Bond Resolution.

“Series 2025 Bonds” means the \$48,965,000 in aggregate principal amount of City of Sandy Springs Public Facilities Authority Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025 authorized to be issued pursuant to the Bond Resolution.

“Sinking Fund” shall mean the City of Sandy Springs Public Facilities Authority Sinking Fund – City of Sandy Springs Fire and Safety Projects created pursuant to the Bond Resolution.

“Sinking Fund Custodian” means initially U.S. Bank National Association, Atlanta, Georgia and its successors and assigns, or any successor sinking fund custodian hereafter appointed by the Authority and approved by the City; provided, however, the Sinking Fund Custodian shall at all times be a commercial bank or trust company.

“Sinking Fund Investments” shall mean (a) obligations of the United States and its agencies and instrumentalities, (b) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation, provided, however, that the portion of such certificates of deposit in excess of the amount insured by

the Federal Deposit Insurance Corporation must be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured, and (c) the local government investment pool established by Section 36-83-8 of the Official Code of Georgia Annotated.

“Sinking Fund Year” shall mean the period commencing on the 2nd day of May in each year and extending through the 1st day of May in the next year.

General Provisions

Liens. The Authority shall not to create, or permit to be created, any charge, lien or encumbrance or any security interest in or on the Lease Payments and the Lease Agreement ranking prior to or equal with said lien on the Lease Payments and the Lease Agreement created to secure payment of the Bonds.

Pledge of Lease Agreement and Lease Payments. The Lease Agreement and the Lease Payments are pledged to the payment of the Bonds, and the Lease Agreement and the Lease Payments so pledged will immediately be subject to the lien of this pledge without any physical delivery thereof or further acts, and the lien of this pledge will be valid and binding against the Authority and the City and against all parties having claims of any kind against them, whether such claims shall have arisen in contract, tort or otherwise and irrespective of whether or not such parties have notice hereof.

Creation of Sinking Fund; Investment of Moneys. There is a special trust fund for the benefit of the owners of the Bonds designated as “City of Sandy Springs Public Facilities Authority Sinking Fund – City of Sandy Springs Fire and Safety Projects” (the “Sinking Fund”). There will be paid into the Sinking Fund, on or prior to May 1 and November 1 of each year, commencing May 1, 2026, the amount required to pay the Lease Payments. The Lease Payments made by the City pursuant to the Lease Agreement (except payments required pursuant to the Bond Resolution for (a) the payment of charges for paying the Bonds and interest thereon and the charges for the registration of the Bonds secured thereby and their transfer or exchange in accordance with the terms thereof; and (b) the payment of any charges for investment services, including, but not limited to the fees of the custodians and depositories) shall be deposited directly into the Sinking Fund. Moneys deposited in the Sinking Fund shall be used to pay the principal of and interest on the Bonds when due, whether at maturity or by proceedings for mandatory redemption.

The Sinking Fund will be kept as a trust account for the benefit of the owners of the Bonds separate from other deposits of the Authority and the City. Moneys on deposit in the Sinking Fund will be invested only in Sinking Fund Investments upon the written direction of the City. Any such securities will be held by the Sinking Fund Custodian for the account of the Sinking Fund until maturity or until sold. Except as provided in the Bond Resolution, at the maturity or upon such sale, the proceeds received therefrom, including interest income and premium, if any, shall be immediately deposited into the Sinking Fund and shall be disbursed in the manner and for the purposes set forth in the Bond Resolution.

Events of Default; Remedies

Events of Default. Each of the following events is an “Event of Default”: (a) payment of the principal of any of the Bonds will not be made when the same becomes due and payable, at maturity or by proceedings for mandatory redemption or optional redemption; or (b) payment of any installment of interest will not be made when the same becomes due and payable; or (c) the Authority shall, for any reason, be rendered incapable of fulfilling its obligations under the Bond Resolution; or (d) the Authority makes a default in the due and punctual performance of any other of the covenants, conditions, agreements or provisions contained in the Bonds or in the Bond Resolution, on the part of the Authority to be performed, and such default will continue for thirty (30) days after written notice, specifying such default and requiring same to be remedied, will have been given to the Authority by any Bondholder; provided, however, if the default stated in the notice cannot be corrected within such 30-day period, it shall not be a default hereunder if the Authority shall institute corrective action and diligently pursue it until the default is cured; or (e) an event of default occurs under the Lease Agreement.

Remedies. Upon the happening and continuance of any Event of Default, then and in every such case any

Bondholder may proceed, for the equal benefit of all owners, to protect and enforce the rights of the Bondholders by a suit, action or special proceedings in equity, or at law, either for the appointment of a receiver of the Projects as authorized by the Revenue Bond Law, or for the special performance of any covenant or agreement contained in the Bond Resolution or in aid or execution of any power granted in the Bond Resolution, or for the enforcement of any proper legal or equitable remedy as such Bondholder shall deem most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

Restoration. In case any proceeding taken by any Bondholder on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Bondholder, then and in every such case the Authority and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondholders shall continue as though no such proceedings had been taken.

Equal Benefit. No one, or more, owners of the Bonds secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at laws or in equity shall be instituted, had and maintained for the equal benefit of all owners of such outstanding Bonds.

Nonexclusivity of Remedies. No remedy herein conferred upon the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute.

No Waiver. No delay or omission of any Bondholder to exercise any right or power accruing upon any default occurring and continuing as aforesaid, shall impair any such default or be construed as an acquiescence therein and every power and remedy given by this Article to the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Supplemental Bond Resolutions

The Authority may, with the approval of the owners of at least 51% in aggregate principal amount of the Bonds then outstanding, adopt such resolution or resolutions supplemental to the Bond Resolution as deemed necessary or desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Bond Resolution or in any supplemental resolution or in the Bonds; provided, however, that nothing contained in the Bond Resolution shall permit, or be construed as permitting: (a) the extension of the maturity of any Bond issued hereunder; (b) the reduction in the principal amount of any Bond or the alteration of the rate or rates of interest thereon or any other modification of the terms of payment of such principal or interest; (c) the reduction of the percentage of the principal amount of Bonds required for consent to such supplemental resolution; (d) the creation of any lien on the Lease Payments or the Lease Agreement prior to or superior to the lien created as the security for the payment of the Bonds. A modification or amendment of the provisions with respect to the Sinking Fund is not to be deemed a change in the terms of payment.

Nothing contained in the Bond Resolution, however, shall be construed as making necessary the approval by the Bondholders of any resolution not inconsistent with the terms and provisions of the Bond Resolution or any resolution adopted (a) in connection with the issuance of one or more series of Series 2025 Bonds in accordance with the terms of this Bond Resolution; (b) to cure any ambiguity or formal defect or omission in the Bond Resolution or in any supplemental proceedings, (c) to provide for the issuance of Additional Bonds in accordance with the terms of the Bond Resolution (including without limitation the addition of events of default and remedies relating to any Additional Bonds hereafter incurred by the Authority), (d) to grant any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders by the Authority, (e) to further expand or clarify the amounts required to be paid into the Sinking Fund and the timing thereof, (f) to modify, amend or supplement the Bond Resolution or any proceedings supplemental hereto in such manner as to permit the qualification of the Bond Resolution under the Trust Indenture Act of 1939 or any federal statute hereinafter in effect, (g) to make any modifications or amendment of the Bond Resolution required in order to make the Bonds eligible for acceptance by The Depository Trust Company or any similar holding institution or to permit the issuance of the Bonds in book-entry form, (h) to modify any provisions of this Bond Resolution in any respect provided that such modification shall not be effective until after the Bonds outstanding immediately prior the

effective date of such supplemental resolution shall cease to be outstanding or constitute a majority of all Bonds and further provided that any Bonds issued contemporaneously with or after the effective date of such supplemental proceedings shall contain a specific reference to the modifications contained in any such subsequent proceedings, or (i) to make any other changes that in the opinion of counsel are not materially adverse to the interests of the bondholders.

Additional Bonds

No other bonds or obligations of any kind or nature will hereafter be issued which are payable from or enjoy a lien on the Lease Payments prior to the lien created for the payment of the Series 2025 Bonds.

The Bond Resolution expressly provides, however, that Additional Bonds or obligations may be issued ranking as to lien on the Lease Payments on a parity with the Series 2025 Bonds, provided the following conditions are met:

(a) There shall be no default in the payment of principal of or interest on any Bond currently existing.

(b) An amendment to the Lease Agreement shall have been entered into between the Authority and the City to ensure payment by the City of amounts sufficient to pay the principal of and interest on the Additional Bonds proposed to be issued as the same become due and payable.

(c) the City's pledge of its taxing power, subject to the 4.731 mill per dollar limitation (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), produces an amount that is at least 1.00 times the maximum annual debt service coming due on the Bonds (including the proposed Additional Bonds or obligations) in any Sinking Fund Year.

(d) The Authority shall pass proper proceedings reciting that all of the above requirements have been met, shall authorize the issuance of the Additional Bonds and shall provide in such proceedings, among other things, the date such Additional Bonds shall bear, the rate or rates of interest and maturity dates, as well as the registration and redemption provisions, if any. The interest on the Additional Bonds of any such issue shall fall due on May 1 and November 1 of each year, and the Additional Bonds shall mature in installments on May 1, but, as to principal, not necessarily in each year or in equal installments. Any such proceeding or proceedings shall restate and reaffirm, by reference, all of the applicable terms, conditions and provisions of the Bond Resolution.

Defeasance

If (a) the Authority shall pay or cause to be paid to the Bondholders the principal of and the interest to become due on the Bonds at the times and in the manner stipulated therein and in the Bond Resolution, (b) all fees, charges and expenses of the Paying Agent, Bond Registrar, depositories and custodians have been paid or provision for such payment has been made, and (c) the Authority will keep, perform and observe all of its agreements in the Bonds and the Bond Resolution expressed as to be kept, performed and observed by it or on its part, then the rights granted in the Bond Resolution will cease, determine and be discharged.

The Bonds will be deemed to be paid within the meaning of the Bond Resolution if (a) sufficient moneys will have been irrevocably deposited with the Paying Agent to pay the same when they become due, (b) there shall have been irrevocably deposited with the Paying Agent moneys or Government Obligations, which, without any reinvestment thereof or of the interest thereon, will produce moneys sufficient (as evidenced by an opinion or report of an independent certified public accountant or firm thereof) to pay the same when they become due (whether upon or prior to the stated maturity or the redemption date of the Bonds); provided, however, that if any of the Bonds are to be redeemed prior to its stated maturity, notice of such redemption will have been given as provided in the Bond Resolution or irrevocable arrangements satisfactory to the Paying Agent have been made for the giving thereof.

LEASE AGREEMENT

Representations by the Authority

Under the Lease Agreement, the Authority makes no representation as to the financial position or business condition of the City and does not represent or warrant as to any of the statements, materials (financial or otherwise), representations or certifications with respect to the City in connection with the sales of the Series 2025 Bonds, or as to the correctness, completeness or accuracy of such statements.

Issuance of Series 2025 Bonds; Application of Bond Proceeds

Under the terms of the Lease Agreement, the Authority has agreed to issue the Series 2025 Bonds and apply the proceeds from the sale thereof as provided in the Bond Resolution, as supplemented by the Supplemental Resolution.

Duration of Term; Lease Payments

The Lease Agreement became effective as of September 1, 2025 and the leasehold interests created by the Lease Agreement shall then begin, and, subject to the other provisions of the Lease Agreement, shall expire on the later of (a) May 1, 2055, or if at said time and on said date the Series 2025 Bonds have not been paid in full as to principal and interest then on such date as such payment shall have been made, or (b) the date the Series 2025 Bonds have been paid in full, but in no event in excess of fifty (50) years from the date of the Lease Agreement (the "Lease Term").

Pursuant to the Lease Agreement, on or prior to May 1 and November 1 of each year, commencing May 1, 2026, the City will make the Lease Payments with respect to the Series 2025 Bonds to the Authority. The Lease Payments will be made by payment directly to the Sinking Fund Custodian for deposit into the Sinking Fund (except as described in the Bond Resolution).

The obligations of the City to make the Lease Payments when due, and to perform its other obligations under the Lease Agreement, are absolute and unconditional general obligations of the City. Under the Lease Agreement, the City pledges its full faith and credit and taxing power, subject to the mileage limitation provided below, to such payment and performance. In the event the amount of funds lawfully available to the City is not sufficient to pay the Lease Payments when due in any year, the City will levy an ad valorem tax, at such rate or rates, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), on all taxable property located within the limits of the City subject to taxation for such purposes, as now existent and as same may hereafter be extended, as may be necessary to produce in each calendar year revenues which will be sufficient to fulfill the City's obligations under the Lease Agreement. From such revenues there will be appropriated sums sufficient to pay in full when due the obligations contracted to be paid by the City including specifically the obligation to make the Lease Payments. Pursuant to the Lease Agreement, the City creates a lien on any and all revenues realized by it pursuant to its taxing power pledged under the Lease Agreement to enable it to make the Lease Payments required pursuant to the Lease Agreement and such lien is superior to any that can hereafter be made; provided, however, the City may create a lien on a parity with the lien created in the Lease Agreement with the issuance of Additional Bonds.

Pursuant to the Lease Agreement, the City further covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such Lease Payments that may be required to be made, whether or not any other sums are included in such measure, until all payments so required to be made will have been made in full. The obligation of the City to make the Lease Payments will constitute a general obligation of the City and a pledge of the full faith and credit of the City, subject to the mileage limitation provided above, to provide the funds required to fulfill such obligation; provided, however, nothing contained in the Lease Agreement will be construed as limiting the right of the City to pay the obligations assumed out of its general funds or from other sources lawfully available to it for such purpose.

In the event for any reason any such provision or appropriation is not made as provided in the preceding paragraph, then the fiscal officers of the City are authorized and directed to set up as an appropriation on their accounts in the appropriate fiscal year the amounts required to pay the obligations which may be due from the general funds of the City. The amount of such appropriation will be due and payable and will be expended for the purpose of paying any such obligations, and such appropriation will have the same legal status as if the City had included the amount of the appropriation in its general revenue, appropriation and budgetary measures, and the fiscal officers of the City will make such Lease Payments to the Sinking Fund Custodian for deposit to the Sinking Fund if for any reason the payment of such obligations will not otherwise have been made.

Covenants

Maintenance and Operation of the Projects. Under the Lease Agreement, the City shall operate and maintain the Projects or cause the Projects to be operated and maintained economically, efficiently and in accordance with good business practices and in compliance with the terms of the laws, regulations and ordinances of any federal, state or county government having jurisdiction over the operation of such facilities.

Operating Expenses. The City shall pay or cause to be paid the reasonable and necessary costs of operating, maintaining and repairing the Projects, including salaries, wages, employee benefits, the payment of any contractual obligations incurred pertaining to the operation of the Projects, cost of materials and supplies, rentals (excluding Lease Payments) of leased property, real or personal, insurance premiums, audit fees, any incidental expenses and such other charges as may properly be made for the purpose of operating, maintaining and repairing the Projects in accordance with sound business practice. The City shall also carry insurance with respect to the Projects, of such type and in such amounts as is customarily obtained for a similar project, with a responsible insurance company or companies authorized and qualified to do business in the State.

Liens; Easements; Subleases; Sale of Assets.

The City shall not create or suffer to be created, any lien, security interest or charge on the Projects, or any part thereof, and it shall pay, or cause to be discharged, or it shall make adequate provisions to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects, which, if unpaid, might by law become a lien upon the Projects, or any part thereof; provided, however, that nothing contained in the Lease Agreement shall require the City to pay, or cause to be discharged, or make provision for, any such lien, security interest or charge, so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

The City may grant or cause to be granted, whether to itself or otherwise, easements, licenses, rights-of-way (temporary or perpetual and including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Projects, or the City may cause to be released existing easements, licenses, rights-of-way and other rights or privileges in the nature of easements, held with respect to any property included in the Projects with or without consideration. In connection with any such grant, the Authority and the City agree that they shall execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or assent.

The Authority, at the direction of the City, may sell, sublease or give away all or a portion of the Projects. Prior to such conveyance, the Authority and the City shall obtain an opinion of nationally recognized bond counsel to the effect that such sale or lease will not adversely affect the tax status of any Series 2025 Bonds as provided in the Bond Resolution.

Use of Proceeds and Specific Tax Covenants.

The Series 2025 Bonds were issued by the Authority in compliance with the conditions necessary for interest income on the Series 2025 Bonds to be excluded from gross income for federal income tax purposes pursuant to the provisions of Section 103(a) of the Code relating to obligations of the State or political subdivisions thereof. It is the intention of the Authority and the City that the interest on the Series 2025 Bonds be and remain excludable from gross income for federal income tax purposes, and, to that end, the Authority and the City hereby covenant with the Bondholders as follows:

(a) That they will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the tax exempt status of interest on the Series 2025 Bonds under Section 103 of the Code.

(b) That they will not directly or indirectly use or permit the use of any of the proceeds of the Series 2025 Bonds or take or omit to take any action in a way that would cause the Series 2025 Bonds to be (i) “private activity bonds” within the meaning of Section 141 of the Code or (ii) obligations which are “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) That they will not directly or indirectly use or permit the use of any proceeds of the Series 2025 Bonds or any other funds of the City or take or omit to take any action that would cause the Series 2025 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the City will comply with all requirements of Section 148 of the Code and any regulations promulgated thereunder to the extent applicable to the City. In the event that at any time the City or the Authority is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on the investment of any moneys held under the Bond Resolution, the Authority and the City shall take such action as may be necessary to effect the same.

Arbitrage Covenants.

Neither the Authority nor the City shall, subsequent to the date of the issuance and delivery of the Series 2025 Bonds, intentionally use any portions of the proceeds of the Series 2025 Bonds to acquire higher yielding investments, or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as may otherwise be permitted by the Code, including, but not limited to, complying with the requirements of Section 148(f) of the Code and the payment of rebate, if any, required to be made by the Authority, and that they will expend the proceeds of the Series 2025 Bonds in compliance with the applicable provisions of Section 141 to 149, inclusive, of the Code.

Events of Default, Remedies

The following shall be “events of default” under the Lease Agreement and the terms “event of default” or “default” shall mean, whenever they are used in the Lease Agreement, any one or more of the following events:

(a) Failure by the City to make the Lease Payments required to be paid pursuant to the Lease Agreement at the times specified therein;

(b) The City shall fail to perform any of the other agreements, conditions, covenants or terms herein required to be performed by the City and such default shall continue for a period of 30 days after written notice has been given to the City by the Authority, the Paying Agent or the Bondholders specifying such default and requesting that it be remedied, or within a greater number of days if such remedy has been undertaken and is being diligently pursued and more than 30 days is required for its completion; provided, however, that if, by reason of force majeure, the City is unable, in whole or in part, to perform the obligations on its part herein undertaken (other than the obligations relating to the Lease Payments), the City shall not be deemed in default during the continuance of such inability to perform. The term force majeure shall mean, without limitation, acts of God; strikes; work stoppages or similar disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes, fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery or equipment; partial or entire failure of utilities, or any other cause or event not reasonably within the control of the City. The City will use its best efforts, however, to remedy, with all reasonable dispatch, the cause or causes preventing the City from carrying out such obligation; provided, that the settlement of strikes, work stoppages and similar disturbances shall be entirely within the discretion of the City and the City shall not be required to make settlement of such disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City; or

- (c) An “event of default” shall have occurred under the Bond Resolution.

Notwithstanding the foregoing, a breach of the covenant contained in the Lease Agreement regarding complying with the City’s obligations under Rule 15c2-12 shall not be deemed an event of default under the Lease Agreement, and the sole remedy shall be an action to compel performance.

Remedies. Whenever any “event of default” will have happened and be subsisting, the nondefaulting party, or the Bondholders as provided in the Bond Resolution, may take any one or more of the following remedial steps:

(a) The Authority or the Bondholders may seek the appointment of a receiver for the Projects;

(b) The Authority or the Bondholders may require the City to furnish copies of all books and records of the City pertaining to the Projects;

(c) The Authority or the Bondholders may required any depository under the Bond Resolution to turn over to the Sinking Fund Custodian any moneys held in any of the funds created pursuant to the Bond Resolution;

(d) The Authority or the Bondholders may take whatever action at law or in equity may appear necessary or desirable to collect the Lease Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under the Lease Agreement; and

(e) The Bondholders may exercise any remedies provided for in the Bond Resolution.

Any amounts collected pursuant to action taken under the Contact shall be applied in accordance with the Bond Resolution to the extent the provisions of the Bond Resolution relate to such amounts.

No Remedy Exclusive. No remedy conferred under the Lease Agreement upon or reserved to the Authority or the Bondholders is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Bondholders to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice or notices as may be herein expressly required. Such rights and remedies as are given to the Authority hereunder shall also extend to the Bondholders, and the Bondholders shall be deemed third party beneficiaries of all covenants and agreements herein contained.

No Waiver of Breach. In the event any agreement contained in the Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach under the Lease Agreement.

Failure to Enforce Agreement Not a Waiver. The failure of the Authority or the Bondholders to enforce any agreement, condition, covenant or term by reason of any default or breach by the City shall not be deemed to void or affect the right to enforce the same agreement, condition, covenant or term on the occasion of any subsequent default or breach.

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Sandy Springs, Georgia (the “City”) in connection with the issuance of \$48,965,000 in aggregate principal amount of City of Sandy Springs Public Facilities Authority Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025 (the “Bonds”). The Bonds are being issued pursuant to a resolution of the City of Sandy Springs Public Facilities Authority (the “Authority”), adopted on August 5, 2025, as supplemented on September 16, 2025 (collectively, the “Bond Resolution”). The City hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Beneficial Owners (as herein defined) of the Bonds and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

SECTION 2. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to the Rule and this Disclosure Certificate.

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Bonds (including persons holding the Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any of the Bonds for federal income tax purposes.

“Dissemination Agent” shall mean any person(s) appointed from time to time by the City to assist in carrying out its obligations under this Disclosure Certificate.

“EMMA” means the MSRB’s Electronic Municipal Market Access System, as described in Securities Exchange Act of 1934, Act Release No. 34-59062, which receives electronic submissions of the Annual Report on the EMMA website at <http://www.emma.msrb.org>.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the City as its fiscal year for financial reporting purposes and shall initially mean the period beginning on July 1 of each calendar year and ending June 30 of the next calendar year.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto. Currently, the MSRB’s address is:

MSRB
1900 Duke Street, Suite 600
Alexandria, VA 22314
Attn: Disclosure

“Participating Underwriter” shall mean the original purchaser of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) Not later than 270 days after the end of the Fiscal Year, commencing with Fiscal Year

2020, the City shall provide, or cause the Dissemination Agent (if other than the City) to provide, an Annual Report electronically to EMMA. The Annual Report will be made to EMMA as PDF files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate. Notwithstanding the foregoing, the audited financial statements of the City may be submitted separately from the balance of the Annual Report when such audited financial statements are available. In the event that the audited financial statements are not included with the Annual Report and will be submitted at a later date, the City shall include unaudited financial statements in the Annual Report and shall indicate in the Annual Report the date on which the audited financial statements will be submitted. The audited financial statements when available will be provided to EMMA.

(b) Not later than 15 business days prior to the date specified in paragraph (a) of this Section 3 for providing the Annual Report to EMMA, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If the City is unable to provide an Annual Report by the date required in paragraph (a), the Dissemination Agent shall timely send a notice to EMMA in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall also:

(i) determine each year prior to the date for providing the Annual Report, the manner of filing with EMMA; and

(ii) (if the Dissemination Agent is other than the City) file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to EMMA.

SECTION 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) If audited financial statements are not yet available, the unaudited financial statements of the City, and when audited financial statements are available, the audited financial statements of the City, both such types of financial statements to be prepared in conformity with generally accepted accounting principles, as in effect from time to time.

(b) If the accounting principles changed from the previous fiscal year, a description of the impact of the change as required by Section 8 of this Disclosure Certificate.

(c) A statement indicating that the fiscal year has not changed, or, if the fiscal year has changed, a statement indicating the new fiscal year.

(d) Tabular information for the preceding Fiscal Year regarding the following categories of financial information and operating data of the City of the type and in the format set forth in the Official Statement under the following sections:

- (1) "CITY DEBT STRUCTURE - Summary of City Debt and Overlapping Debt by Category;"
- (2) "CITY DEBT STRUCTURE – Tax Supported Debt Ratios;"
- (3) "CITY DEBT STRUCTURE – Limitations of City Debt;"
- (4) "CITY AD VALOREM TAXATION – Forma Tax Revenues Available for Debt Service for the Revenue Bonds of the Issuer from a Maximum 4.731 Mill Levy;"
- (5) "CITY AD VALOREM TAXATION – Tax Collection;"
- (6) "CITY AD VALOREM TAXATION – Historical Property Tax Information;"
- (7) "CITY AD VALOREM TAXATION – Tax Rates - Mills;"
- (8) "CITY AD VALOREM TAXATION – Principal Taxpayers;"
- (9) "CITY FINANCIAL INFORMATION - General Fund History;" and
- (10) "CITY FINANCIAL INFORMATION - Budget."

Any or all of the items listed above may be incorporated by reference from other documents, including

official statements of debt issues with respect to which the City is an “obligated person” (as defined by the Rule), which have been filed in accordance with the Rule and the other rules of the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice to EMMA, in an electronic format as prescribed by the MSRB, of the occurrence of any of the following events with respect to the Bonds within ten business days of the occurrence of the event:

- (i) Principal and interest payment delinquencies.
- (ii) Non-payment related defaults, if material.
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (v) Substitution of credit or liquidity providers, or their failure to perform.
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed of final determinations of taxability, Notices of Proposed Issue (IRS Form 5071-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
- (vii) Modifications to rights of the Bondholders, if material.
- (viii) Bond calls, if material, and tender offers.
- (ix) Defeasances.
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material.
- (xi) Rating changes.
- (xii) Bankruptcy, insolvency, receivership or similar event of the City.
- (xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, or the entry into a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (xv) Incurrence of a financial obligation (defined in paragraph (b) below) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material, and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

(b) For purposes of this Section 5, the term “financial obligation” means a (i) debt obligation;

(ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The content of any notice of the occurrence of a Listed Event shall be determined by the City and shall be in substantially the form attached as Exhibit B.

SECTION 6. Termination of Reporting Obligation. The City’s obligations under this Disclosure Certificate shall terminate upon the defeasance (within the meaning of the Rule), prior redemption or payment in full of all of the Bonds. The City shall notify EMMA that the City’s obligations under this Disclosure Certificate have terminated. If the City’s obligations are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the City, and the original City shall have no further responsibility hereunder.

SECTION 7. Dissemination Agent. The City may, from time to time, appoint a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and the City may, from time to time, discharge the dissemination agent, with or without appointing a successor dissemination agent. If at any time there is not a designated dissemination agent, the City shall be the dissemination agent. The initial Dissemination Agent shall be the City.

SECTION 8. Amendment. This Disclosure Certificate may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to the City to the effect that the amendment does not violate the provisions of the Rule.

In the event that this Disclosure Certificate is amended or any provision of the Disclosure Certificate is waived, the notice of a Listed Event pursuant to Section 5(vii) hereof shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided in the Annual Report. If an amendment or waiver is made in this Disclosure Certificate which allows for a change in the accounting principles to be used in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and impact of the change in the accounting principles on the presentation of the financial information. A notice of the change in the accounting principles shall be deemed to be material and shall be sent to EMMA.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of any party to comply with this Disclosure Certificate shall be an action to compel performance. The cost to the City of performing its obligations under the provisions of this Disclosure Certificate shall be paid solely from funds lawfully available for such purpose.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and

liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The Dissemination Agent may consult with counsel (who may, but need not, be counsel for any party hereto or the City), and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such Counsel. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Intermediaries; Expenses. The Dissemination Agent is hereby authorized to employ intermediaries to carry out its obligations hereunder. The Dissemination Agent shall be reimbursed immediately for all such expenses and any other reasonable expense incurred hereunder (including, but not limited to, attorney's fees).

SECTION 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State.

SECTION 16. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Date: September 16, 2025

CITY OF SANDY SPRINGS, GEORGIA

(SEAL)

By: _____
Mayor

Attest:

By: _____
Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Sandy Springs Public Facilities Authority

Name of Bond Issue: \$48,965,000 City of Sandy Springs Public Facilities Authority Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025

CUSIP Number¹: _____

Date of Issuance: September 30, 2025

NOTICE IS HEREBY GIVEN that the City of Sandy Springs, Georgia (the “City”) has not provided an Annual Report due with respect to the above-named Bonds as required by its Disclosure Certificate, dated September 16, 2025. The City anticipates that the Annual Report will be filed by _____.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to _____.

Dated: _____

CITY OF SANDY SPRINGS, GEORGIA

By: _____
Mayor

¹ No representation is made as to the correctness of the CUSIP number either as printed on the bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

EXHIBIT B

NOTICE OF THE OCCURRENCE
OF [INSERT THE LISTED EVENT]

Relating to

\$48,965,000 City of Sandy Springs Public Facilities Authority
Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025¹:

Notice is hereby given that [insert the Listed Event] has occurred. [Describe circumstances leading up to the event, action being taken and anticipated impact.]

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

[Notice of the Listed Events described in Section 5(a)(10) shall include the following:

The City hereby expressly reserves the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional/extraordinary redemption provisions of said defeased bonds.

OR

The City hereby covenants not to exercise any optional or extraordinary redemption provisions under the Resolution; however, the sinking fund provision will survive the defeasance.

AND

The Bonds have been defeased to [maturity/the first call date, which is _____]. This notice does not constitute a notice of redemption and no bonds should be delivered to the City or the Paying Agent as a result of this mailing. A Notice of Redemption instructing you where to submit your bonds for payment will be mailed _____ to _____ days prior to the redemption date.]

Dated: _____

¹ No representation is made as to the correctness of the CUSIP number either as printed on the bonds or as contained herein, and reliance may only be placed on other bond identification contained herein.

APPENDIX D

FORM OF BOND COUNSEL OPINION

GRAY PANNELL & WOODWARD
LLP
Attorneys at Law

336 Hill Street
Athens, Georgia 30601
(706) 510-1550

323 East Congress Street
Savannah, GA 31401
(912) 443-4040

September 30, 2025

City of Sandy Springs Public Facilities Authority
Sandy Springs, Georgia

City of Sandy Springs, Georgia
Sandy Springs, Georgia

U.S. Bank National Association
Atlanta, Georgia

Re: \$48,965,000 City of Sandy Springs Public Facilities Authority Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Sandy Springs Public Facilities Authority (the "Authority") of \$48,965,000 in aggregate principal amount of its Revenue Bonds (City of Sandy Springs Fire and Safety Projects), Series 2025 (the "Series 2025 Bonds"). We have examined the law and such certified proceedings, including a certified copy of the validation proceeding with respect to the Series 2025 Bonds concluded in the Superior Court of Fulton County, Georgia, and such papers as we deem necessary to render this opinion.

The Series 2025 Bonds are being issued pursuant to a resolution adopted by the Authority on August 5, 2025, as supplemented on September 16, 2025 (collectively, the "Bond Resolution"), for the purpose of providing funds to (i) acquire, construct and install certain public buildings, facilities and equipment (the "Projects") necessary and convenient for the efficient operation of the City of Sandy Springs, Georgia (the "City"), and (ii) pay the costs of issuing the Series 2025 Bonds.

The Authority and the City have entered into a Lease Agreement, dated as of September 1, 2025 (the "Lease Agreement"), under which the Authority has agreed to issue the Series 2025 Bonds to provide funds to acquire, construct and install the Projects, and the City has agreed, among other things, to pay to the Authority for its facilities and services funds sufficient to pay the principal of and interest on the Series 2025 Bonds as and when the same become due and payable (the "Lease Payments"). Under the terms of the Lease Agreement, the City has agreed to levy a tax, if necessary, at such rates, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), on all taxable property located in the City, as may be necessary to make the Lease Payments.

The Series 2025 Bonds do not constitute a debt or a pledge of the faith and credit of the State of Georgia or any political subdivision or municipal corporation thereof, including the City. The Series 2025 Bonds shall not be payable from, nor a charge upon, any funds other than the moneys to be received from the City under the Lease Agreement and pledged to the payment thereof under the Bond Resolution. No holder of the Series 2025 Bonds shall ever have the right to compel the exercise of the taxing power of the State of Georgia or any political subdivision or municipal corporation thereof, including the City, to pay the Series 2025 Bonds or the interest thereon, except as may be authorized by law and required by the Lease Agreement and other documents related

thereto, or to enforce payment thereof against any property of the State of Georgia or any political subdivision or municipal corporation thereof, including the City, nor shall the Series 2025 Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the foregoing.

As to questions material to our opinion, we have relied upon representations and covenants of the Authority and the City and certified proceedings and other certifications of public officials furnished to us by or on behalf of the City or the Authority without undertaking to verify the same by independent investigation. In all such examinations, we have assumed the genuineness of signatures on original documents, and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Authority is a duly created and validly existing public body corporate and politic with power to enter into and to perform its obligations under the Bond Resolution and the Lease Agreement, and to issue the Series 2025 Bonds.
2. The City is a municipal corporation of the State of Georgia with power to enter into and to perform its obligations under the Lease Agreement.
3. The Bond Resolution has been duly adopted by the Authority and constitutes a legal, valid and binding obligation of the Authority, enforceable against the Authority.
4. The Lease Agreement has been duly authorized, executed and delivered by the Authority and the City, and constitutes a legal, valid and binding obligation of the Authority and the City, enforceable against the Authority and the City. Pursuant to the Lease Agreement, the City is obligated to levy an ad valorem property tax on all property in the City subject to such tax, if necessary, at such rates, not to exceed 4.731 mills per dollar (or such greater amount as may hereafter be recommended by the Mayor and Council of the City and approved by a majority of the eligible voters in the City by referendum), in order to pay the Lease Payments.
5. The Series 2025 Bonds have been duly authorized, executed and delivered by the Authority and are valid and binding limited obligations of the Authority payable solely from the Lease Payments. Under the terms of the Bond Resolution, the Authority has validly pledged the Lease Agreement and the Lease Payments to the payment of the Series 2025 Bonds.
6. Interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes and is not an item of preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2025 Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in the preceding sentence are subject to the condition that the Authority and the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Series 2025 Bonds in order that the interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Authority and the City have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2025 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2025 Bonds. We express no opinion with respect to any other federal income tax consequences arising with respect to the Series 2025 Bonds.
7. Under existing statutes, the interest on the Series 2025 Bonds is exempt from all present state income taxation within the State of Georgia.

We express no opinion regarding tax consequences arising with respect to the Series 2025 Bonds other than as expressly set forth herein.

The rights of the holder of the Series 2025 Bonds and the enforceability thereof and of the Bond

Resolution and the Lease Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally or principles or equity applicable to the availability of specific performance or other equitable relief.

This opinion is given as of the date hereof and we assume no obligations to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This opinion letter is solely for your benefit and it is not to be used, circulated, quoted or otherwise relied upon by any other person, or by you for any other purpose, without our express written consent in each instance.

Very truly yours,

GRAY, PANNELL & WOODWARD LLP

By: _____
A Partner