

DRAFT

POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR
ENDED SEPTEMBER 30,

2021

CITY OF MILTON, GEORGIA



Message to the Citizens and Stakeholders of Milton



OUR MISSION

We take pride in our responsibility to protect and improve the high quality of life for those we serve.

We are pleased to present the City of Milton's Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2021. The City of Milton continuously strives to provide the highest level of financial reporting and transparency. This document is the newest addition to our reporting series, and it is formulated to be a user-friendly version of the Annual Comprehensive Financial Report (ACFR) that is published on an annual basis.

The ACFR is a detailed account of the City's financial activities for the fiscal year and includes financial statements, notes, schedules, and statistics. The ACFR has been prepared in conformance with Generally Accepted Accounting Principles (GAAP) and was audited by Mauldin & Jenkins, LLC. The ACFR received an unmodified or "clean" audit opinion. Current year and prior reports can be found on the City's website at www.cityofmiltonga.us/FinancialReports or by contacting the Finance Department at 678-242-2500.

Within the Popular Annual Financial Report (PAFR), we have provided an overview of the financial highlights as well as some of the major initiatives accomplished by Team Milton throughout fiscal year 2021. Please note that the PAFR may depart from GAAP standards for simplicity to combine or summarize data. For a complete picture of the City's financial story, please refer to the annual Budget Book and the ACFR. Non-financial information regarding the City's annual accomplishments may be found in the Annual Report also available on the City's website.

As stewards of your tax dollars, our primary goal is to maintain a fiscally sound City. It is our intent that this PAFR provides insight and a greater understanding of the financial activities and health of the City while exhibiting a clear picture of where your tax dollars are being spent.

Thank you for your interest, and as always, please feel free to contact us if you have any questions, comments, or suggestions at info@cityofmiltonga.us.

Respectfully Submitted,

Bernadette Harvill
Finance Director

Steven Krokoff
City Manager

TABLE OF CONTENTS

Message to the Citizens and Stakeholders of Milton	2
City Organization and Leadership	3
City Recognitions	4
Community Profile	5
Financial Overview	6
Major Initiatives	13
Key Terms	16

City Leadership and Organization



MAYOR
Joe Lockwood



DISTRICT 1/POST 1
Peyton Jamison



DISTRICT 1/POST 2
Carol Cookerly



DISTRICT 2/POST 1
Laura Bentley



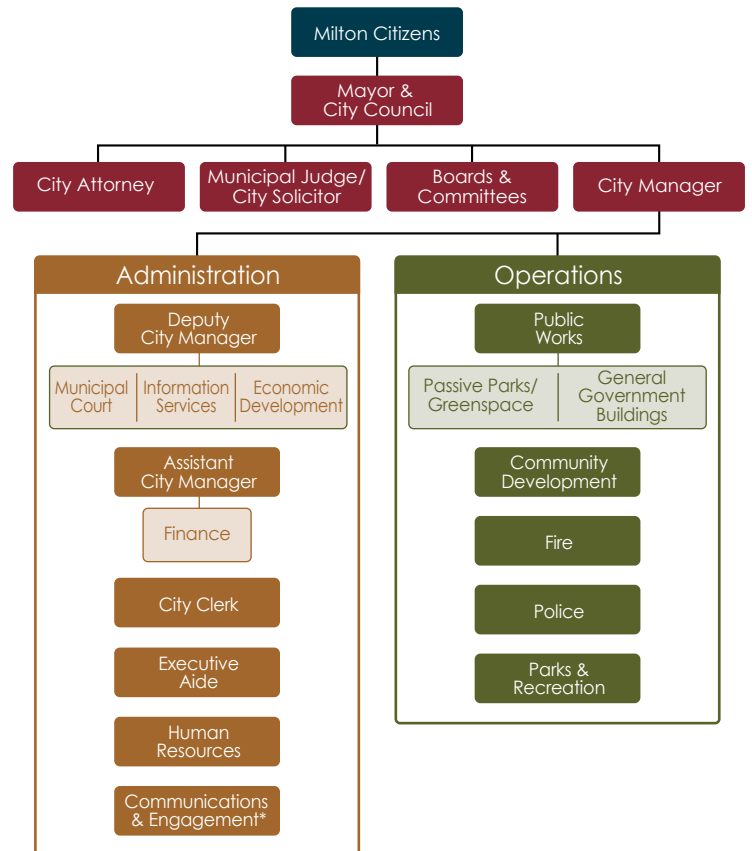
DISTRICT 2/POST 2
Paul Moore



DISTRICT 3/POST 1
Joe Longoria



DISTRICT 3/POST 2
Rick Mohrig



*For purposes of the organizational chart, these two departments are combined for reporting purposes, while budgeted for separately.

City Recognitions

AWARDS AND RECOGNITIONS



Certificate of Achievement for Excellence in Financial Reporting

FY 2020, Government Finance Officers Association
13th consecutive year



Distinguished Budget Presentation Award

FY 2020, Government Finance Officers Association
3rd Consecutive Year



Tree City USA, 2021

Arbor Day Foundation
12th consecutive year



National Re-Accreditation Award

Milton Police Explorers Post #2570,
FY 2021, Commission on Accreditation
of Law Enforcement Agencies



Community Wildlife Habitat Designation

8th consecutive year



District 7 Agency of the Year population 20,001 to 50,000 2021

GA Recreation and Park Assoc. (GRPA)



Law Enforcement Explorers Assoc. of Georgia 2021 Competition

Multiple Trophies
(1 first place, 2 second place, 1 third place)



The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Milton for its Popular Annual Financial Report for the fiscal year ended September 30, 2020. The award is a prestigious national honor recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the PAFR requirements, and we are submitting it to GFOA to determine its eligibility for another Award.

RANKINGS



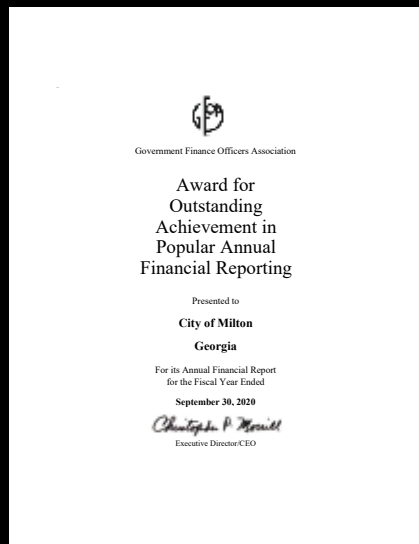
1st Safest City in Georgia
SafeWise



4th Best Place in GA to Raise a Family
NICHE



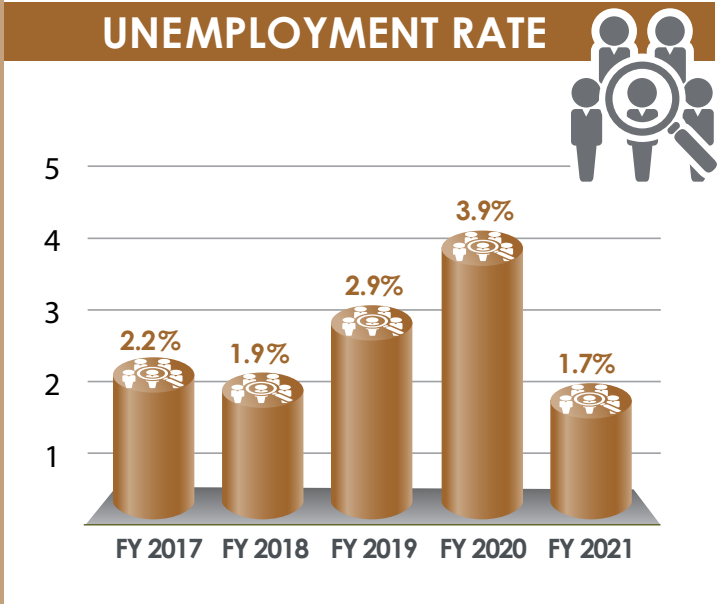
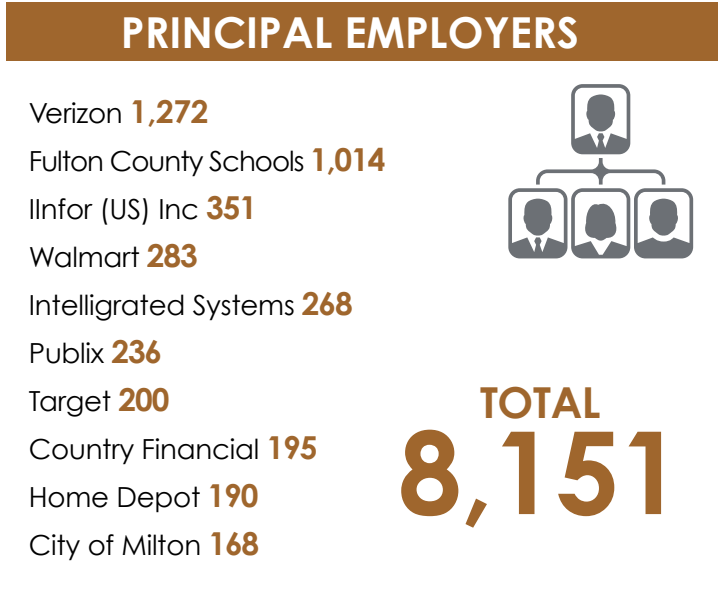
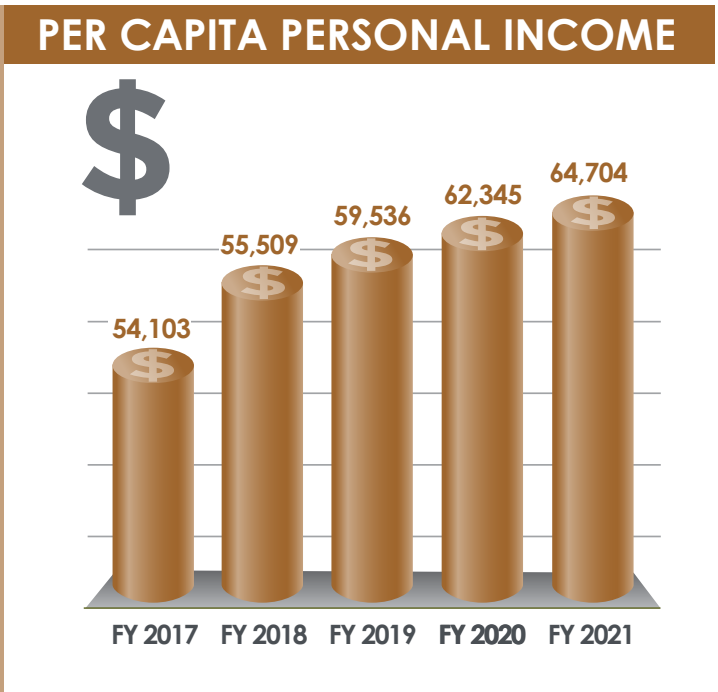
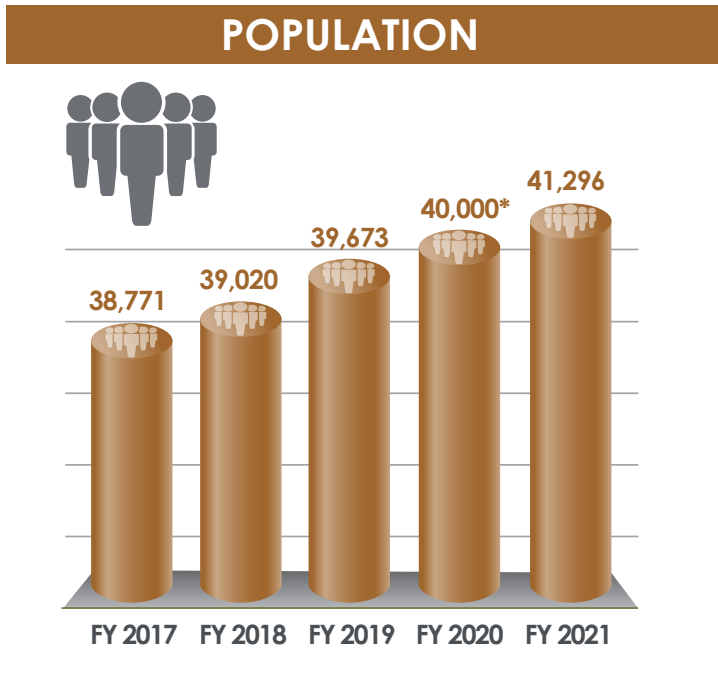
Best Suburb to Live in Georgia
24/7 Wall Street



Community Profile



Located at the northernmost tip of Fulton County about 30 miles north of downtown Atlanta, the City of Milton occupies a land area of 39.12 square miles and serves an estimated population of 41,296. The City has been recognized nationally for its high quality of life, with numerous reports ranking it as one of Georgia's safest cities. Milton has a proud rural and equestrian heritage, along with a vibrant sense of community evidenced in our neighborhoods, schools, businesses, and civic organizations.

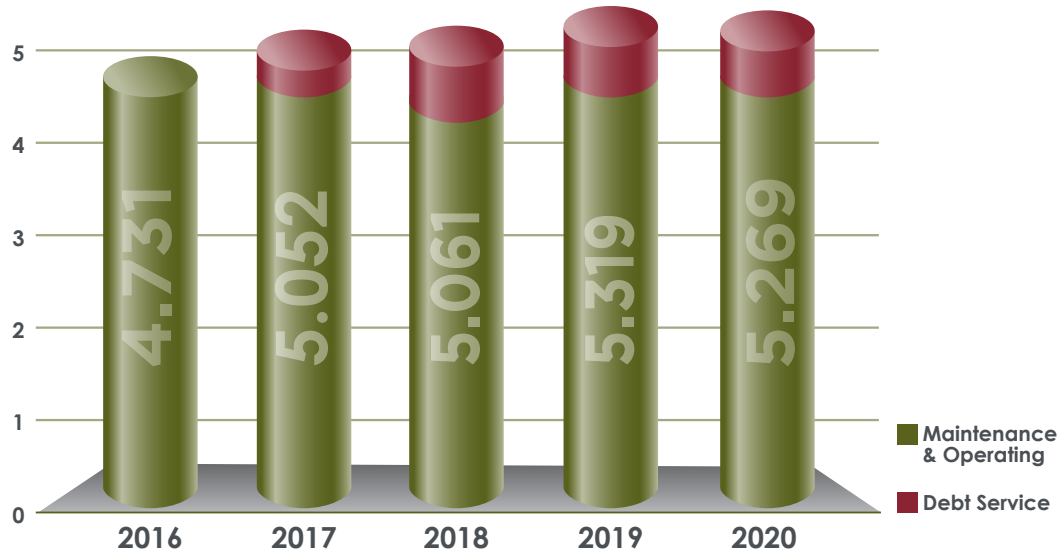


Property Taxes



The City of Milton's main source of revenue is property taxes. The property tax category in the ACFR consists of real, personal, and public utility property taxes; motor vehicle taxes; taxes on intangibles; and related penalties & interest. In fiscal year 2021, real, personal, and public utility property taxes alone made up 29% of City-wide revenues and 37% of General Fund revenues (excluding other financing sources).

TAX YEAR MILLAGE RATE



Milton's millage rate was capped at 4.731 mills in the 2006 state legislation that created the City and its charter. This means the Maintenance & Operating (M&O) millage rate cannot exceed 4.731 mills unless a higher limit is approved through a referendum by a majority of City voters.

The M&O millage rate for 2020 (taxes collected in FY 2021) was 4.731 mills. Beginning in tax year 2019, House Bill 710 provides for a new floating homestead exemption aimed to address the increases in assessed values on a more long-term basis. The process grants an exemption for any growth in assessed value for the property's primary residence (excluding improvements) and five contiguous acres of land. The exemption value will be equal to the difference between the new assessed value and the property's adjusted base year value, plus 3% or the inflation rate – whichever is less. This has had a significant impact on the value of exempt property, nearly doubling exemption values within the City. The debt service millage rate for tax year 2020 was set at 0.538 mills and will provided for the principal and interest payments due in fiscal year 2021. This rate will fluctuate based on the debt service due in each fiscal year until the bond has been paid in full (projected payoff is set for 2037).

For more information related to homestead exemptions please visit: www.cityofmiltonga.us/propertytaxes

WHERE DOES YOUR TAX DOLLAR GO?

Fulton County
30%*

- health department
- health inspectors
- animal shelters
- jails
- public libraries

Fulton County School District
54%*

- public education

MILTON
16%*

- fire
- police
- public works
- community development
- municipal court services
- parks and recreation services

*These figures represent tax year 2020 statistics that were collected in fiscal year 2021.

Financial Review



The Financial Review section is designed to provide details on the City of Milton's financial health and stability. This information should provide the reader with an increased level of understanding of how available resources are utilized to provide services to Milton citizens.

Governmental funds account for the City's basic services such as General Government, Judicial Services, Public Safety, Public Works, Culture and Recreation, and Housing and Development. In fiscal year 2021, the City maintained twelve governmental funds: the General Fund, Confiscated Assets Fund, Emergency 911 Fund, Operating Grant Fund, American Rescue Plan Fund, Hotel/Motel Tax Fund, Capital Projects Fund, Greenspace Bond Fund, TSPLOST Fund, Capital Grant Fund, Impact Fee Fund, and Revenue Bond Fund. In FY 2021, the Special Events Fund was reported as component unit of the General Fund for GAAP compliance purposes, but is budgeted for separately for ease of tracking activity.

The table below depicts the revenues by source, expenditures by function, and changes in fund balance for the government as a whole on a fund-level basis of accounting (including the activity of the Public Building and Facilities Authority, which is reported as a blended component unit of the City) over the past three fiscal years.

GOVERNMENTAL FUNDS

	FY 2019	FY 2020	FY 2021	
REVENUES	Property Taxes	\$ 14,982,594	\$ 16,218,322	\$ 17,480,028
	Sales Taxes	10,041,779	9,221,508	10,561,589
	Hotel/Motel Taxes	82,010	39,624	36,168
	Franchise Taxes	2,356,144	2,320,090	2,542,877
	Business Taxes	3,361,509	3,522,965	3,600,891
	Licenses and Permits	700,580	567,76	1,136,559
	Charges for Services	2,817,577	2,543,907	3,088,902
	Fines and Forfeitures	448,244	310,114	502,864
	Intergovernmental	7,599,533	6,953,713	9,844,341
	Contributions and Donations	25,157	32,402	2,892
	Investment Earnings	956,696	479,474	26,010
	Miscellaneous Revenues	212,228	176,551	242,278
	Revenues:	\$ 43,584,051	\$ 42,386,435	\$ 49,065,399
EXPENDITURES	General Government	\$ 3,781,995	\$ 3,905,514	\$ 4,163,296
	Judicial	428,571	458,499	370,242
	Public Safety	12,411,953	13,463,420	13,678,570
	Public Works	7,232,342	5,601,369	14,335,310
	Culture and Recreation	1,498,976	1,621,664	1,903,960
	Housing and Development	1,514,934	1,844,546	1,869,053
	Capital Outlay	20,617,186	18,865,179	1,293,100
	Debt Service	2,922,422	3,106,989	3,362,456
	Total Expenditures:	\$ 50,408,379	\$ 48,867,180	\$ 40,975,987
	FY 2019	FY 2020	FY 2021	
Excess (deficiency) of Revenues over (under) Expenditures	\$ (6,824,328)	\$ (6,480,745)	\$ 8,089,412	
Other Financing Sources (Uses)	\$ 195,671	\$ 19,004,728	\$ 66,595	
Net Change in Fund Balance	\$ (6,628,657)	\$ 12,523,983	\$ 8,156,007	
Beginning Fund Balance	\$ 49,618,597	\$ 42,989,940	\$ 55,513,923	
Ending Fund Balance	\$ 42,989,940	\$ 55,513,923	\$ 63,669,930	

Source: ACFR Statement of Revenues, Expenditures, and Changes in Fund Balances for each respective year.

Financial Review



At the end of fiscal year 2021, the City reported an ending fund balance of **\$63,669,930**; this represents an increase of **15%** or **\$8,156,007**. The key elements of this increase are attributable to the City's pay-as-you-go funding program in the Capital Projects fund as well as TSPLOST funding earned in FY 2021 that is restricted for future year spending. There was an increase of \$6 million in the Capital Projects Fund, of which approximately \$4.5 million is restricted for land acquisition and site improvements for a new active athletic complex. The TSPLOST Fund increased by \$2.8 million, 100% of which is restricted to road and intersection improvements authorized by the voter-approved TSPLOST referendum.

EXPLANATION OF MATERIAL VARIANCES (+/- 15%):

Revenues

- Sales Taxes / Charges for Services / Fines and Forfeitures – Milton has been fortunate to see signs of recovery from the COVID-19 pandemic sooner than originally anticipated. Increased consumer spending, coupled with increased prices on goods, have been the primary drivers in the year-over-year increase of **\$1,340,081 (15%)** to the sales taxes category. Parks & Recreation programming returned to a more traditional schedule in FY21, as did court sessions with the end of the State-mandated closures during part of FY20. These changes contributed to the overall increases to the charges for services and fines and forfeitures categories in the amounts of **\$544,995 (21%)** and **\$192,750 (62%)** respectively.
- Licenses and Permits – The primary source of the **\$568,794 (100%)** increase in this category was building permit revenue related to the City's decision to bring building inspection and permitting services in-house in FY21. (Please note, the City has also incurred corresponding expense increases in staffing, equipment, training, etc. related to this decision as these services were handled by a third party previously.)
- Intergovernmental – Another substantial increase of **\$2,890,628 (42%)** was recognized in intergovernmental revenues from FY20 to FY21. This increase is related to CARES Act grant funding which reimbursed the city for expenses incurred during the COVID-19 pandemic (\$1.65 million) as well as increased TSPLOST collections in FY21 (\$1 million).
- Miscellaneous Revenues – An increase in facility rental income was the main driver in the **\$65,727 (37%)** increase in this category in FY21.
- Investment Earnings / Contributions and Donations – The pandemic did impact to these two categories in FY21. Rates of return on investments have not yet recovered and have resulted in a decrease of **\$453,464 (95%)** in investment earnings. Additionally, the cancelation and delay of many events contributed to a **\$29,510 (91%)** year-over-year reduction in donations/sponsorships.

Expenditures

- Public Works – The primary contributors to the year-over-year increase of **\$8.7 million (156%)** in Public Works was the return to a normal paving schedule after a one-year postponement in FY20 (\$4.9 million) and several TSPLOST projects entering the construction phase (\$2.9 million).
- Culture and Recreation – The increase of **\$282,296 (17%)** is attributable to construction costs associated with the new ADA trail and lake pier at Providence Park and trail work at the Former Milton Country Club property. These expenses were offset somewhat by the savings associated with the end of the P&R intergovernmental agreement (IGA) with the City of Alpharetta. (Both cities have been working on new approaches that will be forthcoming.)
- Capital Outlay – This expense category saw a decrease of **\$17.6 million (93%)** from FY20 to FY21. This was in large part because of the significant number and scope of projects completed and land acquisition that took place in FY20 including the Public Safety Complex (\$12.7 million), the fire station-wide alerting system, and the purchases of the Cox Road athletic facility and a new ladder truck in Fire.
- Judicial – The move from rented space on Deerfield Parkway to the Public Safety Complex on Highway 9, as well as the new Court IGA with the City of Alpharetta to co-locate the municipal courts of both cities, has led to the savings of **\$88,257 (19%)** in this category.

Net Position & Fund Balance



NET POSITION BY COMPONENT

At the close of the fiscal year Milton's total net position was **\$145,936,920** which is an increase of **13.1%** or **\$16,895,638** from fiscal year 2020.

The largest portion of the City's net position, **\$92,597,030** or **63.5%**, is invested in capital assets (e.g. land, land improvements, buildings, infrastructure, vehicles, etc.), less any debt used to acquire those assets that is still outstanding.

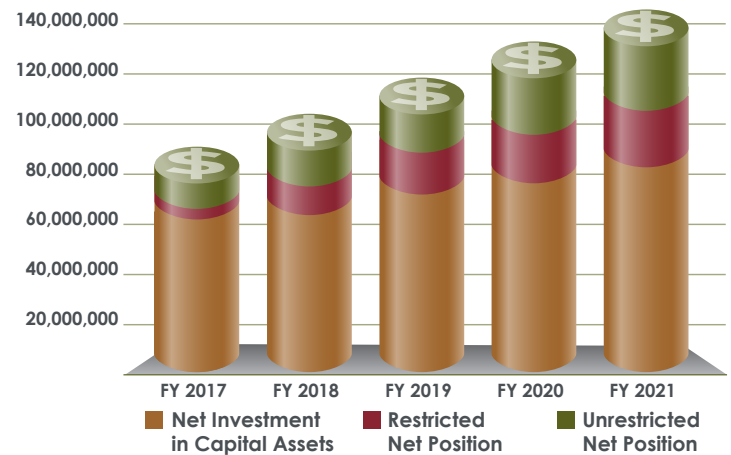
\$24,827,119 or **17%** is restricted net position. This includes **\$3,847,736** for impact fee funded projects across:

- Administration **\$77,252**
- Law Enforcement **\$15,319**
- Fire **\$403,966**
- Public Works **\$155,484**
- Culture and Recreation **\$3,195,715**

An additional **\$87,013** in confiscated funds is restricted for law enforcement, \$176 for federal programs, and **\$20,892,194** in TSPLOST funding for Public Works road and intersection improvement projects.

The final **19.5%** or **\$28,512,771** is considered unrestricted, meaning it may be used to meet the ongoing obligations of the government.

The remainder of the financial review section of this PAFR focuses on highlights of financial activity of the General Fund, the City's main operating fund, and investment in capital assets. For more details and in-depth analysis, please refer to the FY 2021 ACFR Management Discussion and Analysis.



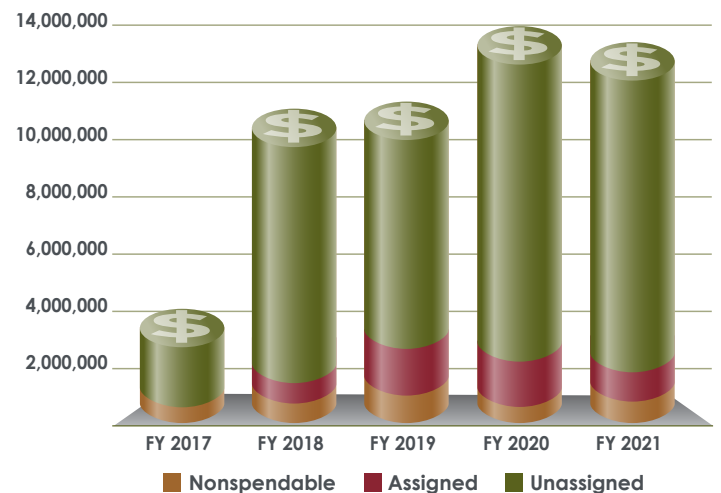
Source: ACFR Statement of Net Position for each respective year

FUND BALANCE – GENERAL FUND

Milton's FY 2021 General Fund fund balance falls into the following categories: **6%** or **\$710,805** is nonspendable for prepaids, **8%** or **\$1,052,886** is assigned for fiscal year 2022 operations, and **86%** or **\$10,752,832** constitutes unassigned fund balance. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

By law, Milton must maintain a reserve for working capital which represents no less than **25%** of the subsequent year's budgeted revenues.

At the close of FY 2021, the General Fund had an unassigned fund balance of **\$10,752,832** that, the City is pleased to report, represents **30.8%** of fiscal year 2022 budgeted revenues. This represents a decrease of **\$264,790** over FY 2020 unassigned fund balance. Excess fund balance can be used in subsequent periods as a budgeting source for that fund's budget in any given year. Utilization of fund balance shall be deemed a use of one-time revenues for budgeting purpose.



Source: ACFR Balance Sheet for each respective year

Revenues and Expenditures

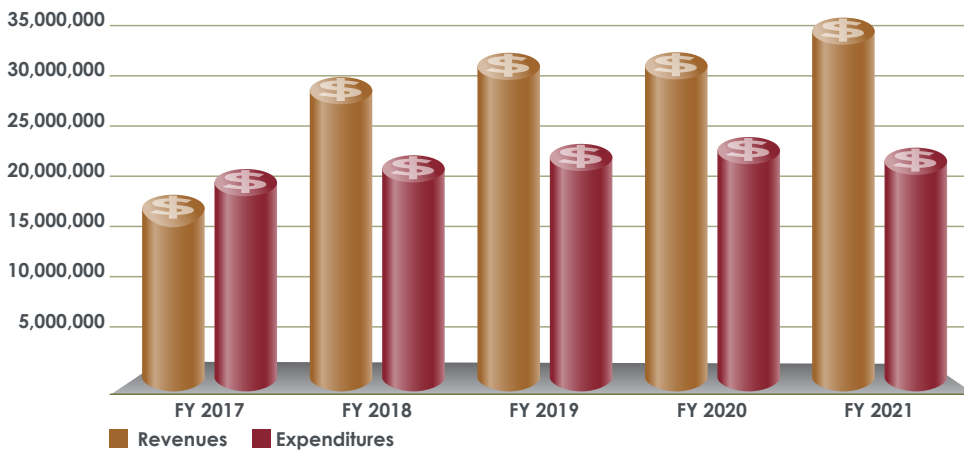
General Fund Revenue and Expenditure Summary

**FY 2021
Total Revenues
\$34,870,947**

**FY 2021
Total Expenditures
\$21,947,450**



The following chart shows revenue and expenditure history for the General Fund over the past five fiscal years (excluding other financing sources/uses).



Note: This chart represents annual activity and has not been restated for the change in accounting principle and therefore does not conform to GAAP standards.

Milton utilizes excess revenues over expenditures to fund the purchase of pay-as-you-go capital projects. The City recognizes that there are advantages and disadvantages to both the pay-as-you-go method of financing purchases and to issuing debt. Please refer to FY 2022's Budget Book for an in-depth discussion on how the City weighs those advantages and disadvantages in its decision-making process for the seven-year Capital Improvement Plan.

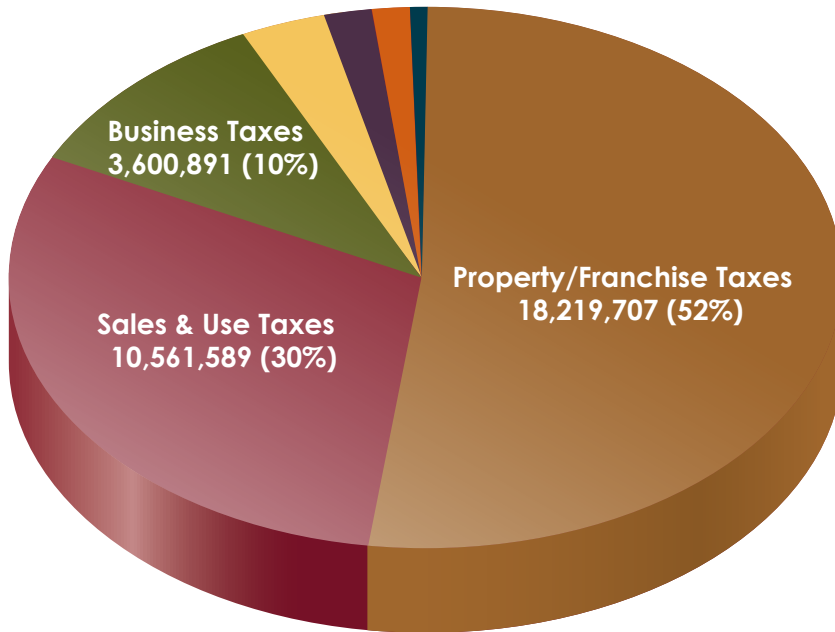
Revenues have increased by 12.5% or \$3,880,381 from FY 2020 to FY 2021 while expenditures have decreased by 2.9% or \$650,556. Primary contributors to the revenue increase year-over-year include sales taxes and title ad valorem taxes related to increased consumer spending and the price of goods, building permit revenue associated with bringing the building inspection and permitting function in-house, intangible taxes associated with home loans and refinances, and property taxes. Please see the FY 2021 ACFR for a detailed explanation of the variances in General Fund revenues and expenditures from FY 2020 to FY 2021 (p. 24-26).



Revenues and Expenditures



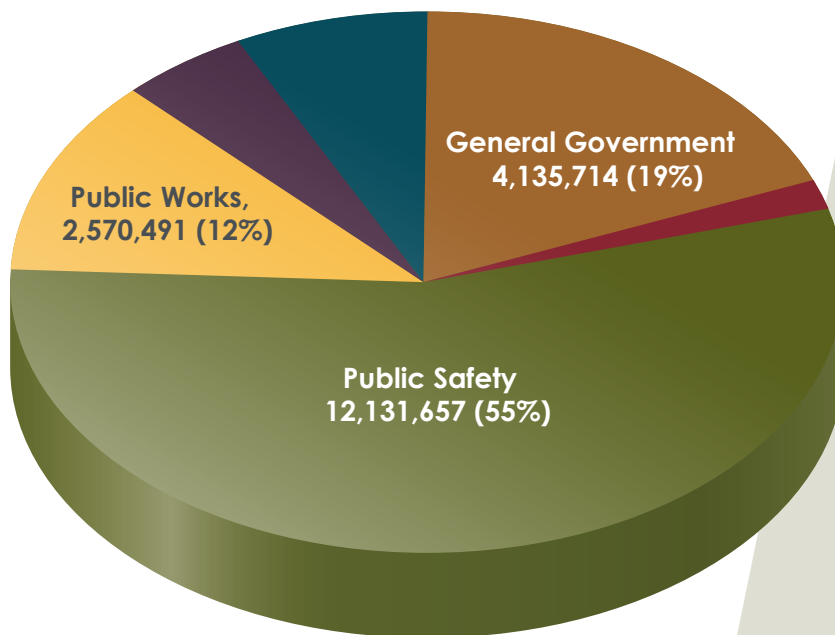
FY 2021 Revenues by Source:



- Licenses & Permits
1,136,559 (3%)
- Charges for Services
628,725 (2%)
- Fines & Forfeitures
502,864 (2%)
- Other Revenues*
220,612 (1%)

*Other Revenues Include: Intergovernmental, Contributions & Donations, Investment Income, and Miscellaneous Revenues.

FY 2021 Expenditures by Function:



- Culture and Recreation
1,065,696 (5%)
- Housing and Development,
1,673,650 (7%)
- Judicial
370,242 (2%)

Capital Assets



PAY as-you GO

Putting aside money until the item can be purchased

Issuance of Debt or Debt Financing

Using loans (typically long-term) to cover the cost of a purchase/project

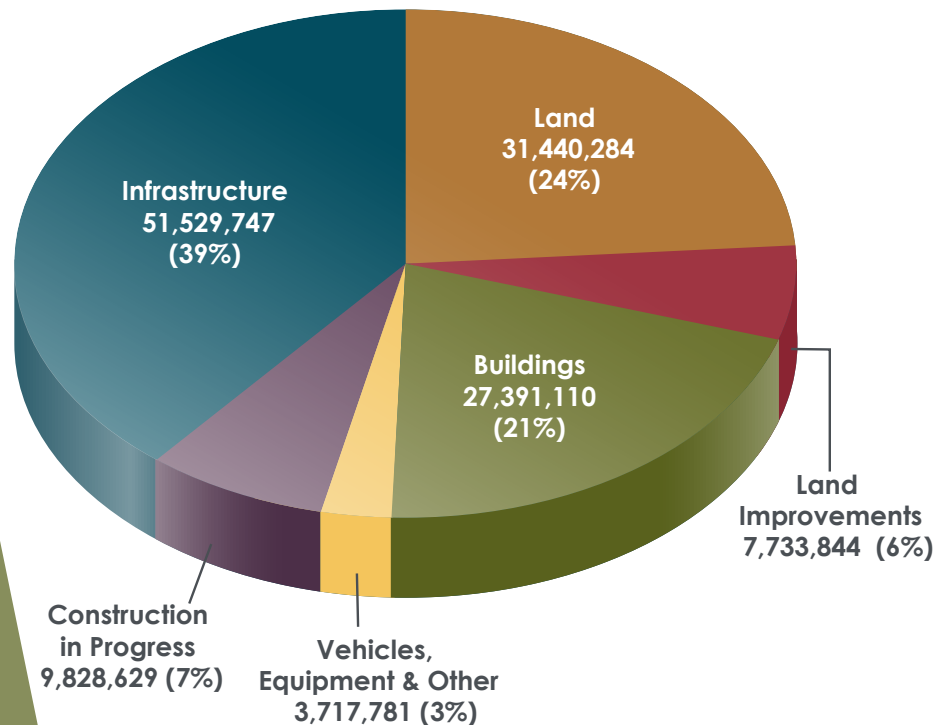
Inter-governmental

Funding from federal, state, and local grants

The City's investment in capital assets for all governmental activities are financed primarily through a mixture of pay-as-you-go funding, intergovernmental revenues, and the issuance of debt. Capital assets include land, improvements to land, buildings, vehicles, equipment, construction in progress, and infrastructure.

At the close of the fiscal year there was a **\$131,641,395** investment in capital assets (net of depreciation).

Capital Assets (net of accumulated depreciation)



Major additions in FY 2021

- Lakeside Park land, stormwater structure, and property improvements donation **\$1,435,600**
- Saddlesprings Dr Bridge/Culvert **\$598,759**
- Station-wide alerting system **\$318,708**

Overall investments in capital assets increased by 5% or \$6,557,573.

Major Initiatives

Even as the COVID-19 pandemic persisted throughout FY2021, the City remained busy, proactive, and focused on improving Milton and its residents' quality of life – both with initiatives during the year as well as by creating plans as critical guides for the future. The next two pages highlight a few of the many exciting developments over this 12-month period.

Providence Park transformation

City contractors worked throughout the year to build a grant-funded ADA-accessible trail, fishing pier and pavilion at Providence Park in the heart of Milton. This culminated in the renovated park reopening to the public in November 2021.

Lackey Road greenspace

The City several years ago used voter-approved greenspace bonds to purchase a 106-acre greenspace off Lackey Road. In FY2021, they worked to open instantly popular trails to the public.

Downtown park with pond

Along Mayfield Road in downtown Crabapple, five acres of land donated by developer Taylor Morrison became a City park featuring a pond, pier, trails, and plantings.

Infrastructure improvements

Design and right of way

The Public Works Department oversaw design and right-of-way work on the Birmingham Middle Bridge, Big Creek Greenway trail connection, Mayfield Road sidewalk extension, Morris Road widening phase II, State Route 140 at Green Road, Freemanville Road at Birmingham Road, Freemanville Road at Redd Road, and Bethany Road at Providence Road.

Roundabout and sidewalk construction

Crews extended sidewalk along Cogburn Road and made upgrades - including roundabouts - at Hopewell Road at Bethany Road/Bethany Bend, Hopewell Road at Thompson Road* and Hopewell Road at Hamby Road*.

Key plans developed

This was a critical year when it came to creating strategies to guide City government for years to come. Citizen engagement, thoughtful analysis, and innovation were all vital in this process.

Adopted in FY 2021

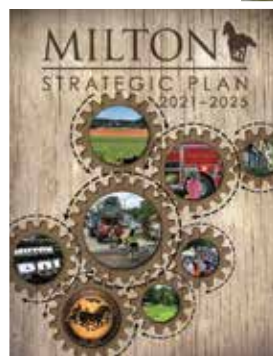
Strategic Plan 2021-2025,
Milton Fire-Rescue
Department Five-Year
Strategic Plan



Underway in FY 2021

2040 Comprehensive Plan,
Local Road Safety Plan

Comprehensive Plan



*Substantially complete at year-end with final punch list items concluded in early FY22.

Major Initiatives

Public safety deploys new equipment

Police use virtual simulator

Funded 100% with grants, police used a virtual simulator and other means to train officers on use-of-force and deescalation tactics.)

Fire adds defibrillators, exhaust extractors

- LIFEPAK 15 monitors/defibrillators to improve cardiac arrest survivability
- Alerting system at fire stations to enhance communications, reduce response times
- Exhaust extractors at Fire Station 41 and 43 as part of the cancer-prevention program (90% grant-funded)

Other updates

Police leaders complete executive training

Three Police Department command staff members completed a nationally recognized police executive training program through the prestigious Northwestern University School of Police Staff and Command.

Program bridges gap between emergency, everyday health care

The Fire-Rescue Department launched Milton Fire CARES, an outreach and assistance initiative focused on providing health care to those in need beyond typical 911 emergency responses. In addition to targeting high-risk populations who could benefit from in-home visits and health assessments, Fire CARES ran COVID-19 vaccine clinics that resulted in thousands of Moderna, Pfizer, as well as Johnson and Johnson shots administered.

Promoting, increasing transparency

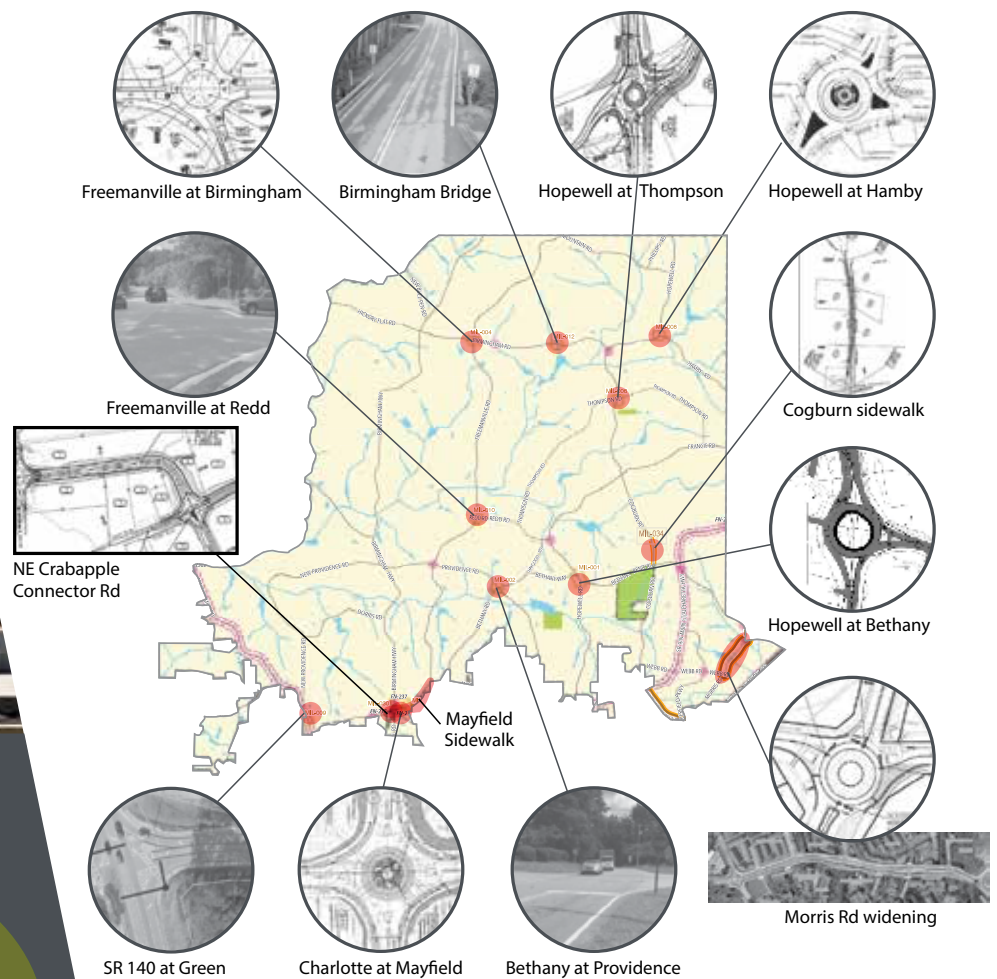
Increasing transparency was a top City priority in FY 2021 with website improvements, an effective and proactive social media strategy, previews of City meetings (including Council, boards, and commissions), and collaboration with Finance staff to roll out a new transparency portal hosted by ClearGov. This site – accessible at cityofmiltonga.us/transparency – provides the public with the latest details on Milton revenues, expenditures, and projects. It will be further utilized in FY22 to track progress on strategic plan objectives and department metrics.



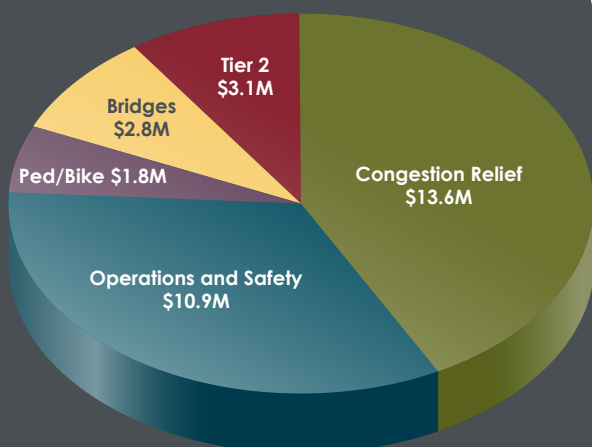
TSPLOST (Transportation Special Purpose Local Option Sales Tax)



The City of Milton maintains 174 miles of paved road, 35 bridges, 15 traffic signals, over 5,000 storm drain structures, and 75-some miles of sidewalks, paths, and trails. Funding the upkeep of these items and capital upgrades is made challenging by Milton's capped millage rate, on top of limited commercial zoning and citizens' desire for land conservation. Municipal revenues are carefully managed to prioritize services outlined in the City Charter – including public safety, parks and recreation, and community development. The City's Public Works Department gets funding for day-to-day maintenance to capital projects from multiple sources. One of them is TSPLOST, an additional 0.75-cent sales tax to fund local transportation projects, that was approved by voters in November 2016 (voters also approved a second round of funding in November 2021). This temporary increase has brought in revenues used to expedite numerous transportation improvements in Milton.



TSPLOST I PROJECTS



On April 1, 2017 – months after being approved by voters – TSPLOST taxes began being collected in Milton and other communities. It will raise a maximum of \$665 million over its five-year duration; Milton's anticipated total TSPLOST revenue is \$33 million. The map below shows TSPLOST projects in progress in the City in FY 2021

Key Terms

Assessed Value

The value placed on the property for tax purposes. The assessed value of property is 40% of the fair market value.

Assigned Fund Balance

Amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed.

Bond

A written promise to pay a specified sum of money at a specified future date or dates together with periodic interest at specified rates. Bonds are typically used for long-term debt.

Capital Assets

Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art or historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and have an initial useful life extending beyond a single reporting period. Milton recognizes capital assets as those assets with an estimated useful life of three or more years and with an acquisition value of \$10,000 or more.

Deferred Inflows of Resources

An acquisition of net position that is applicable to a future reporting period.

Deferred Outflows of Resources

A consumption of net position that is applicable to a future reporting period.

Fund Balance

Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

Governmental Funds

Funds generally used to account for tax-supported activities. There are five types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Millage Rate

The ad valorem tax rate expressed in the amount levied per thousand dollars of taxable assessed value of the property.

Net Position

The residual of all other elements presented in a statement of financial position. The difference between assets + deferred outflows of resources and liabilities + deferred inflows of resources.

Restricted Net Position

Amounts that can be spent only for specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Working Capital

A dollar amount reserved in the (general fund) fund balance that is available for unforeseen emergencies, to handle shortfalls caused by revenue declines and to provide cash liquidity during periods of low cash flow.