



VALDOSTA
A City Without Limits

**CITY OF VALDOSTA, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

Fiscal Year Ending June 30, 2023

Finance Department

CITY OF VALDOSTA, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

Prepared by:
Valdosta Finance Department

CITY OF VALDOSTA, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i – iv
Organizational Chart.....	v
List of Principal Officials	vi
Certificate of Achievement for Excellence in Financial Reporting	vii
FINANCIAL SECTION	
Independent Auditor's Report	1 – 4
Management's Discussion and Analysis	5 – 17
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements:	
Balance Sheet – Governmental Funds	20 and 21
Reconciliation of the Balance Sheet to the Statement of Net Position	22
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	23 and 24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	25
Statement of Net Position – Proprietary Funds	26 and 27
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	28 and 29
Statement of Cash Flows – Proprietary Funds	30 – 33
Statement of Fiduciary Net Position – Fiduciary Funds	34
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	35
Notes to Financial Statements.....	36 – 75
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget (Budgetary Basis) and Actual – General Fund	76
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget (Budgetary Basis) and Actual – Federal Covid Relief Fund.....	77
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget (Budgetary Basis) and Actual – Central Valdosta Development Authority	78

CITY OF VALDOSTA, GEORGIA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)	
Schedule of Revenues, Expenditures, and Changes in Fund Balances	
Budget (Budgetary Basis) and Actual – Airport Development Fund.....	79
Schedule of Changes in the City’s Net Pension Liability and Related Ratios.....	80 and 81
Schedule of City Contributions – Retirement Plan.....	82 and 83
Schedule of Changes in the City’s Total OPEB Liability and Related Ratios.....	84 and 85

SUPPLEMENTARY INFORMATION

Combining Statements and Schedules	
Other Governmental Funds:	
Special Revenue Funds, Capital Projects Funds and Permanent Funds)	
Combining Balance Sheet – Nonmajor Governmental Funds.....	86 and 87
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds	88 and 89
General Fund:	
Schedule of Expenditures by Department – Budgetary Level of Control –	
Budget to Actual Comparisons	90 – 96
Other Budgetary Comparison Schedules:	
Special Revenue Funds – Schedule of Revenues, Expenditures and	
Changes in Fund Balance – Budget (Budgetary Basis) and Actual:	
Confiscated Fund.....	97
Property Evidence Fund.....	98
US Department of Justice Local Law Block Grants Fund	99
UDAG Fund.....	100
GA DCA CHIP - 02M-X-092-2-2695 Fund	101
HUD Federal Grant Fund	102
GA DCA CHIP - 07M-X-092-2-2961 Fund	103
GA DCA CHIP - 07MR-X-092-2-2979 Fund	104
GA DCA CHIP - 2016-116 Fund	105
Transit Grant Fund.....	106
Accommodations Fund	107
Capital Projects Funds – Schedule of Revenues, Expenditures and	
Changes in Fund Balance – Budget (Budgetary Basis) and Actual:	
SPLOST 2013 Fund	108
SPLOST 2019 Fund	109
Road Improvement Fund	110
TSPLOST 2018 Fund	111

CITY OF VALDOSTA, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS (CONTINUED)

Page

SUPPLEMENTARY INFORMATION (CONTINUED)

Permanent Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual: Sunset Hill Permanent Fund.....	112
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position – Fiduciary Funds	113
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	114
Proprietary Funds:	
Nonmajor Enterprise Funds	
Combining Statement of Net Position	115
Combining Statement of Revenues, Expenses and Changes in Net Position	116
Combining Statement of Cash Flows	117 and 118
Nonmajor Internal Service Funds:	
Combining Statement of Net Position	119
Combining Statement of Revenues, Expenses and Changes in Net Position	120
Combining Statement of Cash Flows	121 and 122
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2013 Issue	123
Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds – 2019 Issue.....	124

STATISTICAL SECTION

FINANCIAL TRENDS

Net Position by Activity – Last Ten Fiscal Years.....	125
Changes in Net Position – Last Ten Fiscal Years	126 – 128
Fund Balances – Governmental Funds – Last Ten Fiscal Years	129
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	130 and 131
Program Revenues by Function/Program – Last Ten Fiscal Years.....	132
General Governmental Tax Revenues by Source – Last Ten Fiscal Years	133

REVENUE CAPACITY

Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....	134
Water and Sewer Rates – Last Ten Fiscal Years	135
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	136

CITY OF VALDOSTA, GEORGIA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION (CONTINUED)

REVENUE CAPACITY (CONTINUED)

Principal Water Sewer Customers – Current Year and Nine Years Ago 137 and 138
Property Tax Levies and Collections – Last Ten Fiscal Years 139
Principal Property Taxpayers – Current Year and Nine Years Ago 140

DEBT CAPACITY

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years 141
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years 142
Direct and Overlapping Governmental Activities Debt 143
Legal Debt Margin Information – Last Ten Fiscal Years 144
Revenue Bond Coverage – Combined Public Utility Revenue Bonds –
Last Ten Fiscal Years 145

DEMOGRAPHIC AND ECONOMIC INFORMATION

Demographic Statistics – Last Ten Fiscal Years 146
Principal Employers – Current Year and Nine Years Ago 147

OPERATING INFORMATION

Full-Time Equivalent City Government Employees by Function –
Last Ten Fiscal Years 148
Operating Indicators by Function – Last Ten Fiscal Years 149 and 150
Capital Asset Statistics by Function – Last Ten Fiscal Years 151

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards* 152 and 153
Independent Auditor's Report on Compliance for Each Major Program and
on Internal Control Over Compliance Required by the Uniform Guidance 154 – 156
Schedule of Expenditures of Federal Awards 157
Notes to Schedule of Expenditures of Federal Awards 158
Schedule of Findings and Questioned Costs 159 and 160
Summary Schedule of Prior Year Findings 161

INTRODUCTORY SECTION



May22, 2024

CITY OF VALDOSTA, GEORGIA

FINANCE DEPARTMENT

L. CHARLES DINKINS, JR.
FINANCE DIRECTOR

Citizens of Valdosta, GA
Honorable Mayor,
Members of Council,

In accordance with State Statutes and Section 4.51 of the Charter of Valdosta, Georgia, the Annual Comprehensive Financial Report for the fiscal year 2023 is submitted herewith. Responsibility for both the accuracy of the data and the thoroughness and fairness of presentation including all disclosures rests with the City of Valdosta (the “City”). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the City’s financial affairs have been included.

The Annual Comprehensive Financial Report is presented in four groupings: an Introductory Section, Management’s Discussion and Analysis, a series of Financial Sections, and a Statistical Section.

Management’s Discussion and Analysis, which is required by Governmental Accounting Standards Board (“GASB”), for the City, includes summarized financial information about the City, an analysis of the past year’s operations of general government and major enterprise activities, an overview of the City’s major enterprise activities, an overview of the City’s current and future economic picture as well as its major initiatives and financial accomplishments for the year, and a discussion of the comprehensive annual report’s structure.

The City of Valdosta receives federal assistance through various federal grant programs. An audit in accordance with the Single Audit Act of 1984, P.C. 98-502, and Office of Management and Budget (“OMB”) Uniform Guidance, “Audits of State and Local Governments and Non-Profit Organizations,” and “*Government Auditing Standards*” issued by the Comptroller General of the United States has been performed for the fiscal year ended June 30, 2023. The required reports on supplementary information, compliance, and internal controls along with various supplementary schedules will be included in the Compliance Section.

Reporting Entity

The City of Valdosta was originally incorporated by an Act of the General Assembly of Georgia on December 7, 1860, and since April 14, 1958 has operated under the Council-Manager form of government. The City provides a full range of services to some 56,500 residents. The daytime population of Valdosta soars to approximately 75,000. These services include general administrative services, police and fire protection, sanitation, water and sewer services, the construction and maintenance of highways and streets, recreational activities, and cultural events. The financial statements in this report include all of these functions and activities of the government.

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The Valdosta MSA offers regional residents and consumers a large variety of flourishing economic engines in industry, education, medicine, tourism and entertainment, and retail. The strength in the City's economy lies not only within this diversity, but also in a high quality of life, temperate climate, pro-business attitudes and supporting policies, and a convenient geographic location.

Moody Air Force Base is located in the northwest section of the County and continues to be a major employer of the region. Development patterns of the community have been significantly influenced by its presence. The continued presence of Moody is paramount to the growing economy of Valdosta, and to such extent, the City makes an annual contribution to the Moody Support Committee, with local officials making a yearly trip (more if necessary) to Washington D.C. to mitigate any efforts to close or reduce Moody.

Education continues to be an economic resource to Valdosta. Valdosta State University, a senior unit of the University System of Georgia, offers undergraduate, graduate, and doctoral degree programs in numerous areas. Total enrollment at the University is approximately 11,270 students. The university is projected to be a significant contributor to the local economy well into the future, however, as it expands, property purchased by the university is removed from the tax rolls because it is designated public property.

A recent study and report by the University of Georgia designated Lowndes County with one of the highest retail pull factors in Georgia. This factor measures the amount of spending in a community from those who live outside the community. Over two billion dollars worth of retail sales occurred in Lowndes County last year, with virtually 80% of these sales occurring within the corporate limits of Valdosta.

Even with the above mentioned positive attributes of the City's economy, anemic and occasionally negative growth in the tax digest, increasing cost of materials and supplies, and surging healthcare costs coupled with the increased demand upon public safety and other City services affect the City. In an effort to prevent depleting reserves to balance the annual budget, each department director is held accountable for their respective department's budget.

The continued uncertainty in the national economic outlook and significant attention given legislation mandated by the State has required local governments to become creative in meeting these difficult challenges. The City will continue to be proactive in the generation of other revenue sources.

Major Initiatives

A focus on revitalization of economically depressed areas in the City has proven successful through collaboration among City officials, residents, non-profit and for-profit organizations, and businesses to clean up neighborhoods and provide education programs that allow neighborhoods to continue their revitalization efforts independently.

The current special purpose one percent sales tax will enable the City to fund the City's five-year capital plan. This plan includes major drainage and road improvements, water and sewer improvements, and construction of additional public facilities.

Looking to the Future

Facing the needs of a rapidly growing metropolitan community typically places a burden on the financial flexibility of any governmental unit. The City has recognized that it alone is incapable of solving all the issues facing the metropolitan community. So instead, the city is striving to address growth demands on the community both by individual initiative and by actively partnering with other local governments in seeking solutions to growth issues.

Broader revenue flexibility will be essential to maintain Valdosta's traditionally strong financial condition and to address the challenges of growth. The City, the Georgia Municipal Association, and the Association of County Governments are seeking new optional local flexibility in an effort to match new revenues with capital objectives.

Although the State has not addressed significant broadening of local government latitude, the growth of the City and its related impact in revenue has allowed for an adequate effort to meet the demands of growth.

Cash Management

The available assets of the various funds are pooled to the extent possible for investment purposes. Investments are made in accordance with applicable State laws and the City's investment policy. All securities purchased by the City are held by a designated safe keeping institution. Similarly, demand deposit bank accounts must be collateralized by a pledge of the State of Georgia or United States Treasury or Agency obligations equal in market value to 110% percent of the uninsured amount of deposit. The investment policy also prescribes selection criteria for investment instruments and maturities of investments.

Risk Management

The management of risk through loss control continues to be an integral part of the administration of the City.

Risk Management activities includes claims processing, investigation, adjustments and settlements, insurance placement, and implementing loss control measures through the use of training and safety inspections. The City is self-funded with regard to workers' compensation, employee health coverage, and general liability claims. The City carries property insurance on all City owned facilities and vehicle insurance for City equipment.

Internal Controls

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 valuation of costs and benefits requires estimates and judgments by management.

Independent Audit

The financial statements have been prepared in compliance with governmental financial reporting guidelines issued by the Government Finance Officers Association (“GFOA”) of the United States and Canada and generally accepted accounting principles applicable to governmental entities. The State of Georgia requires an annual audit of all financial records and transactions of the City by independent certified public accountants selected by the Mayor and City Council. The accounting firm of Maudlin and Jenkins, LLC has completed an audit of the City’s Annual Comprehensive Financial Report (“ACFR”) for the year ended June 30, 2023, and their report on the basic financial statements and combined and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports on internal controls and compliance with applicable laws and regulations can also be found in this report.

Awards

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 for its ACFR for the fiscal year ended June 30, 2022. This was the thirty-fourth consecutive year the City received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

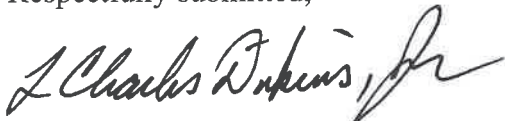
The City was awarded the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2023. This was the twenty-second consecutive year the City has received this award. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting. In order to earn this award, a government must publish a budget document which meets program criteria as a policy document, financial plan, operations guide, and as a communications device.

Both the Certificate of Achievement and the Distinguished Budget Award are valid for a period of one year. We believe our current Annual Comprehensive Financial Report and our 2024 fiscal year budget document continue to conform to the requirements for each award.

Acknowledgements

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the Accounting Division of the Finance Department. They have my sincere appreciation for the contributions made in the preparation of this report, as well as all additional individuals who assisted in this effort. Appreciation is also expressed to the Mayor, Council Members, City Manager and Department Directors for their cooperation and outstanding assistance in matters pertaining to the financial affairs of the City.

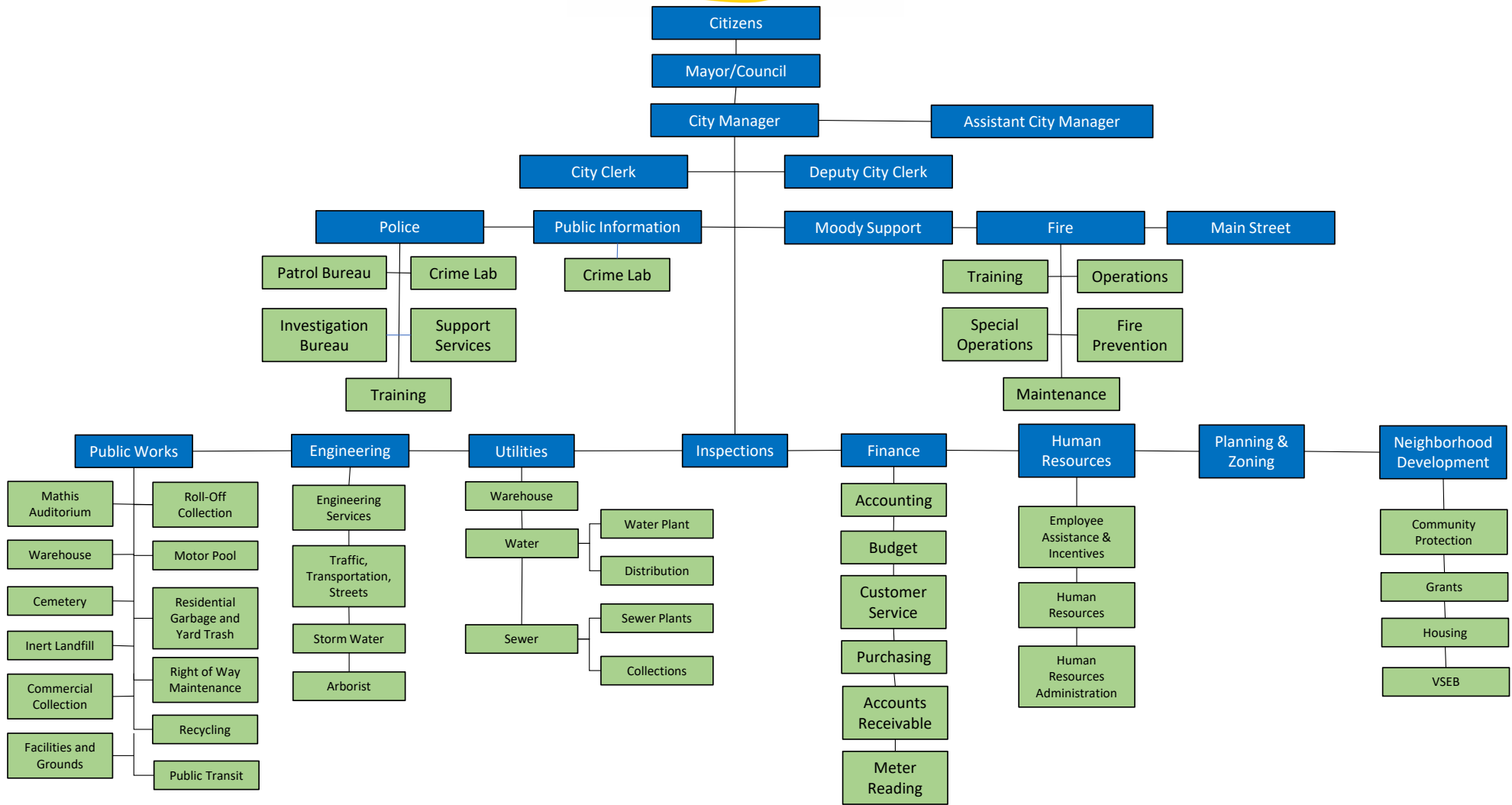
Respectfully submitted,



L. Charles Dinkins, Jr.
Finance Director

VALDOSTA

A City Without Limits



CITY OF VALDOSTA, GEORGIA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2023

Mayor

Scott James Matheson

Commissioners

Council Member - At Large
Council Member - District I
Council Member - District II
Council Member - District III
Council Member - District IV
Council Member - District V
Council Member - District VI

Nick Harden
Vivian Miller-Cody
Sandra Tooley
Thomas B. McIntyre, Sr.
Eric Howard
Tim Carroll
Andy Gibbs

City Manager
Assistant City Manager

Richard Hardy
Catherine Ammons

Clerk of Council
City Attorney
Municipal Court Judge
City Auditor

Teresa Bolden
Tim Tanner
Jeremy Baker
Mauldin & Jenkins, LLC

Human Resources Director
City Engineer
Fire Chief
Police Chief
Utilities Director
Finance Director

Jennie Boyer
Benjamin O'Dowd
Brian Boutwell
Leslie Manahan
Vacant
Chuck Dinkins



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Valdosta
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Members
of the City Commission
City of Valdosta, Georgia
Valdosta, Georgia**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Valdosta, Georgia** (the "City"), as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparison information for the General Fund, Federal COVID Relief Fund, the Central Valdosta Development Authority Fund and Airport Development Fund, pension information, and OPEB information 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 GAAS, 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 accompanying combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds, as required by the Official Code of Georgia Annotated §48-8-121, are presented for purposes of additional analysis and are not required parts 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures of Federal Awards, and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds are 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 reports.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 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.

Mauldin & Jenkins, LLC

Macon, Georgia
May 22, 2024

CITY OF VALDOSTA, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

This section of the City of Valdosta's (the "City") Annual Comprehensive Financial Report presents a discussion and analysis of the City's financial performance during the fiscal year ending June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$248.52 million. Of this amount, none may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's governmental net position increased by \$11.72 million, primarily due to higher volumes of Federal grants and strong tax collections.
- The governmental activities revenue increased by 5.43 million or 7.96% and the net results from activities increased \$4.50 million. The results of activities produced an increase in net position of \$11.72 million. Governmental expenses increased by \$6.03 million.
- The business-type activities revenue increased by \$1.82 million and the net results from activities increased by \$1.27 million. The results of activities produced an increase in net position of \$0.63 million.
- The total cost of all City programs increased by \$6.58 million.
- The General Fund (the primary operating fund of the City) reflected on a current financial resource basis, reports a net increase in fund balance of \$4.69 million.
- The City's total debt decreased \$6.42 million or 10.42%.
- The City exceeded appropriations in the Federal COVID Relief fund for the purchase of land and facility for a new public safety center on the north end of town. This purchase was not planned but the City was in need of a new fire station and satellite police station when the property became available. Council authorized the reallocation and expenditure of the funds to take advantage of the opportunity.
- City's net position increased \$12.35 million due mainly to governmental activities as noted above. Both governmental revenues and expenses were affected by significant activity in the Federal COVID Relief fund as the City made significant expenditures for local grants (as well as the land purchase noted above). While both revenues and expenses increased, the change in total net position was similar to the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are Government-wide Financial Statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are Fund Financial Statements that focus on individual parts of the City's operations in more detail than the government-wide statements.

The Governmental Funds statements explain how general government services such as public safety were financed in the short term as well as what remains for future spending. The City of Valdosta has four Governmental Fund types: the General, Special Revenue, Capital Projects, and the Permanent Fund.

Proprietary fund statements offer short- and long-term financial information about the activities the government operates in a manner similar to businesses, and include the Sanitation, Water and Sewer, Inspection, Department of Labor Building, Auditorium, Storm Water, and Motor Fuel Funds.

Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong. The City's Fiduciary funds consist of two Custodial Funds.

The financial statements also include notes that explain certain information in the financial statements and provide more detailed data.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure A-1
Major Features of City of Valdosta's Government-wide and Fund Financial Statements
Fund Statements

	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds) and the City's component units.	The activities of the City that are not proprietary or fiduciary, such as Police, Fire, and Engineering	Activities the City operates similar to private businesses: Sanitation, Water & Sewer, Inspections, Department of Labor Building, Auditorium, Storm Water, and Motor Fuel	Where the City is the trustee or agent for someone else's resources
Required financial statements	Statement of Net Position; Statement of Activities	Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the City's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Statements

The Government-wide Statements report information about the City of Valdosta as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's assets and how they have changed. Net position—the difference between the City's assets/deferred inflows and liabilities/deferred inflows—is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City of Valdosta's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City, the reader should consider additional nonfinancial factors such as changes in the City's property tax base.
- *Governmental activities*—Most of the City's basic services are included here, such as the police, fire, public works, and general administration departments. Property taxes, sales and use taxes, and state and federal grants finance most of these activities.
- *Business-type activities*—The City of Valdosta charges fees to customers to help cover the costs of certain services provided. The City's garbage pickup, water/sewer service, building inspection, building rental, auditorium, storm water, and motor fuel services are included here.

Fund Financial Statements

The Fund Financial Statements provide more detailed information about the City's most significant funds—not the City as a whole. The “fund” level is where the basic unit of financial organization and operation within the City exists. Funds are accounting tools that are used to keep track of specific sources of funding and spending for particular purposes. They are the basic budgetary and accounting entities.

- Some funds are required by State law and by bond covenants.
- The City establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City utilizes three types of funds:

- **Governmental funds**—most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under "Summary of Significant Accounting Policies"). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The City utilizes four types of governmental funds: the General Fund, Special Revenue Funds, Capital Project Funds and Permanent Funds.
- **Proprietary funds**—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. Two types of proprietary funds exist: enterprise funds and internal service funds. The City of Valdosta's enterprise funds are the same as its business-type activities yet provide more detail and additional information, such as cash flows. Internal service funds are used to report activities that provide supplies and services for the City's other programs and activities. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows are all required statements.
- **Custodial Funds**—because Custodial funds are custodial in nature, the only required financial statements are the Statement of Net Position and the Statement of Changes in Net Position. The measurement focus of Custodial Funds is upon determination of financial position. Custodial Funds are maintained on the accrual basis of accounting. Activities of this fund are not included in the Government-wide Statement of Activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE CITY OF VALDOSTA AS A WHOLE

Net Position. The City's combined net position increased 5.23 percent from \$236.17 million at June 30, 2022 to \$248.52 million at June 30, 2023. (See table A-1.)

Table A-1
City of Valdosta's Net Position
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2022-2023
	2022	2023	2022	2023	2022	2023	
Current and other assets	\$ 59.68	\$ 72.02	\$ (3.29)	\$ (5.09)	\$ 56.39	\$ 66.93	18.69%
Capital Assets	127.91	125.49	213.04	210.35	340.95	335.84	-1.50%
Total Assets	187.59	197.51	209.75	205.26	397.34	402.77	1.37%
Deferred Outflows of Resources	\$21.99	\$28.10	-	-	21.99	28.10	27.79%
Long-term debt outstanding	3.02	2.45	58.60	52.75	61.62	55.20	-10.42%
Other liabilities	100.15	110.71	3.94	4.67	104.09	115.38	10.85%
Total Liabilities	103.17	113.16	62.54	57.42	165.71	170.58	2.94%
Deferred Inflow of Resources	17.45	11.77	-	-	17.45	11.77	-32.55%
Net assets							
Invested in capital assets, net of related debt	124.89	122.92	152.44	157.26	277.33	280.18	1.02%
Restricted	3.43	27.54	-	-	3.43	27.54	702.92%
Unrestricted	(39.36)	(50.00)	(5.23)	(9.76)	(44.59)	(59.42)	33.26%
Total Net Assets	\$ 88.96	\$ 100.68	\$ 147.21	\$ 147.84	\$ 236.17	\$ 248.52	5.23%

Net Position of the City's governmental activities increased by 13.17 percent to \$100.68 million. However, much of the net position is restricted as to the purposes for which it can be used, or is invested in capital assets (buildings, roads, and such). Consequently, unrestricted net position showed a \$50 million deficit at the end of the year.

The deficit in unrestricted governmental net position was negatively affected by an increase in restricted fund balance.

The net position of the City's business-type activities increased by 0.63 percent to \$147.84 million. While business type activities do have a substantial positive net position, these resources cannot be used to add to the net position in governmental activities. The City generally can only use the net position to finance the continuing operations of the business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in net position

The City's total revenues increased by 7.15% to \$108.70 million. (See Table A-2) Approximately 34% of the City's revenue comes from fees charged for services, 11% from sales taxes, 11% from ad valorem taxes, and 13% comprising such revenue items as business occupation license fees, franchise fees, and insurance premium fees. The remaining 31% represents grants, accommodation tax and investment revenue.

The City has experienced improved collections in taxes as a result of a strong local economy as well as the effects of growing tourism on the accommodations tax.

The total cost of all programs and services increased by 7.33% to 96.35 million. The City's expenses cover a myriad of services, with approximately 29% related to public safety, 33% related to general government expenses, and 21% related to water/sewer expenses. The balance of 17% is comprised of public works, economic development, solid waste, inspection, auditorium, storm water, and motor fuel functions.

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Governmental Activities

Revenues for the City's governmental activities increased \$5.43 million or 8% to \$73.67 million, while governmental activities expenses experienced an increase of \$6.03 million or 10% to \$66.21 million.

The increase in governmental revenue is primarily the result of an increase in grants and other taxes. Most other revenues were flat.

The City of Valdosta continues to trim budgets and cut costs in an effort to remain financially viable and improve fund balances. These efforts have served to moderate the increases in governmental activities over the last year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-2
Changes in City of Valdosta's Net Position
(In millions of dollars)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>		<u>Total</u> <u>Percentage</u> <u>Change</u>
	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	
REVENUES							
Program Revenues:							
Charges for Services	\$ 1.64	\$ 2.21	\$ 33.21	\$ 34.62	\$ 34.85	\$ 36.83	5.68%
Operating Grants & Contributions	8.39	2.96	-	-	\$ 8.39	2.96	-64.72%
Capital Grants & Contributions	16.64	26.80	-	0.41	\$ 16.64	27.21	63.52%
General Revenues:					\$ -		
Property Taxes	13.98	11.93			\$ 13.98	11.93	-14.66%
Sales Taxes	12.11	11.45			\$ 12.11	11.45	-5.45%
Accommodations Tax	3.84	3.69			\$ 3.84	3.69	-3.91%
Other Taxes	10.99	14.27			\$ 10.99	14.27	29.85%
Investment Earnings	0.02	0.36	-	-	\$ 0.02	0.36	1700.00%
Misc	0.63	-			\$ 0.63	-	-100.00%
Other General Revenues					\$ -	-	N/A
Total Revenues	68.24	73.67	33.21	35.03	101.45	108.70	7.15%
EXPENSES							
Program Activities							
Primary Government:							
Governmental Activities:							
General Government	27.68	31.97			27.68	31.97	15.50%
Public Safety	26.85	28.08			26.85	28.08	4.58%
Public Works	1.99	2.91			1.99	2.91	46.23%
Culture & Recreation		0.05			-	0.05	N/A
Economic Development and Assistance	3.66	3.20			3.66	3.20	-12.57%
Business-type Activities:					-		
Sanitation			5.95	6.23	5.95	6.23	4.71%
Water/Sewer			19.82	19.76	19.82	19.76	-0.30%
Housing Inspections			1.00	1.03	1.00	1.03	3.00%
Zoning			-	-	-	-	N/A
DOL Building			0.27	0.29	0.27	0.29	7.41%
Stormwater			1.78	2.09	1.78	2.09	17.42%
City Auditorium			0.39	0.34	0.39	0.34	-12.82%
Motor Fuel			0.38	0.40	0.38	0.40	5.26%
Total Expenses	60.18	66.21	29.59	30.14	89.77	96.35	7.33%
Excess (deficiency) before transfers	8.06	7.46	3.62	4.89	11.68	12.35	5.74%
Transfers	(0.84)	4.26	0.84	(4.26)	-	-	0.00%
Increase (Decrease) in Net Assets	7.22	11.72	4.46	0.63	11.68	12.35	5.74%
Net assets, beginning, revised	-	-	-	-	-	-	N/A
PPA	-	-			-	-	N/A
Net assets, beginning, revised	81.74	88.96	142.75	147.21	224.49	236.17	5.20%
Net assets, ending	\$ 88.96	\$ 100.68	\$ 147.21	\$ 147.84	\$ 236.17	\$ 248.52	5.23%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-3 presents the cost of each of the City's four largest governmental programs, as well as each program's net cost (total cost less fees generated by activities and intergovernmental aid). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

- The cost of all governmental activities this year was \$66.21 million.
- However, the amount that taxpayers paid for these activities through City taxes was \$33.88 million. Some of the cost was paid by:
 - Those who benefited directly from the programs (\$2.21 million).
 - Other governments and organizations that subsidized certain programs with grants and contributions (\$29.76 million).
 - Other miscellaneous sources such as investments (\$.36 million).

Table A-3
Net Cost of City of Valdosta's Governmental Activities
(in millions of dollars)

Function	Total Cost Of Services		Percentage Change	Net Cost of Services		Percentage Change
	2022	2023	2022-2023	2022	2023	2022-2023
General Government	\$ 27.68	\$ 31.97	15.50%	\$ 8.72	\$ 30.54	250.23%
Public Safety	26.85	28.08	4.58%	\$ 19.79	\$ 20.41	3.13%
Public Works	1.99	2.91	46.23%	\$ 1.91	\$ (16.75)	-976.96%
Economic Development and Assistance	3.66	3.20	-12.57%	\$ 3.08	\$ 0.04	-98.70%
Total	\$ 60.18	\$ 66.21	10.02%	\$ 33.50	\$ 34.24	2.21%

Business-type Activities

Total revenues available during the year to finance enterprise (business type) activities were \$35.03 million. Funding was made available as follows: program revenues \$34.62 million and grants 0.41 million.

The cost of all enterprise (business-type) activities for the year accumulated to \$30.14 million consisting of the following activities: solid waste \$6.23 million, water/sewer \$19.76 million, inspections \$1.03 million, city auditorium \$.34 million, motor fuel \$.40 million, DOL building \$.29 million, and storm water \$2.09 million. In addition, the Enterprise funds transferred \$3.61 million to the General Fund for administrative services, and \$.65 million to Group Insurance Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

General Fund Budgetary Highlights

Comparing the FY 2023 original General Fund budget, in the amount of \$45.75 million, to the final budget amount of \$45.87 million represents an increase of \$.12 million.

The increase in the General Fund Budget is the result of grants received in the fiscal year. The City only budgets those grants that are assured at the time of budget preparation.

The General Fund experienced an increase in fund balance due to healthy tax collections as well as expenditures remaining below budget.

Sales Tax 2013 Fund Highlights

The Sales Tax 2013 Fund experienced a decrease in fund balance of \$.38 million as a result of expenditures taken from fund balance.

Sales Tax 2019 Fund Highlights

The Sales Tax 2019 Fund experienced an increase in fund balance of 9.22 million as a result of collections outpacing project expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of the year-end, the City had \$335.84 million invested in a variety of capital assets, as reflected in the following schedule (Table A-4), which represents a net decrease (additions less retirements and depreciation) of \$5.11 million or 1.50 percent from last year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-4
City of Valdosta's Capital Assets
(in millions of dollars)

	Governmental		Business-type		Total		Total
	Activities		Activities		Activities		Percentage
	2022	2023	2022	2023	2022	2023	Change
Non-depreciable assets							
Land	\$77.10	\$77.10	\$3.04	\$3.04	\$ 80.14	\$ 80.14	0.00%
Infrastructure in progress					-	-	N/A
Construction in progress	5.08	5.36	4.02	7.07	9.10	12.43	36.59%
Depreciable Assets							
Land improvements	13.76	13.76	164.46	164.49	178.22	178.25	0.02%
Buildings	29.13	29.13	105.08	105.08	134.21	134.21	0.00%
Equipment	7.80	8.44	14.96	15.34	22.76	23.78	4.48%
Motor vehicles	25.97	27.57			25.97	27.57	6.16%
Infrastructure	108.88	108.88			108.88	108.88	0.00%
Intangibles			1.16	1.16	1.16	1.16	0.00%
Accumulated depreciation	(139.81)	(144.75)	(79.68)	(85.83)	(219.49)	(230.58)	5.05%
	\$ 127.91	\$ 125.49	\$ 213.04	\$ 210.35	\$ 340.95	\$ 335.84	-1.50%

This year's major capital asset additions and deletions included:

The increase in construction in progress is the result of the city's ongoing improvements.

The increase in motor vehicles is the result of the routine replacement of passenger and police vehicles, as well as the acquisition of larger vehicles to replace older, fully depreciated units.

More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt

At year-end, the City had \$55.20 million in total debt outstanding. Government wide debt decreased by 10.42 percent as compared to last year.

More detailed information about the City's long-term liabilities is presented in Notes 6, 8, and 9 to the financial statements.

Table A-5
City of Valdosta's Outstanding Debt
(in millions of dollars)

	Governmental		Business-type		Total		Total Percentage Change
	Activities		Activities		2022 2023		
	2022	2023	2022	2023	2022	2023	
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Revenue Bonds	-	-	28.43	25.33	\$ 28.43	25.33	-10.90%
Notes Payable	-	-	30.17	27.42	\$ 30.17	27.42	-9.12%
Financed Purchases	3.02	2.45			\$ 3.02	2.45	-18.87%
Total	\$ 3.02	\$ 2.45	\$ 58.60	\$ 52.75	\$ 61.62	\$ 55.20	-10.42%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local governments (cities, counties and school boards) primarily rely on property and sales tax and a limited array of other permitted taxes and fees (franchise, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring one-time grants from both the state and federal governments. Fortunately, the City was named a metropolitan statistical area in June 2003. This designation enables the City to become an entitlement community; therefore, certain grants will automatically become available to the City, and Valdosta will not be required to compete with other communities for grant funds.

For the business-type and certain governmental activities (recreational programs) the user pays a fee or charge associated with the service.

The City collected major revenues that support governmental operations well in excess of what was budgeted. Additionally, General Fund expenditures were below budget. The City's commitment to controlling costs allowed Valdosta to weather the ongoing inflationary environment and maintain a high level of service to its citizens. During the past year, the City saw increases in governmental fund balances. This growth will allow the City to continue to provide the array of services expected by its citizens in the event of future economic downturns.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following areas are three primary indicators that the City reviews when making future financial decisions.

- Growth in the tax base of the City (excluding inflationary growth). There was a significant increase in the gross tax base of 15.8% this year. This change is primarily the result of an increase in personal property as well as a reassessment growth in real property. This increase indicates a strong real estate market in the city.
- Business Gross Receipts Taxes (based on a business' gross receipts). This revenue increased approximately 6.7 this year indicating an expanding local economy.
- General Fund's Ending Fund Balance – reflects the City's ability to meet ever increasing demands for general service while remaining financially sound and fiscally responsible by providing a buffer for short-term fluctuations in the economy. The General Fund experienced a significant increase in total fund balance at June 30, 2023.

FINANCIAL CONTACT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Valdosta Finance Department, P.O. Box 1125, Valdosta, Georgia 31603 or visit our website at www.valdostacity.com.

BASIC FINANCIAL STATEMENTS

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF NET POSITION
JUNE 30, 2023**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 48,405,165	\$ 4,553,124	\$ 52,958,289
Taxes receivable	2,845,230	-	2,845,230
Accounts receivable, net of allowances	562,544	3,510,115	4,072,659
Second mortgages receivable	1,730,612	-	1,730,612
Special assessments receivable	45,387	-	45,387
Due from other governments	1,905,619	81,967	1,987,586
Internal balances	15,906,858	(15,906,858)	-
Inventories	612,581	695,564	1,308,145
Restricted assets:			
Cash and cash equivalents	-	1,971,678	1,971,678
Capital assets:			
Nondepreciable	82,468,255	10,108,670	92,576,925
Depreciable, net	43,026,204	199,600,144	242,626,348
Intangible, net	-	645,372	645,372
Total assets	<u>197,508,455</u>	<u>205,259,776</u>	<u>402,768,231</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	20,101,796	-	20,101,796
Other post-employment benefits	7,993,024	-	7,993,024
Total deferred outflows of resources	<u>28,094,820</u>	<u>-</u>	<u>28,094,820</u>
LIABILITIES			
Accounts payable	4,474,075	2,610,957	7,085,032
Accrued interest payable	33,427	43,414	76,841
Accrued interest payable - revenue bonds	-	46,342	46,342
Unearned revenues	5,940,283	-	5,940,283
Customer deposits payable	-	1,426,665	1,426,665
Financed purchases due within one year	627,203	-	627,203
Financed purchases due in more than one year	1,819,979	-	1,819,979
Notes payable due within one year	-	3,038,267	3,038,267
Notes payable due in more than one year	-	24,378,408	24,378,408
Bonds payable due within one year	-	216,000	216,000
Revenue bonds payable due within one year	-	2,857,366	2,857,366
Revenue bonds payable due in more than one year	-	22,264,065	22,264,065
Compensated absences due within one year	1,185,000	306,000	1,491,000
Compensated absences due in more than one year	615,607	234,361	849,968
Net pension liability due in more than one year	65,284,342	-	65,284,342
Total other post-employment benefits liability due in more than one year	33,167,937	-	33,167,937
Total liabilities	<u>113,147,853</u>	<u>57,421,845</u>	<u>170,569,698</u>
DEFERRED INFLOWS OF RESOURCES			
Other post-employment benefits	11,772,058	-	11,772,058
Total deferred inflows of resources	<u>11,772,058</u>	<u>-</u>	<u>11,772,058</u>
NET POSITION			
Net investment in capital assets	122,920,700	157,256,790	280,177,490
Restricted for:			
Public safety	364,042	-	364,042
Community development	1,699,651	-	1,699,651
Capital projects	25,706,171	-	25,706,171
Unrestricted	(50,007,200)	(9,418,859)	(59,426,059)
Total net position	<u>\$ 100,683,364</u>	<u>\$ 147,837,931</u>	<u>\$ 248,521,295</u>

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

CITY OF VALDOSTA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
General government	\$ 31,968,076	\$ 1,426,881	\$ -	\$ -	\$ (30,541,195)	\$ -	\$ (30,541,195)
Public safety	28,083,951	658,653	-	4,051,262	(23,374,036)	-	(23,374,036)
Public works	2,961,258	-	-	19,714,986	16,753,728	-	16,753,728
Community development	3,197,075	125,643	2,963,442	3,028,805	2,920,815	-	2,920,815
Total governmental activities	<u>66,210,360</u>	<u>2,211,177</u>	<u>2,963,442</u>	<u>26,795,053</u>	<u>(34,240,688)</u>	<u>-</u>	<u>(34,240,688)</u>
Business-type activities:							
Sanitation	6,226,700	6,212,625	-	176,289	-	162,214	162,214
Water and sewer	19,761,531	23,687,677	-	233,674	-	4,159,820	4,159,820
Inspection	1,033,669	1,889,432	-	-	-	855,763	855,763
DOL Building	287,958	502,800	-	-	-	214,842	214,842
Stormwater	2,086,520	1,842,000	-	-	-	(244,520)	(244,520)
Motor fuel	402,304	445,321	-	-	-	43,017	43,017
Auditorium	335,841	44,000	-	-	-	(291,841)	(291,841)
Total business-type activities	<u>30,134,523</u>	<u>34,623,855</u>	<u>-</u>	<u>409,963</u>	<u>-</u>	<u>4,899,295</u>	<u>4,899,295</u>
Total primary government	<u>\$ 96,344,883</u>	<u>\$ 36,835,032</u>	<u>\$ 2,963,442</u>	<u>\$ 27,205,016</u>	<u>(34,240,688)</u>	<u>4,899,295</u>	<u>(29,341,393)</u>
General revenues:							
Property taxes					17,440,199	-	17,440,199
Sales taxes					11,441,263	-	11,441,263
Accommodations tax					3,690,451	-	3,690,451
Franchise taxes					4,207,356	-	4,207,356
Insurance premium tax					4,553,406	-	4,553,406
Unrestricted investment earnings					362,439	-	362,439
Transfers					4,264,310	(4,264,310)	-
Total general revenues and transfers					<u>45,959,424</u>	<u>(4,264,310)</u>	<u>41,695,114</u>
Change in net position					<u>11,718,736</u>	<u>634,985</u>	<u>12,353,721</u>
Net position, beginning of year					88,964,628	147,202,946	236,167,574
Net position, end of year					<u>\$ 100,683,364</u>	<u>\$ 147,837,931</u>	<u>\$ 248,521,295</u>

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

CITY OF VALDOSTA, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

ASSETS	General	Federal COVID Relief	Sales Tax 2013	Sales Tax 2019	Airport Development
Cash and cash equivalents	\$ 4,096,677	\$ 8,018,999	\$ 3,156,550	\$ 21,100,018	\$ 560,747
Taxes receivable, net	1,416,796	-	-	1,202,513	-
Accounts receivable, net	214,252	-	-	-	-
Second mortgages receivables	-	-	-	-	-
Special assessments	45,387	-	-	-	-
Due from other governments	856,273	-	-	-	34,030
Due from other funds	9,461,020	-	-	-	-
Inventories	-	-	-	213,395	-
Advances to other funds	5,960,221	-	-	-	-
Total assets	<u>\$ 22,050,626</u>	<u>\$ 8,018,999</u>	<u>\$ 3,156,550</u>	<u>\$ 22,515,926</u>	<u>\$ 594,777</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 1,716,484	\$ 67,284	\$ 39,031	\$ 517,092	\$ 18,487
Unearned revenues	-	5,940,283	-	-	-
Due to other funds	1,969,562	2,010,854	37,845	161,497	-
Advance from other funds	-	-	-	-	-
Total liabilities	<u>3,686,046</u>	<u>8,018,421</u>	<u>76,876</u>	<u>678,589</u>	<u>18,487</u>
 DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - intergovernmental	385,010	-	-	1,202,513	17,931
Unavailable revenue - property taxes	316,280	-	-	-	-
Total deferred inflows of resources	<u>701,290</u>	<u>-</u>	<u>-</u>	<u>1,202,513</u>	<u>17,931</u>
 FUND BALANCES					
Nonspendable:					
Inventories	-	-	-	213,395	-
Permanent fund principal	-	-	-	-	-
Long-term interfund advances	5,960,221	-	-	-	-
Restricted for:					
Land Bank Authority	71,505	-	-	-	-
Public safety	225,697	-	-	-	-
Community development	-	-	-	-	-
NPDES permitting	78,918	-	-	-	-
Capital projects	-	578	3,079,674	20,421,429	558,359
Committed to:					
Tree Fines	10,767	-	-	-	-
Assigned for:					
Tourism development	-	-	-	-	-
Capital improvement	-	-	-	-	-
Encumbrances	1,416,227	-	-	-	-
Unassigned (deficit)	9,899,955	-	-	-	-
Total fund balances	<u>17,663,290</u>	<u>578</u>	<u>3,079,674</u>	<u>20,634,824</u>	<u>558,359</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,050,626</u>	<u>\$ 8,018,999</u>	<u>\$ 3,156,550</u>	<u>\$ 22,515,926</u>	<u>\$ 594,777</u>

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

<u>CVDA</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 170,679	\$ 10,574,475	\$ 47,678,145
-	225,921	2,845,230
-	324,467	538,719
-	1,730,612	1,730,612
-	-	45,387
-	1,015,316	1,905,619
-	103,789	9,564,809
-	-	213,395
-	-	5,960,221
<u>\$ 170,679</u>	<u>\$ 13,974,580</u>	<u>\$ 70,482,137</u>
\$ -	\$ 387,472	\$ 2,745,850
-	-	5,940,283
5,824	1,278,872	5,464,454
-	30,000	30,000
<u>5,824</u>	<u>1,696,344</u>	<u>14,180,587</u>
-	990,231	2,595,685
-	-	316,280
<u>-</u>	<u>990,231</u>	<u>2,911,965</u>
-	-	213,395
-	1,869,060	1,869,060
-	-	5,960,221
-	-	71,505
-	138,345	364,042
-	1,699,651	1,699,651
-	-	78,918
164,855	1,481,276	25,706,171
-	-	10,767
-	3,458,395	3,458,395
-	3,384,427	3,384,427
-	-	1,416,227
-	(743,149)	9,156,806
<u>164,855</u>	<u>11,288,005</u>	<u>53,389,585</u>
<u>\$ 170,679</u>	<u>\$ 13,974,580</u>	<u>\$ 70,482,137</u>

CITY OF VALDOSTA, GEORGIA

**RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$	53,389,585
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	\$ 238,435,847	
Accumulated depreciation	<u>(123,186,639)</u>	115,249,208
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows - pension	\$ 20,101,796	
Deferred outflows - OPEB	7,993,024	
Deferred inflows - OPEB	<u>(11,772,058)</u>	16,322,762
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.		
		2,911,965
Internal service funds are used by management to charge the cost of motor pool, group insurance, workmen's compensation, and IT services to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.		
		13,191,677
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Net pension liability	\$ (65,284,342)	
Total OPEB liability	(33,167,937)	
Financed purchases payable	(166,256)	
Compensated absences	<u>(1,763,298)</u>	<u>(100,381,833)</u>
Net position of governmental activities	\$	<u><u>100,683,364</u></u>

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

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>General</u>	<u>Federal COVID Relief</u>	<u>Sales Tax 2013</u>	<u>Sales Tax 2019</u>	<u>Airport Development</u>
REVENUES					
Taxes	\$ 38,051,124	\$ -	\$ -	\$ -	\$ -
Licenses and permits	482,605	-	-	-	-
Charges for services	625,266	-	-	-	-
Intergovernmental	1,605,383	7,014,704	2,543	14,572,190	3,028,805
Fines and forfeitures	565,920	-	-	-	-
Interest revenue	361,401	-	-	-	-
Contributions and donations	-	-	-	-	-
Other revenues	502,152	-	-	-	-
Total revenues	<u>42,193,851</u>	<u>7,014,704</u>	<u>2,543</u>	<u>14,572,190</u>	<u>3,028,805</u>
EXPENDITURES					
Current:					
General government	9,916,381	6,465,279	-	-	-
Public safety	25,517,938	-	-	-	-
Public works	2,724,307	-	-	-	-
Economic development and assistance	1,363,135	-	-	-	1,227,274
Capital outlay	-	49,425	380,848	5,355,738	300,009
Debt service:					
Principal	124,712	-	-	-	-
Interest	7,259	-	-	-	-
Total expenditures	<u>39,653,732</u>	<u>6,514,704</u>	<u>380,848</u>	<u>5,355,738</u>	<u>1,527,283</u>
Excess (deficiency) of revenues over expenditures	<u>2,540,119</u>	<u>500,000</u>	<u>(378,305)</u>	<u>9,216,452</u>	<u>1,501,522</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,918,576	-	-	-	-
Transfers out	(1,773,671)	(500,000)	-	-	-
Total other financing sources (uses)	<u>2,144,905</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,685,024	-	(378,305)	9,216,452	1,501,522
Fund balances (deficit), beginning of year	<u>12,978,266</u>	<u>578</u>	<u>3,457,979</u>	<u>11,418,372</u>	<u>(943,163)</u>
Fund balances, end of year	<u>\$ 17,663,290</u>	<u>\$ 578</u>	<u>\$ 3,079,674</u>	<u>\$ 20,634,824</u>	<u>\$ 558,359</u>

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

<u>CVDA</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 85,991	\$ 3,690,451	\$ 41,827,566
-	-	482,605
-	-	625,266
-	3,789,225	30,012,850
-	4,793	570,713
1,038	-	362,439
708	-	708
1,842	27,891	531,885
<u>89,579</u>	<u>7,512,360</u>	<u>74,414,032</u>
73,317	4,376,047	20,831,024
-	7,247	25,525,185
-	-	2,724,307
-	607,303	3,197,712
-	886,803	6,972,823
-	-	124,712
-	-	7,259
<u>73,317</u>	<u>5,877,400</u>	<u>59,383,022</u>
<u>16,262</u>	<u>1,634,960</u>	<u>15,031,010</u>
-	684,600	4,603,176
-	(551,932)	(2,825,603)
-	132,668	1,777,573
16,262	1,767,628	16,808,583
<u>148,593</u>	<u>9,520,377</u>	<u>36,581,002</u>
<u>\$ 164,855</u>	<u>\$ 11,288,005</u>	<u>\$ 53,389,585</u>

CITY OF VALDOSTA, GEORGIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

Net change in fund balances - total governmental funds.	\$	16,808,583
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay</p>		
Capital outlay	\$	533,471
Depreciation expense		<u>(3,030,305)</u>
		(2,496,834)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(749,246)
<p>Internal Service Funds are used by management to charge the costs of certain functions to individual funds. The net revenue of certain activities in the Internal Service Funds is reported with governmental activities.</p>		
		531,529
<p>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.</p>		
		131,971
<p>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.</p>		
Compensated absences	\$	28,652
OPEB expense		927,736
Pension expense		<u>(3,463,655)</u>
		<u>(2,507,267)</u>
Total	\$	<u><u>11,718,736</u></u>

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

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	<u>Sanitation Fund</u>	<u>Water/Sewer Revenue Fund</u>	<u>Department of Labor Building Fund</u>	<u>Stormwater Fund</u>	<u>Nonmajor Enterprise Funds</u>
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 207,975	\$ 1,053,783	\$ 45,933	\$ 491,315	\$ 2,754,118
Accounts receivable, net of allowances	724,135	2,520,490	-	185,473	80,017
Due from other governments	81,967	-	-	-	-
Due from other funds	-	-	-	334,721	-
Inventories	-	695,564	-	-	-
Restricted assets, cash	6,829	1,964,849	-	-	-
Total current assets	<u>1,020,906</u>	<u>6,234,686</u>	<u>45,933</u>	<u>1,011,509</u>	<u>2,834,135</u>
NON-CURRENT ASSETS					
Capital assets:					
Nondepreciable	-	9,861,759	-	246,911	-
Depreciable, net of accumulated depreciation	563,799	194,923,315	2,726,186	1,386,844	-
Intangible, net of accumulated amortization	-	-	-	645,372	-
Total non-current assets	<u>563,799</u>	<u>204,785,074</u>	<u>2,726,186</u>	<u>2,279,127</u>	<u>-</u>
Total assets	<u>1,584,705</u>	<u>211,019,760</u>	<u>2,772,119</u>	<u>3,290,636</u>	<u>2,834,135</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	279,224	2,190,396	44,223	56,511	40,603
Accrued interest payable	-	39,400	4,014	-	-
Current portion - compensated absences	48,000	190,000	-	35,000	33,000
Current portion - notes payable	-	3,038,267	-	-	-
Current portion - financed purchases	-	-	-	-	-
Current portion - bonds payable	-	-	216,000	-	-
Due to other funds	-	2,000,000	1,207,003	-	-
Payable from restricted assets:					
Accrued interest payable - bonds payable	-	46,342	-	-	-
Customer deposits payable	6,829	1,419,836	-	-	-
Revenue bonds payable, current portion	-	2,857,366	-	-	-
Total current liabilities	<u>334,053</u>	<u>11,781,607</u>	<u>1,471,240</u>	<u>91,511</u>	<u>73,603</u>
NON-CURRENT LIABILITIES					
Compensated absences, net of current portion	57,971	125,060	-	17,360	33,970
Revenue bonds payable, net of current portion	-	22,264,065	-	-	-
Financed purchases, net of current portion	-	-	-	-	-
Notes payable, net of current portion	-	24,378,408	-	-	-
Advance from other funds	-	-	963,872	-	-
Total non-current liabilities	<u>57,971</u>	<u>46,767,533</u>	<u>963,872</u>	<u>17,360</u>	<u>33,970</u>
Total liabilities	<u>392,024</u>	<u>58,549,140</u>	<u>2,435,112</u>	<u>108,871</u>	<u>107,573</u>
NET POSITION					
Net investment in capital assets	563,799	151,903,678	2,510,186	2,279,127	-
Unrestricted	628,882	566,942	(2,173,179)	902,638	2,726,562
Total net position	<u>\$ 1,192,681</u>	<u>\$ 152,470,620</u>	<u>\$ 337,007</u>	<u>\$ 3,181,765</u>	<u>\$ 2,726,562</u>

Adjustment to reflect the consolidation of Internal Service Fund activities related to enterprise funds.
Net position of business-type activities.

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

<u>Totals</u>	<u>Internal Service Funds Total</u>
\$ 4,553,124	\$ 727,020
3,510,115	23,825
81,967	-
334,721	1,634,841
695,564	399,186
1,971,678	-
<u>11,147,169</u>	<u>2,784,872</u>
10,108,670	97,670
199,600,144	10,147,581
645,372	-
<u>210,354,186</u>	<u>10,245,251</u>
<u>221,501,355</u>	<u>13,030,123</u>
2,610,957	1,728,225
43,414	33,427
306,000	17,000
3,038,267	-
-	455,340
216,000	-
3,207,003	2,862,914
46,342	-
1,426,665	-
2,857,366	-
<u>13,752,014</u>	<u>5,096,906</u>
234,361	20,309
22,264,065	-
-	1,825,586
24,378,408	-
963,872	4,966,349
<u>47,840,706</u>	<u>6,812,244</u>
<u>61,592,720</u>	<u>11,909,150</u>
157,256,790	7,964,325
2,651,845	(6,843,352)
159,908,635	\$ 1,120,973
(12,070,704)	
<u>\$ 147,837,931</u>	

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Sanitation Fund	Water/Sewer Revenue Fund	Department of Labor Building Fund	Stormwater Fund	Nonmajor Enterprise Funds
OPERATING REVENUES					
Charges for services	\$ 6,191,768	\$ 23,349,323	\$ 502,800	\$ 1,842,000	\$ 615,373
Permits	-	-	-	-	1,749,685
Other services	20,857	338,354	-	-	13,695
Total operating revenues	<u>6,212,625</u>	<u>23,687,677</u>	<u>502,800</u>	<u>1,842,000</u>	<u>2,378,753</u>
OPERATING EXPENSES					
Personnel services	2,311,872	5,495,574	-	853,495	925,892
Purchased or contracted services	1,817,840	2,396,346	163,019	599,600	148,106
Claims paid	-	-	-	-	-
Supplies	178,127	1,660,666	-	83,164	419,127
Travel and training	3,495	37,557	-	968	5,221
Miscellaneous	1,617,612	2,770,654	7,698	429,420	199,386
Depreciation	70,345	5,914,005	89,111	73,957	108
Total operating expenses	<u>5,999,291</u>	<u>18,274,802</u>	<u>259,828</u>	<u>2,040,604</u>	<u>1,697,840</u>
Operating income (loss)	<u>213,334</u>	<u>5,412,875</u>	<u>242,972</u>	<u>(198,604)</u>	<u>680,913</u>
NON-OPERATING INCOME (EXPENSES)					
Intergovernmental	176,289	31,324	-	-	-
Interest expense and fiscal charges	-	(1,113,145)	(28,130)	-	-
Loss on sale of capital assets	-	-	-	-	-
Total non-operating income (expenses)	<u>176,289</u>	<u>(1,081,821)</u>	<u>(28,130)</u>	<u>-</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>389,623</u>	<u>4,331,054</u>	<u>214,842</u>	<u>(198,604)</u>	<u>680,913</u>
CAPITAL CONTRIBUTIONS					
	<u>-</u>	<u>202,350</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS					
Transfers out	(332,714)	(3,125,540)	(650,000)	(265,951)	(257,437)
Transfers in	-	-	-	-	367,332
Total transfers	<u>(332,714)</u>	<u>(3,125,540)</u>	<u>(650,000)</u>	<u>(265,951)</u>	<u>109,895</u>
Change in net position	56,909	1,407,864	(435,158)	(464,555)	790,808
Net position, beginning of year	<u>1,135,772</u>	<u>151,062,756</u>	<u>772,165</u>	<u>3,646,320</u>	<u>1,935,754</u>
Net position, end of year	<u>\$ 1,192,681</u>	<u>\$ 152,470,620</u>	<u>\$ 337,007</u>	<u>\$ 3,181,765</u>	<u>\$ 2,726,562</u>

Adjustment to reflect the consolidation of Internal Service Fund activities related to enterprise funds.
Change in net position of business-type activities

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

<u>Totals</u>	<u>Internal Service Funds Total</u>
\$ 32,501,264	\$ 13,623,572
1,749,685	-
372,906	165,305
<u>34,623,855</u>	<u>13,788,877</u>
9,586,833	809,658
5,124,911	3,769,855
-	3,391
2,341,084	2,674,346
47,241	-
5,024,770	473,196
6,147,526	1,908,383
<u>28,272,365</u>	<u>16,338,204</u>
<u>6,351,490</u>	<u>(2,549,327)</u>
207,613	-
(1,141,275)	(88,683)
-	(38,081)
<u>(933,662)</u>	<u>(126,764)</u>
<u>5,417,828</u>	<u>(2,676,091)</u>
<u>202,350</u>	<u>-</u>
(4,631,642)	-
367,332	2,486,737
<u>(4,264,310)</u>	<u>2,486,737</u>
1,355,868	(189,354)
	<u>1,310,327</u>
	<u>\$ 1,120,973</u>
(720,883)	
<u>\$ 634,985</u>	

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Sanitation Fund	Water/Sewer Revenue Fund	Department of Labor Building Fund	Stormwater Fund	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 5,910,911	\$ 25,932,780	\$ 1,488,557	\$ 1,832,664	\$ 2,287,360
Receipts from interfund services provided	-	-	-	-	-
Payments to suppliers	(3,458,787)	(6,535,873)	(611,814)	(1,134,646)	(926,497)
Payments to employees	(2,342,104)	(5,456,507)	-	(845,915)	(923,798)
Net cash provided (used in) by operating activities	<u>110,020</u>	<u>13,940,400</u>	<u>876,743</u>	<u>(147,897)</u>	<u>437,065</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intergovernmental grant	176,289	31,324	-	-	-
Transfers out	(332,714)	(3,125,540)	(650,000)	(265,951)	(257,437)
Transfers in	-	-	-	-	367,332
Net cash provided by (used in) noncapital financing activities	<u>(156,425)</u>	<u>(3,094,216)</u>	<u>(650,000)</u>	<u>(265,951)</u>	<u>109,895</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	-	(3,314,332)	-	-	-
Proceeds from the disposal of capital assets	-	57,799	-	-	-
Principal paid on bonds	-	(2,856,591)	-	-	-
Principal paid on financed purchases	-	(2,751,680)	-	-	-
Principal paid on bonds	-	-	(233,000)	-	-
Interest paid	-	(1,113,145)	(35,864)	-	-
Net cash used in capital and related financing activities	<u>-</u>	<u>(9,977,949)</u>	<u>(268,864)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	(46,405)	868,235	(42,121)	(413,848)	546,960
Cash and cash equivalents:					
Beginning of year	<u>261,209</u>	<u>2,150,397</u>	<u>88,054</u>	<u>905,163</u>	<u>2,207,158</u>
End of year	<u>\$ 214,804</u>	<u>\$ 3,018,632</u>	<u>\$ 45,933</u>	<u>\$ 491,315</u>	<u>\$ 2,754,118</u>
Classified as:					
Cash and cash equivalents	\$ 207,975	\$ 1,053,783	\$ 45,933	\$ 491,315	\$ 2,754,118
Restricted assets, cash	6,829	1,964,849	-	-	-
	<u>\$ 214,804</u>	<u>\$ 3,018,632</u>	<u>\$ 45,933</u>	<u>\$ 491,315</u>	<u>\$ 2,754,118</u>

(Continued)

<u>Totals</u>	<u>Internal Service Funds Total</u>
\$ 37,452,272	\$ -
-	16,624,618
(12,667,617)	(14,011,650)
(9,568,324)	(822,262)
<u>15,216,331</u>	<u>1,790,706</u>
207,613	-
(4,631,642)	-
<u>367,332</u>	<u>-</u>
<u>(4,056,697)</u>	<u>-</u>
(3,314,332)	(2,179,475)
57,799	155,831
(2,856,591)	-
(2,751,680)	(440,868)
(233,000)	-
<u>(1,149,009)</u>	<u>(88,683)</u>
<u>(10,246,813)</u>	<u>(2,553,195)</u>
912,821	(762,489)
<u>5,611,981</u>	<u>1,489,509</u>
<u>\$ 6,524,802</u>	<u>\$ 727,020</u>
\$ 4,553,124	\$ 727,020
1,971,678	-
<u>\$ 6,524,802</u>	<u>\$ 727,020</u>

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Sanitation Fund</u>	<u>Water/Sewer Revenue Fund</u>	<u>Department of Labor Building Fund</u>	<u>Stormwater Fund</u>	<u>Nonmajor Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 213,334	\$ 5,412,875	\$ 242,972	\$ (198,604)	\$ 680,913
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	70,345	5,914,005	89,111	73,957	108
(Increase) decrease in assets and deferred outflows of resources:					
Accounts receivable	47,182	142,502	423,804	(9,335)	49,859
Due from other governments	(81,967)	532,509	-	-	-
Inventories	-	(206,391)	-	-	-
Due from other funds	-	-	-	362,811	-
Increase (decrease) in liabilities and deferred inflows of resources:					
Accounts payable	158,287	543,406	(5,582)	(21,494)	(22,756)
Accrued liabilities	(30,019)	31,402	-	7,580	1,047
Customer deposits	-	70,092	-	-	-
Deferred inflows of resources - lease	-	-	(435,515)	-	-
Due to other funds	(266,929)	1,500,000	561,953	(362,812)	(272,106)
Deferred inflows of resources - pension and OPEB	(213)	-	-	-	-
Advance from other funds	-	-	-	-	-
Net cash provided by operating activities	<u>\$ 110,020</u>	<u>\$ 13,940,400</u>	<u>\$ 876,743</u>	<u>\$ (147,897)</u>	<u>\$ 437,065</u>
Noncash investing, capital and financing activities:					
Capital contributions	\$ -	\$ 202,350	\$ -	\$ -	\$ -
Net noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 202,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Concluded)

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

<u>Totals</u>	<u>Internal Service Funds Total</u>
\$ 6,351,490	\$ (2,549,327)
6,147,526	1,908,383
654,012	(1,914)
450,542	-
(206,391)	(44,742)
362,811	309,700
651,861	(346,745)
10,010	(12,604)
70,092	-
(435,515)	-
1,160,106	(2,438,394)
(213)	-
-	4,966,349
<u>\$ 15,216,331</u>	<u>\$ 1,790,706</u>
\$ 202,350	
<u>\$ 202,350</u>	<u>\$ -</u>

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023**

	<u>Custodial Funds</u>
	<u>Total</u>
ASSETS	
Cash	\$ 149,430
Investments	7,408
Total assets	<u>156,838</u>
NET POSITION	
Restricted for individuals, organizations, and other governments	<u>\$ 156,838</u>

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

CITY OF VALDOSTA, GEORGIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Custodial Funds</u>
	<u>Total</u>
ADDITIONS	
Fines and fees collected	\$ 56,848
Total additions	<u>56,848</u>
DEDUCTIONS	
Fines and fees disbursed	<u>28,769</u>
Total deductions	<u>28,769</u>
Change in net position	28,079
Net position, beginning of the year	<u>128,759</u>
Net position, end of the year	<u>\$ 156,838</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF VALDOSTA, GEORGIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Valdosta, 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. The Financial Reporting Entity

The City of Valdosta was originally incorporated by an Act of the General Assembly of Georgia on December 7, 1860. The basic charter of the City was provided in Georgia laws 1901, Act No. 213, as amended. (Georgia Laws 1901, p. 670) The City is governed by an elected mayor and seven-member council with daily operations managed by an appointed city manager. The following services as authorized by its charter and code are provided by the City: General Administrative Services, Public Safety (Police, Fire and Inspections), and Public Works (Streets, Sanitation, Water, Sewer, and Stormwater).

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the “Primary Government”) and one component unit. The component unit discussed below is included in the City's reporting entity because of the significance of its operational and financial relationship with the City.

In conformity with generally accepted accounting principles, as set forth in the Statement of GASB No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, as amended, the component unit's financial statements have been included as a blended component unit.

Blended Component Unit

The Central Valdosta Development Authority (“CVDA”) – The Authority was established by an Act of the General Assembly of Georgia to redevelop and improve the central Valdosta area. The Authority has the power to create special tax districts, to levy and collect taxes, and issue notes or other evidence of indebtedness, and only maintains a general fund. The Authority consists of seven members, one of whom is the Mayor of the City of Valdosta. The other six members are appointed by the City Council. The Development Authority provision of services is not limited entirely, or almost entirely, to the primary government nor does it only benefit the primary government. The debt of the Development Authority is paid substantially from City resources. Therefore, the City concluded in accordance with GASB 61 that the Authority should be included in the financial reporting entity by blended presentation. Separate financial statements are not available from the Authority.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Related Organizations

The City officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The Mayor and Council appoint the board members of the Valdosta Housing Authority, Valdosta-Lowndes County Zoning Board of Appeals, Valdosta-Lowndes County Industrial Authority, Hospital Authority of Valdosta and Lowndes County, Greater Lowndes County Planning Commission, Valdosta Historic Preservation Commission, Valdosta Tree Commission, Valdosta Lowndes County Airport Authority, Valdosta-Lowndes County Conference and Tourism Authority, Keep Lowndes Valdosta Beautiful Commission, Valdosta-Lowndes County Land Bank Authority, Valdosta/Lowndes County Construction Adjustments and Appeals Board, Valdosta Housing Board of Adjustments and Appeals, Lowndes County Board of Health, Community Development Block Grant Advisory Committee, the Valdosta-Lowndes County Parks & Recreation Authority, the Metropolitan Planning Organization Citizen's Advisory Committee, the Animal Control Board, Downtown Development Authority, Central Valdosta Development Authority, the Public Art Advisory Committee, and the Fair Housing Committee. The City's accountability for these organizations does not extend beyond making the appointments.

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 City. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise 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 Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and 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. Intergovernmental revenues received but not earned are recorded as unearned revenues.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 31 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when payment is due and compensated absences are recorded only when payment is made.

Property taxes levied and due for the current year are considered available and are therefore recognized as revenues. Licenses, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Taxes, charges for services, investment earnings, and special assessments are considered available if payment is received within 31 days after the close of the current fiscal year and therefore recognized as revenues. Intergovernmental revenues received as reimbursements for specific purposes or projects are recognized when the expenditure is recorded. Intergovernmental revenues received but not earned are recorded as unearned revenues.

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 **Federal Covid Relief Fund** is a special revenue that accounts for the federal covid relief funds.

The **Sales Tax 2013 Fund** accounts for capital projects of the City from resources provided by the 2013 special Spalding County 1% sales and use tax.

The **Sales Tax 2019 Fund** accounts for capital projects of the City from resources provided by the 2019 special Spalding County 1% sales and use tax.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***Airport Development Fund*** accounts for the financing and construction of ongoing capital improvements at the Valdosta Regional Airport. The majority of the financing is provided by grants from the Federal Aviation Administration and the Georgia Department of Transportation.

The ***Central Valdosta Development Authority*** accounts for the operations of the City's blended component unit.

The City reports the following major proprietary funds:

The ***Sanitation Fund*** accounts for the activities of the City's solid waste management operations. All activities necessary to provide such services are accounted for in this fund.

The ***Water and Sewer Revenue Fund*** accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The ***DOL Building Fund*** accounts for the cost of maintaining the building leased to the Georgia Department of Labor. The fund also accounts for lease payments received from the state.

The ***Stormwater Fund*** accounts for revenues and expenses relating to the stormwater services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fund types:

The ***Special Revenue Funds*** account for revenue sources that are legally restricted to expenditures for specific purposes.

The ***Capital Projects Fund*** accounts for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The ***Permanent Funds*** are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting of the City's programs.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Internal Service Funds** are used to account for the City's payroll as well as the rental of motor vehicles and equipment to other departments and related costs of the City, on a cost reimbursement basis.

The **Custodial Funds** are used to account for the collection and disbursement of monies on behalf of other governments and individuals.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's sanitation, water and sewer, building maintenance and stormwater function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services provided. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting

The City code requires that an annual operating budget be prepared that includes a proposed work program, a basic budget at the current level, and program change requests for all Governmental and Proprietary types. The budget is prepared and submitted by the City Manager to the Mayor and Council for their consideration and adoption by ordinance prior to the commencement of the ensuing fiscal year. The Finance Director is authorized to transfer budget amounts within any fund. Budgetary control is exercised by department, function or activity, and major object of expenditures group for capital and grant projects within each fund. Each of these areas cannot legally exceed their appropriations. All unencumbered appropriations lapse at year end. The budget is prepared showing each fund, department and level of expenditure for the prior year, current year estimates, and requested, recommended, and approved appropriations for the next fiscal year. Budgets for the City may be increased or decreased as the City Council deems appropriate.

The budget data presented in the financial statements and schedules were prepared on a non-GAAP Budgetary basis for the Governmental Fund types. The difference between the GAAP basis and the budgetary basis is the inclusion of encumbrances as expenditures. In the Proprietary Funds, the budgets were prepared on the GAAP basis. The same accrual basis that is used to reflect actual results is used to prepare the budgets for these funds.

Per the official Code of Georgia Annotated 36-81-3, the City has set its level of budgetary control at the departmental level.

E. Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. Deposits and Investments

It is the City's policy that investments having a remaining maturity at time of purchase of one year or less are recorded at cost or amortized cost in accordance with GASB Statement 31. Adjustments are made to cost for any premium or discount, which is amortized over the maturity of the investment. Amortized cost approximates fair value. The City has no such investments at June 30, 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Receivables

Revenues are recorded when received except for the following items for which receivables have been recorded:

1. Taxes receivable which includes:
 - a. Taxes Receivable – Delinquent – represents the past years of uncollected tax levies. An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The tax receivables have been reported net of these allowances.
 - b. Sales Taxes, Franchise Taxes, and Public Utilities Receivable – recorded as revenue when they become both measurable and available for collection within the current period paying cycle, which is 31 days past year end. The balance of what has been earned though not available is recorded as a deferred inflow of resources – unavailable revenue.
2. Accounts receivable which includes:
 - a. Accounts Receivable - Sanitation and Water and Sewer service charges are recognized when earned, with an allowance for uncollectible accounts of 1% of the accounts receivable balance at June 30 after allowing for troubled customers at a graduated scale based on age. Services performed by various departments are recognized as revenue when they are measured and assured of collection within the current paying cycle of the City. That which is earned, but not collected within 31 days of year end, is recognized as a deferred revenue. In the Proprietary Funds, they are recognized as revenue when earned.
 - b. Returned Checks – The balance of checks written by the public that the banks have returned to the City over the past 12 months.
 - c. Accounts Receivable – Employees – The balance that City employees owe the City for travel advances, garnishments, etc.
 - d. Unbilled Services Receivable – Within the City's Enterprise Funds, an estimated amount has been recorded for services rendered but not yet billed as of June 30, 2023. The receivable was arrived at by taking the cycle billings the City sent the customers in July and prorating the amount of days applicable to the current year factor at 99% to allow for uncollectible accounts.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Receivables (Continued)

3. Second mortgages receivable – The amount owed to the City from loans made to homeowners on UDAG and CDBG CHIP grants.
4. Special assessments receivable – both principal and interest on paving assessments are payable in semi-annual installments over a five year period. The principle is recognized when due. The balance due at June 30 that has not been collected within 31 days past year end is recorded as a deferred revenue. There is no allowance for uncollectibles as delinquent accounts are declared as a special assessment lien against the property per Section 7.2, paragraph I, of the City's Code. The entire outstanding balance is delinquent at June 30, 2023.
5. Interest receivable – Interest on investments is recorded as revenue on the Governmental Fund types when it is both measurable and collected within the City's current paying cycle. The amount which is earned but not collected is recognized as a deferred revenue. The interest on investments is recorded as revenue in the year earned for the Proprietary Fund types.

H. Due from Other Governments and Agencies

Due from other governments includes amounts from grantors for grants for specific programs and capital projects. Program grants and capital grants for governmental capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenue received in advance of project costs being incurred is deferred. Capital grants for capital asset additions to the Proprietary Funds are recorded as receivables and corresponding increases to contributions when reimbursable project costs are incurred.

I. Due from and to Other Funds and Advance to and from Other Funds

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debts. To the extent that certain transactions between funds had not been paid or received as of June 30, 2023, balances of interfund amounts receivable or payable have been recorded. To the extent that these balances are between Governmental Funds, they have been eliminated on the Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Inventories

Inventories in proprietary funds are adjusted to annual and periodic physical counts and are valued at cost using the first-in, first-out method (“FIFO”) of valuation. Inventory in the Sales Tax 2019 Fund, which is valued at cost FIFO, consists of wetland credits held for construction.

K. Prepaid Expenditures

Payments made to various vendors for items or services for a future period(s) beyond June 30, 2023, are recorded as prepaid expenditure/expenses. The fund balances in the governmental und types attributable to prepaid expenditures are classified as nonspendable. This reflects the amount of fund balance not currently available for expenditure.

L. Restricted Assets

Monies or other resources, the use of which is restricted by legal or contractual requirements, are recorded as restricted assets. It is the policy of the City to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The restricted assets listed in the proprietary funds are for the utility billing customer deposits held on account.

M. Intangible Assets

Intangible assets are reported in the applicable governmental or business type activity columns in the government-wide financial statements. The City’s policy has set the capitalization threshold at \$5,000 for intangible assets. All intangibles are valued at cost or estimated fair market value if donated. Intangible assets are amortized over their estimated useful lives.

N. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets (Continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Major outlays for capital assets and major improvements are capitalized as projects are constructed.

Depreciation is provided on the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Life</u>
Water System	30-50 years
Sewer System	30-50 years
Buildings	15-50 years
Machinery & Equipment	5-10 years
Vehicles	1-5 years
Infrastructure	10-20 years
Land Improvement	30-50 years

O. Long-Term Liabilities

Long-term liabilities for Georgia Environmental Finance Authority (“GEFA”) borrowings and revenue bonds are recorded in the Enterprise Funds. Principal and accrued interest are recorded as liabilities. Principal and interest payments are deducted from the liability as made. A long-term liability has been recorded in the government wide statements for a financed purchase. See Note 6 for additional information.

P. Compensated Absences

It is the City’s policy to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from City service. In Governmental Fund types, the cost of vacation benefits is recognized when payments are made to employees. A long-term liability of accrued vacation benefits at June 30, 2023 has been recorded in the government wide statements representing the City’s commitment to fund such costs from future operations.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. 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 under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or 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 formal action of the City Commission through the adoption of a resolution. Only the City Commission may modify or rescind the commitment.
- **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. Through resolution, the City Commission has authorized the City’s Chief Financial Officer, Finance Director, or Director of Administrative Services to assign fund balances.
- **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. Negative unassigned fund balances may be reported in all funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Fund Equity (Continued)

Fund Balance (Continued) –

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

Net Position – Net position represents the difference between assets and liabilities 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 are available.

R. Use of Estimates

The preparation of financial statements in conformity with GAAP 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 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has four items that qualify for reporting in this category, which are items related to the City's Retirement and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position. The net difference between projected and actual earnings on pension plan investments is deferred and amortized against pension expense over a five-year period, resulting in recognition as deferred inflows of resources. Experience differences result from periodic studies by the City's actuary, which adjust the net pension liability and the total OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience differences are recorded as deferred outflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of the plan members. Changes in actuarial assumptions, which adjust the net pension liability and total OPEB liability, are also recorded as deferred outflows of resources, and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. Additionally, any contributions made by the City to the pension and OPEB plan, before year-end but subsequent to the measurement date of the City's net pension liability and total OPEB liability, are reported as deferred outflows of resources. These contributions will reduce the pension and OPEB liabilities in future years.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category, one of which arises only under the 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 and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other two items relate to the City's OPEB Plan and are reported in the government-wide and proprietary fund Statements of Net Position. Changes in actuarial assumptions, which adjust the total OPEB liability, are also recorded as deferred inflows of resources and are amortized into OPEB expense over the expected remaining service lives of plan members. In addition, the differences between expected and actual experience for the City's OPEB plan is deferred and amortized against OPEB expense over a four-year period, resulting in recognition as a deferred inflow of resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Pensions and OPEB

For purposes of measuring the net pension liability, total OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension expense and OPEB expense, information about the fiduciary net position of the City of Valdosta Retirement Plan (the "Retirement Plan") and City of Valdosta Other Post-Employment Benefits Plan (the "OPEB Plan") and additions to/deductions from the Retirement and OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the respective plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

U. Tax Abatement Agreements

During the year ended June 30, 2017, the City implemented GASB Statement No. 77, Tax Abatement Disclosures. This statement requires the City to disclose information for any tax abatement agreements, either entered into by the City, or agreements entered into by other governments that reduce the City's tax revenues. As of June 30, 2023, the City did not have any such agreements, either entered into by the City or by other governments that exceeded the quantitative threshold for disclosure.

NOTE 2. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2023 are summarized as follows:

Amounts as presented on the entity-wide Statement of Net Position:	
Cash and cash equivalents	\$ 52,958,289
Restricted cash and cash equivalents	1,971,678
Amounts as presented on the fiduciary Statement of Net Position:	
Cash and cash equivalents - Custodial Fund	149,430
Investments - Custodial Fund	7,408
	<hr/>
Total	<u>\$ 55,086,805</u>
	<hr/>
Cash deposited with financial institutions	<u>\$ 55,086,805</u>

A. DEPOSITS

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. As of June 30, 2023, the City did not have any deposits which were uninsured and under collateralized as defined by GASB pronouncements.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

A. DEPOSITS (CONTINUED)

Credit Risk. The City has an investment policy that limits investments to “the safest types of securities.” These are defined as obligations of the State of Georgia or other states, obligations of the US government or certain agencies thereof, repurchase agreements backed by federal securities, prime banker’s acceptance with a rating of A+ or better, the local government investment pool, obligations of other political subdivisions of the State of Georgia, and time deposits and savings deposits. Excess funds are invested in Georgia Fund 1.

Interest Rate Risk. The City has an investment policy that limits the maturities on individual investments to no more than five years and weighted average maturity to no more than three years. Reserve funds may be invested in longer term securities if the maturities coincide with the expected use of the funds. The investments at June 30, 2023 meet our investment policy restrictions.

Concentration Credit Risk

The City’s investment policy limits its investments as follows:

U. S. Treasury Obligations	100.00%
U. S. Government Agency Securities and Securities issued by instrumentalities of Government Sponsored Corporations	75.00%
Repurchase Agreements	25.00%
Prime Bankers Acceptance	10.00%
Local Government Investment Pool	40.00%
Certificates of Deposit	25.00%
Obligations of other political subdivisions of the State of Georgia	25.00%

GASB Statement 40 requires disclosure when 5% or more of investments are in one issue. The City has no such concentrations.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

B. INVESTMENTS

The City is authorized to invest its funds in: 1) obligations which constitute direct obligations of, or are unconditionally guaranteed by, the United States of America; 2) obligations of the Federal Land Bank, the Federal Home Loan Bank, Federal Intermediate Credit Bank, and Federal Bank for Cooperatives; 3) bonds or other obligations issued by any public housing agency or municipality which are served by a pledge of annual contributors under contract with the United States Government, or project notes secured by a payment agreement with the United States Government; and 4) certificates of deposit issued by state and national banks located within the state of Georgia, provided that certain collateral for such certificates is deposited.

<u>Form of Deposit</u>	<u>Amount</u>
Certificate of Deposit	<u>\$ 7,408</u>
Total	<u>\$ 7,408</u>

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAf rated money market funds and is regulated by the Georgia Office of 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 investments for financial statement presentation.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES

A. Accounts Receivable

Receivables as of June 30, 2023, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Sales Tax 2019</u>	<u>Airport Development</u>	<u>Nonmajor Governmental</u>	<u>Sanitation</u>
Receivables:					
Taxes	\$ 1,616,583	\$ 1,202,513	\$ -	\$ 225,921	\$ -
Accounts	900,295	-	-	324,467	914,406
Second mortgages	-	-	-	1,730,612	-
Special assessments	45,387	-	-	-	-
Intergovernmental	856,273	-	34,030	1,015,316	81,967
Gross receivables	<u>3,418,538</u>	<u>1,202,513</u>	<u>34,030</u>	<u>3,296,316</u>	<u>996,373</u>
Less: allowance for uncollectibles	(885,830)	-	-	-	(190,271)
Net total receivables	<u>\$ 2,532,708</u>	<u>\$ 1,202,513</u>	<u>\$ 34,030</u>	<u>\$ 3,296,316</u>	<u>\$ 806,102</u>

	<u>Water/Sewer</u>	<u>Stormwater</u>	<u>Nonmajor Enterprise</u>	<u>Total</u>
Receivables:				
Taxes	\$ -	\$ -	\$ -	\$ 3,045,017
Accounts	3,020,514	232,958	80,017	4,558,251
Second mortgages	-	-	-	1,730,612
Special assessments	-	-	-	45,387
Intergovernmental	-	-	-	1,905,619
Gross receivables	<u>3,020,514</u>	<u>232,958</u>	<u>80,017</u>	<u>11,284,886</u>
Less: allowance for uncollectibles	(500,024)	(47,485)	-	(1,433,339)
Net total receivables	<u>\$ 2,520,490</u>	<u>\$ 185,473</u>	<u>\$ 80,017</u>	<u>\$ 9,851,547</u>

B. Property Taxes

The City's property taxes were levied on September 15, 2022, (levy date) based upon property values assessed as of January 1, 2022. The billings were payable on or before November 15, 2022, for the calendar year 2022. Property tax revenues are recognized when levied to the extent they result in current receivables. The City does maintain an allowance for uncollectible property taxes. At June 30, 2023, the allowance for uncollectible property taxes was \$199,787.

The tax rate levied during calendar year 2022 for the City's operations was 7.796 mills (mill equals \$1 per thousand dollars of assessed value). The tax rate levied during calendar year 2022 for the Central Valdosta Development Authority's operations was 5.00 mills (mill equals \$1 per thousand dollars of assessed value).

NOTES TO FINANCIAL STATEMENTS

NOTE 4. INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2023 are as follows:

Due From	Due To				Total
	General	Nonmajor Governmental	Stormwater	Internal Service	
General	\$ -	\$ -	\$ 334,721	\$ 1,634,841	\$ 1,969,562
Federal COVID Relief	2,010,854	-	-	-	2,010,854
Sales Tax 2013	37,845	-	-	-	37,845
Sales Tax 2019	57,708	103,789	-	-	161,497
CVDA	5,824	-	-	-	5,824
Nonmajor governmental	1,278,872	-	-	-	1,278,872
Water/sewer revenue	2,000,000	-	-	-	2,000,000
DOL Building	1,207,003	-	-	-	1,207,003
Internal service	2,862,914	-	-	-	2,862,914
Total	\$ 9,461,020	\$ 103,789	\$ 334,721	\$ 1,634,841	\$ 11,534,371

Advance From

Advance To	General
Nonmajor governmental	\$ 30,000
DOL Building	963,872
Internal service	4,966,349
Total	\$ 5,960,221

NOTES TO FINANCIAL STATEMENTS

NOTE 4. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Interfund receivables and payables result from timing differences related to payroll and other year-end transactions which normally clear within one to two months.

The above analyses include advances from General Fund to the HUD Fund in the amount of \$30,000 and from the General Fund to the Department of Labor Fund in the amount of \$963,872, and the Motor Pool Fund in the amount of \$4,966,349. Advances are long term in nature and are not expected to be repaid with one year. All advances are to provide operating capital.

Interfund transfers for the year ended June 30, 2023 consisted of the following:

Transfer From	Transfer To				Total
	General	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	
General Fund	\$ -	\$ -	\$ -	\$ 1,773,671	\$ 1,773,671
Federal COVID Relief	-	500,000	-	-	500,000
Nonmajor governmental	-	184,600	367,332	-	551,932
Sanitation	146,500	-	-	186,214	332,714
Water/sewer revenue	2,722,076	-	-	403,464	3,125,540
DOL Building	650,000	-	-	-	650,000
Stormwater	200,000	-	-	65,951	265,951
Nonmajor enterprise	200,000	-	-	57,437	257,437
Total	<u>\$ 3,918,576</u>	<u>\$ 684,600</u>	<u>\$ 367,332</u>	<u>\$ 2,486,737</u>	<u>\$ 7,457,245</u>

Transfers are used to: 1) move revenues from the fund that statute or budget requires collecting them to the fund that the 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 77,109,294	\$ -	\$ -	\$ -	\$ 77,109,294
Construction in progress	5,076,717	282,244	-	-	5,358,961
Total capital assets, not being depreciated	<u>82,186,011</u>	<u>282,244</u>	<u>-</u>	<u>-</u>	<u>82,468,255</u>
Capital assets, being depreciated:					
Land improvements	13,758,475	-	-	-	13,758,475
Buildings	29,127,947	-	-	-	29,127,947
Equipment	7,796,994	62,712	-	578,142	8,437,848
Motor vehicles	25,970,490	2,174,075	-	(578,142)	27,566,423
Infrastructure	108,887,088	-	-	-	108,887,088
Total capital assets, being depreciated	<u>185,540,994</u>	<u>2,236,787</u>	<u>-</u>	<u>-</u>	<u>187,777,781</u>
Less accumulated depreciation for:					
Land improvements	(8,491,447)	(409,903)	-	-	(8,901,350)
Buildings	(12,951,438)	(621,617)	-	-	(13,573,055)
Equipment	(6,565,367)	(635,394)	-	-	(7,200,761)
Motor vehicles	(16,593,030)	(1,777,728)	-	-	(18,370,758)
Infrastructure	(95,211,607)	(1,494,046)	-	-	(96,705,653)
Total accumulated depreciation	<u>(139,812,889)</u>	<u>(4,938,688)</u>	<u>-</u>	<u>-</u>	<u>(144,751,577)</u>
Total capital assets, being depreciated, net	<u>45,728,105</u>	<u>(2,701,901)</u>	<u>-</u>	<u>-</u>	<u>43,026,204</u>
Governmental activities capital assets, net	<u>\$ 127,914,116</u>	<u>\$ (2,419,657)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,494,459</u>

Internal Service Funds predominantly serve the governmental funds. Accordingly, capital assets are included as part of the above totals for governmental activities. At year-end, \$10,245,251 of Internal Service Fund's capital assets are included in the above amounts.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 3,038,403	\$ -	\$ -	\$ -	\$ 3,038,403
Construction in progress	4,017,540	3,110,522	(57,795)	-	7,070,267
Total capital assets, not being depreciated	7,055,943	3,110,522	(57,795)	-	10,108,670
Capital assets, being depreciated:					
Land improvements	164,462,775	31,912	-	-	164,494,687
Buildings	105,075,769	-	-	-	105,075,769
Equipment	14,964,067	374,248	-	-	15,338,315
Intangibles	1,161,791	-	-	-	1,161,791
Total capital assets, being depreciated	285,664,402	406,160	-	-	286,070,562
Less accumulated depreciation for:					
Land improvements	(47,849,395)	(3,266,707)	-	-	(51,116,102)
Buildings	(25,985,269)	(2,095,634)	-	-	(28,080,903)
Equipment	(5,365,071)	(746,548)	-	-	(6,111,619)
Intangibles	(477,785)	(38,637)	-	-	(516,422)
Total accumulated depreciation	(79,677,520)	(6,147,526)	-	-	(85,825,046)
Total capital assets, being depreciated, net	205,986,882	(5,741,366)	-	-	200,245,516
Business-type activities capital assets, net	\$ 213,042,825	\$ (2,630,844)	\$ (57,795)	\$ -	\$ 210,354,186

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the Primary Government as follows:

Governmental activities:			
General government	\$	2,640,569	
Public safety		380,805	
Public works		8,931	
Capital assets held by the City's Internal Service Funds are charged to the various functions based on their usage of the assets		1,908,383	
Total depreciation expense - governmental activities	\$	<u>4,938,688</u>	
Business-type activities:			
Sanitation	\$	70,345	
Water and sewer		5,914,005	
DOL Building		89,111	
Stormwater		73,957	
Inspection		108	
Total depreciation expense - business-type activities	\$	<u>6,147,526</u>	

NOTE 6. LONG-TERM DEBT

A. Bonds

The City is subject to a statutory limitation by the State of Georgia for bonded indebtedness, payable principally from property taxes to an amount not greater than 10% of the assessed value of all taxable property within the municipality. At June 30, 2023, the limit for the City was \$138,790,771.

Long term bonded debt of the City is as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Department of Labor Building	\$ 4,410,000	4.19%	2024	\$ 216,000
			Less current portion	(216,000)
				<u>\$ -</u>

The City entered into an obligation to finance the Department of Labor building in the amount of \$4,410,000. The City issued a bond to cover the cost of construction in fiscal year 2004. The debt is payable solely from certain lease payments to be paid by the Georgia Department of Labor.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT(CONTINUED)

A. Bonds (Continued)

The bonds payable debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2024	\$ 220,525	\$ 216,000	\$ 4,525

B. Revenue Bonds

The City entered into an obligation with Synovus to issue the Water & Sewerage Revenue Refunding Bonds, Series 2020 in order to pay in full six GEFA loans. The debt is secured by a pledge of and charge or lien on the Net Revenues of the water and sewer system of the City.

Description	Original Amount	Interest Rate	Due Date	Amount
Water & Sewerage Revenue Refunding Bonds, Series 2020	\$ 32,134,000	0.94%	2033	\$ 25,121,431
			Less current portion	(2,857,366)
				\$ 22,264,065

The revenue bonds payable debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2024	\$ 3,402,405	\$ 2,857,366	\$ 545,039
2025	3,135,811	2,653,818	481,993
2026	3,135,811	2,715,235	420,576
2027	3,135,811	2,778,073	357,738
2028	3,135,811	2,842,366	293,445
2029 – 2033	11,787,735	11,274,573	513,162
	\$ 27,733,384	\$ 25,121,431	\$ 2,611,953

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT(CONTINUED)

C. Other Long-Term Debt

The Water/Sewer Revenue Fund has incurred debt to GEFA to finance water and sewer projects. These notes are as follows at June 30, 2023:

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Amount</u>
Water/Sewer GEFA Loan	\$ 37,767,770	1.40%	2028	\$ 8,444,425
Water/Sewer GEFA Loan	10,551,369	2.39%	2038	8,174,651
Water/Sewer GEFA Loan	5,509,187	2.39%	2040	4,840,822
Water/Sewer GEFA Loan	5,956,777	0.94%	2043	5,956,777
				<u>27,416,675</u>
		Less current portion		<u>(3,038,267)</u>
				<u><u>\$ 24,378,408</u></u>

The other long-term debt service requirements to maturity, including interest, are as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 3,505,015	\$ 3,038,267	\$ 466,748
2025	3,504,588	3,086,487	418,101
2026	3,504,589	3,135,980	368,609
2027	3,243,314	2,924,966	318,348
2028	1,489,117	1,053,752	435,365
2029 – 2033	6,636,414	5,598,844	1,037,570
2034 – 2038	6,633,736	6,196,011	437,725
2039 – 2043	2,401,202	2,382,368	18,834
	<u>\$ 30,917,975</u>	<u>\$ 27,416,675</u>	<u>\$ 3,501,300</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

D. Financed Purchases

The City has entered into several purchase agreements for the acquisition of various equipment. The agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement term) and have been recorded at the present values of the future minimum lease payment as of the date of their inception. These agreements are being serviced by the General Fund and Motor Pool Fund payments with annual interest rates varying from 2.73% to 3.74%.

The debt service requirements for all financed purchases are as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 706,121	\$ 627,203	\$ 78,918
2025	534,258	470,297	63,961
2026	534,258	485,757	48,501
2027	311,790	279,269	32,521
2028	311,790	289,714	22,076
2029	306,183	294,942	11,241
	<u>\$ 2,704,400</u>	<u>\$ 2,447,182</u>	<u>\$ 257,218</u>

E. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2023 was as follows:

	<u>Beginning</u>			<u>Ending</u>	<u>Due Within</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Governmental activities:					
Financed purchases	\$ 3,020,022	\$ -	\$ (572,840)	\$ 2,447,182	\$ 627,203
Net pension liability	48,672,603	24,342,869	(7,731,130)	65,284,342	-
Total OPEB liability	35,459,945	3,552,517	(5,844,525)	33,167,937	-
Compensated absences	1,837,159	1,800,607	(1,837,159)	1,800,607	1,185,000
Governmental activity					
Long-term liabilities	<u>\$ 91,627,791</u>	<u>\$ 29,695,993</u>	<u>\$ (15,985,654)</u>	<u>\$ 102,700,068</u>	<u>\$ 1,812,203</u>
Business-type activities:					
Revenue bonds	\$ 27,978,022	\$ -	\$ (2,856,591)	\$ 25,121,431	\$ 2,857,366
Bonds payable	449,000	-	(233,000)	216,000	216,000
Notes payable	30,168,355	-	(2,751,680)	27,416,675	3,038,267
Compensated absences	522,686	540,361	(522,686)	540,361	306,000
Business-type activities					
Long-term liabilities	<u>\$ 59,118,063</u>	<u>\$ 540,361</u>	<u>\$ (6,363,957)</u>	<u>\$ 53,294,467</u>	<u>\$ 6,417,633</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

E. Changes in Long-Term Liabilities (Continued)

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities are included as part of the above totals for governmental activities. At year-end, \$16,151 of Internal Service Fund's compensated absences and financed purchases are included in the above amounts. Also, the compensated absences, pension liabilities and OPEB liabilities are substantially liquidated by the General Fund.

NOTE 7. PENSION PLAN

A. Plan Description

The City, as authorized by the City Commission, has established a non-contributory defined benefit pension plan, the City of Valdosta Retirement Plan ("Retirement Plan"), covering substantially all of the City's employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Retirement Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Retirement Plan whereby retirees receive between 1% and 2% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Commission, in its role as the Retirement Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to:

Georgia Municipal Association
Risk Management and Employee Benefit Services
201 Pryor Street, NW
Atlanta, Georgia 30303 or by calling (404) 688-0472

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

Plan Membership. As of January 1, 2023, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	366
Inactive plan members entitled to, but not receiving benefits	113
Active plan members	518
	<u>997</u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Retirement Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Retirement Plan. The funding policy for the Retirement Plan, as adopted by the City Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Commission. City contributions to the Retirement Plan were \$4,546,768 for the year ended June 30, 2023.

B. Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2022.

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

Inflation	2.25%
Salary increases	2.25%, plus service based merit increases
Investment rate of return	7.375%

Mortality rates were based on the gender-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Actuarial Assumptions (Continued). Cost of living adjustments were assumed to be 3.00% although the Retirement Plan allowance for annual cost of living adjustment is variable, as established by the City Commission, in an amount not to exceed 4%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2022 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.40%
International equity	20%	6.80
Domestic fixed income	20%	0.40
Real estate	10%	3.90
Global fixed income	5%	0.46
Cash	-	
Total	100%	

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

Discount Rate. The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of The City Pension Plan. The changes in the components of the net pension liability of the City for the year ended June 30, 2023 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Beginning Balance	107,993,259	\$ 59,320,656	\$ 48,672,603
Changes for the year:			
Service cost	1,426,839	-	1,426,839
Interest	7,765,306	-	7,765,306
Differences between expected and actual experience	5,547,516	-	5,547,516
Contributions – employer	-	7,124,382	(7,124,382)
Contributions – employee	-	606,748	(606,748)
Net investment income	-	(9,473,204)	9,473,204
Benefit payments, including refunds of employee contributions	(8,255,619)	(8,255,619)	-
Administrative expense	-	(130,004)	130,004
Net changes	6,484,042	(10,127,697)	16,611,739
Ending Balance	\$ 114,477,301	\$ 49,192,959	\$ 65,284,342

The required Schedule of Changes in the City's Net Pension Liability and Related Ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Total net pension liability	\$ 78,097,370	\$ 65,284,342	\$ 54,540,946

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2022, and the current sharing pattern of costs between employer and employee.

C. Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2023, the City recognized pension expense of \$6,736,841. At June 30, 2023, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows
Differences between expected and actual experience	\$ 8,008,407
Changes in actuarial assumptions	1,491,296
Net difference between projected and actual earnings on pension plan investments	6,055,325
Contributions subsequent to the measurement date	4,546,768
Total	\$ 20,101,796

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

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

Contributions subsequent to the measurement date of \$4,546,768, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>		
2024	\$	5,454,534
2025		3,050,559
2026		3,175,638
2027		3,874,297
Total	\$	<u>15,555,028</u>

NOTE 8. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY

A. Excess of Expenditures Over Appropriations

The following General Fund departments and Special Revenue Funds had actual expenditures in excess of appropriations for the year ended June 30, 2023:

General Fund:		
Administration department:		\$ (59,370)
Human resources department:		(148,395)
Other protection services department:		(128,083)
Federal COVID Relief Fund		(1,641,498)

These over expenditures were funded by greater than anticipated revenues.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY (CONTINUED)

B. Deficit Fund Balance and Net Position

The following funds had deficit fund balances/net position at June 30, 2023:

Transit Grant Fund	\$ (743,149)
Group Insurance Fund	(647)

The net position deficit in the Group Insurance Fund will be reduced through transfers in the next fiscal year. The fund deficit in the Transit Grant Fund will be reduced through intergovernmental revenues and TSPLOST Fund transfers.

NOTE 9. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan was established by City ordinance, and the City Council has the authority to amend the plan. The plan is a deferred compensation plan administered by Great-West Retirement Services. The City is responsible for the accounting, reconciliations, and record keeping associated with City employees' enrollment, payment to the plan through payroll deductions, and timely transfer of withheld funds to the trustee designated by the City for investment. The plan provides a number of investment options and is designed so that each participant retains investment control of his/her individual account. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is held in trust for the exclusive benefit of plan participants and their beneficiaries and is not available to employees until termination, retirement, death, or unforeseeable emergency. Since the City of Valdosta has no fiduciary relationship with plan participants, the plan assets are not included in the financial statements.

For the year ended June 30, 2023 the City's contribution to this plan was \$0.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the 10-county west central Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During its year ended June 30, 2023, the City paid \$77,311 in such dues. Membership in a Regional Commission ("RC") is required by the O.C.G.A. §50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1, provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
324 West Savannah Avenue
Valdosta, Georgia 31601

NOTE 11. COMMITMENTS AND CONTINGENCIES

A. Litigation

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

B. Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; injury to participants at city facilities; and natural disasters. The City is self-insured for workman's compensation, certain types of property damage, and general liability. These liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liabilities include an amount for claims that have been incurred but not reported ("IBNR"). At June 30, 2023, there is no known liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT (CONTINUED)

The City is also self-insured for medical claims by the employees and employees' dependents that are covered under the medical plan. The plan is a self-funded welfare benefit plan providing health and hospitalization benefits. Claims under the plan are paid solely from the general assets of the City of Valdosta. Losses greater than \$150,000 per aggregate individual claim are insured by a private insurance company. The plan is administered by the Plan Administrator, with BAS, Inc., an Administrative Service Agent, acting as claims paying agent. The City of Valdosta and employees' contributions cover the cost of the plan. The City's contributions and any employee pretax contributions withheld by way of payroll deduction are held by the City and used to pay the plan's benefits. Any after-tax employee contributions may be held in trust by the trustee. The amount of all such contributions are actuarially determined where necessary. Due to the lag time between expenses being incurred and claims submitted for payment there is a liability at June 30, 2023, against the self-insurance fund. This incurred but not reported (IBNR) liability is estimated to be \$700,000. This number was calculated by analyzing the plan's payment lag and projecting the resulting trend into the next fiscal year.

	<u>Unpaid claims, beginning balance</u>	<u>Incurred claims (including IBNR's)</u>	<u>Claim payments</u>	<u>Unpaid claims, ending balance</u>
June 30, 2022	\$ 1,086,763	\$ 6,098,554	\$ (5,916,936)	\$ 1,268,381
June 30, 2023	1,268,381	5,015,554	(5,468,804)	815,131

The City carries commercial insurance purchased from an independent third party for fire damage to the City's vehicle fleet for those damages exceeding \$10,000 based on a stated value of the vehicle which approximates the current fair value.

The risks of errors and omissions; injury to participants at city facilities; and theft of funds are covered by commercial insurance purchased from independent third parties. These policies carry a \$15,000 deductible per occurrence.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. OTHER POST EMPLOYMENT BENEFITS

A. Plan Administration and Benefits

The City Other Post-Employment Benefits Plan (the OPEB Plan”) is an agent multiple-employer OPEB Plan administered by the Georgia Municipal Association (“GMA”), which includes retirees from the City. In accordance with City ordinance, the City’s personnel policy provides that all employees who retire under early, normal or disability retirement are eligible for confirmed health care benefits provided they have a total of 25 consecutive years of employment. The monthly cost, as of July 1, 2009, for retiree is \$165 and the cost for retiree plus spouse is \$280. Employees who retire receive the same group health insurance benefits as active employees. Effective September 1, 2009, Medicare eligible employees are converted to a third party plan at which time Medicare assigns the subsidy and rights to pay claims to the third party plan provider. At June 30, 2023, 164 retirees participated in the plan, paying a monthly premium of \$77 - \$280. However, their dental is the same group coverage as active employees. The OPEB Plan is a defined benefit postretirement health care, prescription drug, dental and life insurance plan. The OPEB Plan is administered through the GMEBS, an agent-multiple employer OPEB Plan administered by GMA.

Retirees are also eligible to keep up to \$20,000 of life insurance provided they elected additional life insurance as an active employee. In addition, a retiree may elect dependent coverage provided they elected additional dependent coverage as an active employee. A dependent’s life insurance coverage cannot exceed 50% of the retiree’s life insurance. Also, in order for a dependent to keep life insurance, the retiree must elect coverage.

The City’s self-insured health plan, City of Valdosta Group Insurance, provides medical and hospitalization benefits for two classes of retirees. Retirees who retired before July 1, 2009 with twenty-five years of continuous service are eligible for health insurance paid by the City. All other retirees must pay a monthly premium of \$77 - \$280 to participate in the plan. The plan is administered by the Plan Administrator, with United American, an Administrative Service Agent, acting as claims paying agent. The Mayor and City Council has the authority to amend the plan. The City contributions are financed on a pay-as-you go basis. During the current year, the City contributed \$724,596 to the OPEB Plan.

Plan Membership. The following schedule (derived from the most recent actuarial valuation report) reflects membership for the post-retirement benefit plan as of the latest actuarial valuation at January 1, 2022:

Inactive plan members or beneficiaries currently receiving benefits	191
Active plan members	527
Total	<u>718</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 13. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

B. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the OPEB Plan's actuary. For fiscal year 2023, the City contributed \$724,596 to the OPEB Plan. OPEB Plan members receiving benefits are not required to contribute to the OPEB Plan.

C. Total OPEB Liability of the City

Effective July 1, 2017, the City implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, which significantly changed the City's accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The City's total OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of January 1, 2022 with the actuary using standard techniques to roll forward the liability (asset) to the measurement date.

Actuarial assumptions. The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.54%
Healthcare Cost Trend Rate:	
Non-medicare health	7.66% graded each year to an ultimate rate of 4.50%
Medicare advantage	4.50%
Inflation Rate:	2.25%
Participation rate:	50.00%

Mortality rates were based on the Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with adjustments and mortality improvements from 2012.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of an actuarial experience study for the period from January 1, 2015 – June 30, 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

C. Total OPEB Liability of the City (Continued)

Discount Rate. The discount rate used to measure the total OPEB liability was 3.54%. This rate was determined using an index rate of 20-year, tax-exempt general obligation (“GO”) municipal bonds with an average rating of AA or higher – which was 3.54% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2022.

Changes in the Total OPEB Liability of the City. The changes in the components of the total OPEB liability of the City for the year ended June 30, 2023 were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Beginning Balance	\$ 35,459,945	\$ -	\$ 35,459,945
Changes for the year:			
Service cost	864,696	-	864,696
Interest	776,311	-	776,311
Differences between expected and actual experience	1,911,510	-	1,911,510
Assumption changes	(5,071,750)	-	(5,071,750)
Contributions - employer	-	772,775	(772,775)
Benefit payments, net of retiree contributions	(772,775)	(772,775)	-
Net changes	<u>(2,292,008)</u>	<u>-</u>	<u>(2,292,008)</u>
Ending Balance	<u>\$ 33,167,937</u>	<u>\$ -</u>	<u>\$ 33,167,937</u>

The required Schedule of Changes in the City’s Total OPEB Liability and Related Ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

D. Sensitivity Analysis

Sensitivity of the Total OPEB liability to Changes in the Discount Rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
City's total OPEB liability	\$ 38,794,626	\$ 33,167,937	\$ 28,695,238

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (2.94%) or 1-percentage-point higher (4.94%) than the current healthcare cost trend rates:

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
City's total OPEB liability	\$ 28,370,665	\$ 33,167,937	\$ 39,305,323

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

NOTES TO FINANCIAL STATEMENTS

NOTE 13. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

E. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$203,140. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,638,438	\$ 2,883,840
Changes of assumptions	5,629,990	8,888,218
City contributions subsequent to the measurement date	724,596	-
Total	\$ 7,993,024	\$ 11,772,058

City contributions subsequent to the measurement date of \$724,596 are reported as deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ (1,134,958)
2025	(236,761)
2026	(236,761)
2027	(1,979,970)
2028	(463,717)
Thereafter	(451,463)
Total	\$ (4,503,630)

NOTES TO FINANCIAL STATEMENTS

NOTE 14. ACCOMMODATIONS TAX

The City collects and disburses an accommodations tax in accordance with the provisions with OCGA 48-13-51. The total rate of 7% generated \$3,736,731, net of vendor's compensation of \$96,649, in tax receipts and was allocated as follows: \$1,405,733, or 40% of the first 5% and 50% of the remaining 2%, to the Valdosta/Lowndes County Tourism Authority, \$200,000 to the Valdosta/Lowndes Conference Center, \$457,809 to the Airport Authority, \$25,000 to the Public Art Society, \$25,000 to the Historical Society ,and \$190,000 to the Turner Arts Center. The remainder of \$1,433,189 was retained by the City and will be spent in accordance with legal provisions.

NOTE 15. CONSTRUCTION COMMITMENTS

The City has active construction projects as of June 30, 2023. At year end, the City's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Withlacoochee Lab	\$697,049	\$264,296
Pickle Ball Courts	1,819,400	1,750,103

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF VALDOSTA, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (BUDGETARY BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 36,707,817	\$ 36,707,817	\$ 38,051,124	\$ 1,343,307
Licenses and permits	554,500	554,500	482,605	(71,895)
Charges for services	100,700	100,700	625,266	524,566
Intergovernmental	1,374,918	1,468,752	1,605,383	136,631
Fines and forfeitures	791,800	791,800	565,920	(225,880)
Interest revenue	3,900	3,900	361,401	357,501
Other revenues	306,721	318,721	502,152	183,431
Total revenues	<u>39,840,356</u>	<u>39,946,190</u>	<u>42,193,851</u>	<u>2,247,661</u>
EXPENDITURES				
Current				
General government	10,345,019	10,364,709	10,001,143	363,566
Public safety	28,710,740	28,901,467	25,657,256	3,244,211
Public works	2,848,137	2,848,137	2,735,519	112,618
Economic development and assistance	1,617,110	1,617,110	1,363,334	253,776
Debt service	131,687	131,972	131,971	1
Total expenditures	<u>43,652,693</u>	<u>43,863,395</u>	<u>39,889,223</u>	<u>3,974,172</u>
Deficiency (excess) of revenues under expenditures	<u>(3,812,337)</u>	<u>(3,917,205)</u>	<u>2,304,628</u>	<u>6,221,833</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,918,576	3,918,576
Transfers out	(2,580,627)	(2,580,627)	(1,773,671)	806,956
Total other financing sources, net	<u>(2,580,627)</u>	<u>(2,580,627)</u>	<u>2,144,905</u>	<u>4,725,532</u>
Net change in fund balances	(6,392,964)	(6,497,832)	4,449,533	10,947,365
Fund balances, budgetary basis, beginning of year	<u>12,978,266</u>	<u>12,978,266</u>	<u>12,978,266</u>	<u>-</u>
Fund balances, budgetary basis, end of year	<u>\$ 6,585,302</u>	<u>\$ 6,480,434</u>	<u>17,427,799</u>	<u>\$ 10,947,365</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>235,491</u>	
Fund balances, GAAP basis, end of year			<u>\$ 17,663,290</u>	

CITY OF VALDOSTA, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (BUDGETARY BASIS) AND ACTUAL
FEDERAL COVID RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 3,040,108	\$ 6,845,108	\$ 7,014,704	\$ 169,596
Total revenues	<u>3,040,108</u>	<u>6,845,108</u>	<u>7,014,704</u>	<u>169,596</u>
EXPENDITURES				
General government	999,521	4,804,521	6,446,019	(1,641,498)
Capital outlay	147,825	147,825	147,825	-
Total expenditures	<u>1,147,346</u>	<u>4,952,346</u>	<u>6,593,844</u>	<u>(1,641,498)</u>
Excess of revenues over expenditures	1,892,762	1,892,762	420,860	(1,471,902)
OTHER FINANCING USES				
Transfers out	(500,000)	(500,000)	(500,000)	-
Total other financing uses	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net change in fund balances	1,392,762	1,392,762	(79,140)	(1,471,902)
Fund balances, budgetary basis, beginning of year	<u>578</u>	<u>578</u>	<u>578</u>	<u>-</u>
Fund balances, budgetary basis, end of year	<u>\$ 1,393,340</u>	<u>\$ 1,393,340</u>	<u>\$ (78,562)</u>	<u>\$ (1,471,902)</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>79,140</u>	
Fund balances, GAAP basis, end of year			<u>\$ 578</u>	

CITY OF VALDOSTA, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (BUDGETARY BASIS) AND ACTUAL
CENTRAL VALDOSTA DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 91,505	\$ 91,505	\$ 85,991	\$ (5,514)
Interest revenue	-	-	1,038	1,038
Contributions and donations	-	-	708	708
Other revenues	-	-	1,842	1,842
Total revenues	<u>91,505</u>	<u>91,505</u>	<u>89,579</u>	<u>(1,926)</u>
EXPENDITURES				
General government	<u>91,505</u>	<u>91,505</u>	<u>73,317</u>	<u>18,188</u>
Total expenditures	<u>91,505</u>	<u>91,505</u>	<u>73,317</u>	<u>18,188</u>
Net change in fund balances	-	-	16,262	107,767
Fund balances, budgetary basis, beginning of year	<u>148,593</u>	<u>148,593</u>	<u>148,593</u>	<u>-</u>
Fund balances, budgetary basis, end of year	<u>\$ 148,593</u>	<u>\$ 148,593</u>	<u>\$ 164,855</u>	<u>\$ 107,767</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
Fund balances, GAAP basis, end of year			<u>\$ 164,855</u>	

CITY OF VALDOSTA, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (BUDGETARY BASIS) AND ACTUAL
AIRPORT DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 1,881,000	\$ 3,028,805	\$ 1,147,805
Total revenues	-	1,881,000	3,028,805	1,147,805
EXPENDITURES				
Housing and economic development	-	1,266,000	1,227,274	38,726
Capital outlay	-	615,000	300,009	314,991
Total expenditures	-	1,881,000	1,527,283	353,717
Net change in fund balances	-	-	1,501,522	3,382,522
Fund balances, budgetary basis, beginning of year	(943,163)	(943,163)	(943,163)	-
Fund balances, budgetary basis, end of year	<u>\$ (943,163)</u>	<u>\$ (943,163)</u>	558,359	<u>\$ 3,382,522</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			-	
Fund balances, GAAP basis, end of year			<u>\$ 558,359</u>	

CITY OF VALDOSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021
Total pension liability			
Service cost	\$ 1,426,839	\$ 1,442,506	\$ 1,387,096
Interest on total pension liability	7,765,306	7,344,546	7,219,966
Differences between expected and actual experience	5,547,516	4,896,973	306,937
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(8,255,619)	(7,670,662)	(6,889,700)
Net change in total pension liability	6,484,042	6,013,363	2,024,299
Total pension liability - beginning	107,993,259	101,979,896	99,955,597
Total pension liability - ending (a)	114,477,301	107,993,259	101,979,896
Plan fiduciary net position			
Contributions - employer	7,124,382	4,529,241	5,097,234
Contributions - employee	606,748	682,828	580,592
Net investment income	(9,473,204)	11,977,359	4,343,717
Benefit payments, including refunds of member contributions	(8,255,619)	(7,670,662)	(6,889,700)
Administrative expenses	(130,004)	(131,865)	(120,220)
Net change in plan fiduciary net position	(10,127,697)	9,386,901	3,011,623
Plan fiduciary net position - beginning	59,320,656	49,933,755	46,922,132
Plan fiduciary net position - ending (b)	49,192,959	59,320,656	49,933,755
City's net pension liability (asset) - ending (a) - (b)	\$ 65,284,342	\$ 48,672,603	\$ 52,046,141
Plan fiduciary net position as a percentage of the total pension liability	43.0%	54.9%	49.0%
Covered payroll	26,108,024	23,373,931	23,604,882
Net pension liability as a percentage of covered payroll	250.1%	208.2%	220.5%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

2020	2019	2018	2017	2016	2015
\$ 1,413,080	\$ 1,311,813	\$ 1,086,275	\$ 1,128,876	\$ 1,186,364	\$ 1,168,292
6,515,504	6,460,190	6,282,650	6,096,193	5,796,872	5,621,355
2,547,179	(566,737)	641,340	614,516	1,329,502	414,792
7,456,479	-	1,572,966	-	(4,587,307)	5,432,537
<u>(6,873,906)</u>	<u>(6,264,126)</u>	<u>(5,387,133)</u>	<u>(5,480,240)</u>	<u>(5,005,586)</u>	<u>(4,979,503)</u>
11,058,336	941,140	4,196,098	2,359,345	(1,280,155)	7,657,473
<u>88,897,261</u>	<u>87,956,121</u>	<u>83,760,023</u>	<u>81,400,678</u>	<u>82,680,833</u>	<u>75,023,360</u>
<u>99,955,597</u>	<u>88,897,261</u>	<u>87,956,121</u>	<u>83,760,023</u>	<u>81,400,678</u>	<u>82,680,833</u>
5,512,755	4,278,310	3,981,181	4,474,678	3,146,917	3,402,750
558,848	556,129	490,871	366,280	355,472	333,321
1,430,524	4,242,588	5,779,324	3,952,625	471,566	3,877,248
(6,873,906)	(6,264,126)	(5,387,133)	(5,480,240)	(5,005,586)	(4,979,503)
(127,501)	(122,993)	(131,920)	(75,213)	(83,287)	(67,292)
<u>500,720</u>	<u>2,689,908</u>	<u>4,732,323</u>	<u>3,238,130</u>	<u>(1,114,918)</u>	<u>2,566,524</u>
<u>46,421,412</u>	<u>43,731,504</u>	<u>38,999,181</u>	<u>35,761,051</u>	<u>36,875,969</u>	<u>34,309,445</u>
<u>46,922,132</u>	<u>46,421,412</u>	<u>43,731,504</u>	<u>38,999,181</u>	<u>35,761,051</u>	<u>36,875,969</u>
<u>\$ 53,033,465</u>	<u>\$ 42,475,849</u>	<u>\$ 44,224,617</u>	<u>\$ 44,760,842</u>	<u>\$ 45,639,627</u>	<u>\$ 45,804,864</u>
46.9%	52.2%	49.7%	46.6%	43.9%	44.6%
23,735,198	24,387,924	23,419,149	20,841,771	21,525,912	19,640,929
223.4%	174.2%	188.8%	214.8%	212.0%	233.2%

CITY OF VALDOSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS RETIREMENT PLAN FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021
Actuarially determined contribution	\$ 6,511,225	\$ 4,973,495	\$ 4,977,629
Contributions in relation to the actuarially determined contribution	6,511,225	4,973,495	4,977,629
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 24,030,407	\$ 24,740,978	\$ 23,489,407
Contributions as a percentage of covered payroll	27.1%	20.1%	21.2%

Notes to the Schedule:

Valuation Date	January 1, 2023
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the fair value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of the fair value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25%, plus service based merit increases
Cost-of-living Adjustment	3.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 16 years.

2020	2019	2018	2017	2016	2015
\$ 5,444,446	\$ 5,078,703	\$ 4,183,365	\$ 3,904,094	\$ 3,600,000	\$ 3,516,500
5,444,446	5,078,703	4,183,365	3,904,094	3,600,000	3,516,500
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 23,670,040	\$ 24,061,561	\$ 24,914,226	\$ 24,771,740	\$ 23,069,599	\$ 22,022,811
23.0%	21.1%	16.8%	15.8%	15.6%	16.0%

CITY OF VALDOSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021
Total OPEB liability			
Service cost	\$ 864,696	\$ 850,236	\$ 1,099,789
Interest on total pension liability	776,311	776,812	1,540,137
Differences between expected and actual experience	1,911,510	(375,570)	(3,498,801)
Changes of assumptions	(5,071,750)	289,794	(7,114,970)
Changes of benefit terms	-	180,093	-
Benefit payments, including refunds of employee contributions	(772,775)	(757,767)	(860,439)
Net change in total pension liability	(2,292,008)	963,598	(8,834,284)
Total OPEB liability - beginning	35,459,945	34,496,347	43,330,631
Total OPEB liability - ending (a)	\$ 33,167,937	\$ 35,459,945	\$ 34,496,347
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%
Covered-employee payroll	23,267,711	24,158,984	23,627,368
Net pension liability as a percentage of covered-employee payroll	142.5%	146.8%	146.0%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

No assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB Plan.

2020	2019	2018
\$ 598,329	\$ 1,288,098	\$ 1,524,705
1,176,172	1,295,555	1,111,230
(451,195)	(2,537,347)	(439,063)
12,653,653	(2,851,834)	(3,816,076)
-	(1,303,614)	
(880,075)	(1,115,378)	(776,672)
13,096,884	(5,224,520)	(2,395,876)
30,233,747	35,458,267	37,854,143
\$ 43,330,631	\$ 30,233,747	\$ 35,458,267
0.0%	0.0%	0.0%
23,419,149	21,525,912	20,841,771
185.0%	140.5%	170.1%

SUPPLEMENTARY INFORMATION

**COMBINING STATEMENTS
AND SCHEDULES**

CITY OF VALDOSTA, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Confiscated Assets Fund** accounts for confiscated and condemned funds received and disbursed for law enforcement expenditures.

The **Property Evidence Fund** accounts for confiscated property received and disbursed for law enforcement expenditures.

The **U.S. Department of Justice Local Law Block Grants Fund** accounts for Law Enforcement Block Grant revenues and expenditures used to purchase equipment in the City's Police Department.

The **Urban Development Action Grant ("UDAG") Fund** accounts for funds received in accordance with Title I, Section 119, of the Housing and Community Development Act of 1974. Funds are designated for the use of financing second mortgages for qualified buyers.

The **GA DCA CHIP 02M-X-092-2-2695 Fund** accounts for grant funds received from the Georgia Department of Community Affairs. The CHIP Program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons.

The **Federal HUD Entitlement Grant Fund** accounts for grant revenues from the U.S. Department of Housing and Urban Development Community Development Block Grant Entitlement Program. This program supplies funds to support the development of viable urban communities by providing decent housing, a suitable living environment and economic opportunities, principally for persons of low and moderate income.

The **GA DCA CHIP 07M-X-092-2-2961 Fund** accounts for grant funds received from the Georgia Department of Community Affairs. The CHIP Program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

The **GA DCA CHIP 07MR-X-092-2-2979 Fund** accounts for grant funds received from the Georgia Department of Community Affairs. The CHIP Program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

The **GA DCA CHIP 2016-116 Fund** accounts for grant funds received from the Georgia Department of Community Affairs. The CHIP Program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

The **Transit Grant Fund** accounts for grant revenues and expenditures relating to the City's transit system.

The **Accommodation Tax Fund** accounts for hotel/motel monies received by the City.

CITY OF VALDOSTA, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The **Road Improvement Fund** accounts for grant funds received from the Georgia Department of Transportation under the Local Maintenance & Improvement Grant ("LMIG"). The LMIG program provides funding for a portion of GDOT approved road projects.

The **Transportation Special Purpose Local Option Sales Tax ("TSPLOST 2018") Fund** to account for financing and construction of various road improvement projects. These improvements will be financed in whole or in part by the city's discretionary share of a 1% regional sales tax levied for the purpose of improving the road system in the Southern Georgia Region in accordance with the Georgia Transportation Investment Act (TIA).

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting City's programs.

The **Sunset Hill Trust Fund** provides perpetual care for the Sunset Hill Cemetery. For reporting purposes, there are two distinct Sections of the cemetery, designated New Section and Old Section. The primary difference between the two sections is that the sales price of lots in the New Section includes perpetual care, whereas in the Old Section, perpetual care is sold separately. Interest income earned on investments is transferred to the General Fund to aid in maintaining the cemetery.

CITY OF VALDOSTA, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

ASSETS	Special Revenue Funds						
	Confiscated Assets Fund	Property Evidence Fund	US Dept of Justice Local Law Block Grants	UDAG	GA DCA CHIP 02M-X-092-2-2695	HUD Federal Grant	GA DCA CHIP 07M-X-092-2-2961
Cash and cash equivalents	\$ 93,732	\$ 55,018	\$ 10	\$ 17,709	\$ -	\$ 456,509	\$ -
Taxes receivable	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	-
Second mortgages receivable	-	-	-	26,162	-	1,667,808	-
Due from other governments	-	-	-	-	-	168,183	-
Due from other funds	-	-	-	-	-	-	-
Total assets	<u>\$ 93,732</u>	<u>\$ 55,018</u>	<u>\$ 10</u>	<u>\$ 43,871</u>	<u>\$ -</u>	<u>\$ 2,292,500</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,099	\$ -
Due to other funds	-	54,276	10	-	-	568,986	-
Advance from other funds	-	-	-	-	-	30,000	-
Total liabilities	<u>-</u>	<u>54,276</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>621,085</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues - intergovernmental	-	-	-	-	-	10,339	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,339</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable:							
Permanent fund principal	-	-	-	-	-	-	-
Restricted for:							
Public safety	93,732	742	-	43,871	-	-	-
Community development	-	-	-	-	-	1,661,076	-
Capital projects	-	-	-	-	-	-	-
Assigned for:							
Tourism development	-	-	-	-	-	-	-
Capital improvement	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>93,732</u>	<u>742</u>	<u>-</u>	<u>43,871</u>	<u>-</u>	<u>1,661,076</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 93,732</u>	<u>\$ 55,018</u>	<u>\$ 10</u>	<u>\$ 43,871</u>	<u>\$ -</u>	<u>\$ 2,292,500</u>	<u>\$ -</u>

(Continued)

Special Revenue Funds				Capital Projects Funds		Permanent Fund		
GA DCA CHIP 07MR-X-092-2-2979	GA DCA CHIP 2016-116	Transit Grant Fund	Accommodations Fund	Road Improvement Fund	TSPLOST 2018 Fund	Sunset Hill Permanent Fund	Totals	
\$ -	\$ 1,933	\$ -	\$ 3,256,735	\$ 1,481,276	\$ 3,343,138	\$ 1,868,415	\$ 10,574,475	
-	-	-	-	-	225,921	-	225,921	
-	-	-	323,822	-	-	645	324,467	
-	36,642	-	-	-	-	-	1,730,612	
-	-	847,133	-	-	-	-	1,015,316	
-	-	-	-	-	103,789	-	103,789	
<u>\$ -</u>	<u>\$ 38,575</u>	<u>\$ 847,133</u>	<u>\$ 3,580,557</u>	<u>\$ 1,481,276</u>	<u>\$ 3,672,848</u>	<u>\$ 1,869,060</u>	<u>\$ 13,974,580</u>	
\$ -	\$ -	\$ 164,101	\$ 122,162	\$ -	\$ 79,110	\$ -	\$ 387,472	
-	-	649,425	-	-	6,175	-	1,278,872	
-	-	-	-	-	-	-	30,000	
-	-	813,526	122,162	-	85,285	-	1,696,344	
-	-	776,756	-	-	203,136	-	990,231	
-	-	776,756	-	-	203,136	-	990,231	
-	-	-	-	-	-	1,869,060	1,869,060	
-	-	-	-	-	-	-	138,345	
-	38,575	-	-	-	-	-	1,699,651	
-	-	-	-	1,481,276	-	-	1,481,276	
-	-	-	3,458,395	-	-	-	3,458,395	
-	-	-	-	-	3,384,427	-	3,384,427	
-	-	(743,149)	-	-	-	-	(743,149)	
-	38,575	(743,149)	3,458,395	1,481,276	3,384,427	1,869,060	11,288,005	
<u>\$ -</u>	<u>\$ 38,575</u>	<u>\$ 847,133</u>	<u>\$ 3,580,557</u>	<u>\$ 1,481,276</u>	<u>\$ 3,672,848</u>	<u>\$ 1,869,060</u>	<u>\$ 13,974,580</u>	

CITY OF VALDOSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds						
	Confiscated Assets Fund	Property Evidence Fund	US Dept of Justice Local Law Block Grants	UDAG	GA DCA CHIP 02M-X-092-2-2695	HUD Federal Grant	GA DCA CHIP 07M-X-092-2-2961
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	1,265,226	-
Fines and forfeitures	4,793	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>4,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,265,226</u>	<u>-</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Public safety	7,247	-	-	-	-	-	-
Economic development and assistance	-	-	-	-	600	522,904	5,600
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>7,247</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600</u>	<u>522,904</u>	<u>5,600</u>
Excess (deficiency) of revenues over (under) expenditures	(2,454)	-	-	-	(600)	742,322	(5,600)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,454)	-	-	-	(600)	742,322	(5,600)
Fund balances (deficits), beginning of year	<u>96,186</u>	<u>742</u>	<u>-</u>	<u>43,871</u>	<u>600</u>	<u>918,754</u>	<u>5,600</u>
Fund balances (deficits), end of year	<u>\$ 93,732</u>	<u>\$ 742</u>	<u>\$ -</u>	<u>\$ 43,871</u>	<u>\$ -</u>	<u>\$ 1,661,076</u>	<u>\$ -</u>

(Continued)

Special Revenue Funds				Capital Projects Funds		Permanent Fund	
GA DCA CHIP 07MR-X-092-2-2979	GA DCA CHIP 2016-116	Transit Grant Fund	Accomodations Fund	Road Improvement Fund	TSPLOST 2018 Fund	Sunset Hill Permanent Fund	Totals
\$ -	\$ -	\$ -	\$ 3,690,451	\$ -	\$ -	\$ -	\$ 3,690,451
-	-	720,814	-	659,061	1,135,424	8,700	3,789,225
-	-	-	-	-	-	-	4,793
-	-	-	-	-	-	27,891	27,891
-	-	720,814	3,690,451	659,061	1,135,424	36,591	7,512,360
-	-	1,975,854	2,400,191	-	-	2	4,376,047
-	-	-	-	-	-	-	7,247
2,000	76,199	-	-	-	-	-	607,303
-	-	-	-	591,268	295,535	-	886,803
2,000	76,199	1,975,854	2,400,191	591,268	295,535	2	5,877,400
(2,000)	(76,199)	(1,255,040)	1,290,260	67,793	839,889	36,589	1,634,960
-	-	684,600	-	-	-	-	684,600
-	-	-	(367,332)	-	(184,600)	-	(551,932)
-	-	684,600	(367,332)	-	(184,600)	-	132,668
(2,000)	(76,199)	(570,440)	922,928	67,793	655,289	36,589	1,767,628
2,000	114,774	(172,709)	2,535,467	1,413,483	2,729,138	1,832,471	9,520,377
\$ -	\$ 38,575	\$ (743,149)	\$ 3,458,395	\$ 1,481,276	\$ 3,384,427	\$ 1,869,060	\$ 11,288,005

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Current Operations:				
General government:				
Administration department:				
Mayor and council:				
Personal services	\$ 216,218	\$ 216,218	\$ 201,239	14,979
Contractual services	147,695	159,270	154,651	4,619
Supplies	29,120	33,630	66,153	(32,523)
Travel and training	206,790	202,790	143,477	59,313
Other services and charges	254,479	256,394	189,164	67,230
	<u>854,302</u>	<u>868,302</u>	<u>754,684</u>	<u>113,618</u>
City manager:				
Personal services	432,514	432,514	622,193	(189,679)
Contractual services	69,115	69,115	90,853	(21,738)
Supplies	10,700	10,700	18,179	(7,479)
Travel and training	17,100	17,100	22,170	(5,070)
Other services and charges	39,986	39,986	39,638	348
	<u>569,415</u>	<u>569,415</u>	<u>793,033</u>	<u>(223,618)</u>
City attorney:				
Other services and charges	250,000	250,000	210,538	39,462
	<u>250,000</u>	<u>250,000</u>	<u>210,538</u>	<u>39,462</u>
Indigent Defense:				
Other services and charges	20,000	20,000	8,832	11,168
	<u>20,000</u>	<u>20,000</u>	<u>8,832</u>	<u>11,168</u>
Total Administration Department	<u>1,693,717</u>	<u>1,707,717</u>	<u>1,767,087</u>	<u>(59,370)</u>
Human resources department:				
Administration:				
Personal services	339,702	339,702	404,288	(64,586)
Contractual services	12,496	9,488	36,316	(26,828)
Supplies	8,391	6,900	9,519	(2,619)
Travel and training	18,550	21,579	20,871	708
Other services and charges	23,697	25,167	43,599	(18,432)
	<u>402,836</u>	<u>402,836</u>	<u>514,593</u>	<u>(111,757)</u>
Employee incentives/assistance:				
Personal services	9,000	9,000	6,328	2,672
Other services and charges	20,000	20,000	18,851	1,149
	<u>29,000</u>	<u>29,000</u>	<u>25,179</u>	<u>3,821</u>
Risk division:				
Contractual services	27,978	29,500	35,026	(5,526)
Other services and charges	21,522	20,000	54,933	(34,933)
	<u>49,500</u>	<u>49,500</u>	<u>89,959</u>	<u>(40,459)</u>
Total Human Resources	<u>481,336</u>	<u>481,336</u>	<u>629,731</u>	<u>(148,395)</u>
Finance department:				
Finance director:				
Personal services	207,885	207,885	222,991	(15,106)
Contractual services	1,242	1,242	1,324	(82)
Supplies	1,350	1,350	1,146	204
Travel and training	6,200	6,200	4,399	1,801
Other services and charges	92,913	92,913	75,776	17,137
	<u>309,590</u>	<u>309,590</u>	<u>305,636</u>	<u>3,954</u>

(Continued)

CITY OF VALDOSTA, GEORGIA

SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Finance department (Continued):				
Accounting division:				
Personal services	\$ 483,618	\$ 483,618	\$ 458,709	\$ 24,909
Contractual services	6,690	6,690	6,916	(226)
Supplies	4,700	4,700	4,901	(201)
Travel and training	7,800	8,005	3,530	4,475
Other services and charges	145,014	144,809	69,348	75,461
	<u>647,822</u>	<u>647,822</u>	<u>543,404</u>	<u>104,418</u>
Budget division:				
Personal services	183,383	183,383	219,129	(35,746)
Contractual services	1,572	2,072	1,400	672
Supplies	3,600	3,100	5,937	(2,837)
Travel and training	2,031	2,125	976	1,149
Other services and charges	16,281	16,187	17,897	(1,710)
	<u>206,867</u>	<u>206,867</u>	<u>245,339</u>	<u>(38,472)</u>
Customer service division:				
Personal services	629,391	629,391	678,795	(49,404)
Contractual services	138,757	151,071	139,905	11,166
Supplies	22,200	21,700	24,020	(2,320)
Travel and training	2,139	2,025	3,266	(1,241)
Other services and charges	191,685	180,785	154,346	26,439
	<u>984,172</u>	<u>984,972</u>	<u>1,000,332</u>	<u>(15,360)</u>
Business license:				
Personal services	52,439	52,439	56,366	(3,927)
Contractual services	43,402	42,602	40,759	1,843
Supplies	3,150	3,150	474	2,676
Travel and training	2,140	2,140	762	1,378
Other services and charges	6,463	6,463	6,282	181
	<u>107,594</u>	<u>106,794</u>	<u>104,643</u>	<u>2,151</u>
Purchasing division:				
Personal services	160,062	160,062	164,640	(4,578)
Contractual services	4,673	4,462	2,249	2,213
Supplies	2,300	2,300	1,328	972
Travel and training	5,330	5,330	4,033	1,297
Other services and charges	16,976	17,187	12,169	5,018
	<u>189,341</u>	<u>189,341</u>	<u>184,419</u>	<u>4,922</u>
Total Finance	<u>2,445,386</u>	<u>2,445,386</u>	<u>2,383,773</u>	<u>61,613</u>
Engineering department:				
Engineering division:				
Personal services	775,040	775,040	553,871	221,169
Contractual services	11,302	10,862	20,250	(9,388)
Supplies	8,720	9,160	6,833	2,327
Travel and training	6,288	6,288	4,412	1,876
Other services and charges	88,273	88,273	94,791	(6,518)
	<u>889,623</u>	<u>889,623</u>	<u>680,157</u>	<u>209,466</u>
Signal maintenance:				
Personal services	189,349	189,349	203,632	(14,283)
Contractual services	5,799	4,999	6,011	(1,012)
Supplies	56,467	58,935	63,828	(4,893)
Travel and training	1,705	1,705	1,380	325
Other services and charges	13,739	13,739	9,677	4,062
	<u>267,059</u>	<u>268,727</u>	<u>284,528</u>	<u>(15,801)</u>
Signs and markings:				
Personal services	160,447	160,447	155,299	5,148
Contractual services	3,506	3,506	3,419	87
Supplies	69,170	69,170	46,339	22,831
Travel and training	85	85	-	85
Other services and charges	6,388	6,388	3,669	2,719
	<u>239,596</u>	<u>239,596</u>	<u>208,726</u>	<u>30,870</u>

(Continued)

CITY OF VALDOSTA, GEORGIA

SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Engineering department (Continued):				
Traffic management center				
Personal services	\$ 305,907	\$ 305,907	\$ 327,722	\$ (21,815)
Contractual services	1,943,195	1,936,155	1,910,917	25,238
Supplies	16,710	16,710	9,936	6,774
Travel and training	3,886	3,568	3,846	(278)
Other services and charges	36,189	36,189	40,338	(4,149)
	<u>2,305,887</u>	<u>2,298,529</u>	<u>2,292,759</u>	<u>5,770</u>
Street repair:				
Personal services	375,991	375,991	333,333	42,658
Contractual services	15,317	15,317	13,228	2,089
Supplies	52,854	53,125	36,006	17,119
Travel and training	441	170	356	(186)
Other services and charges	113,298	113,298	101,204	12,094
	<u>557,901</u>	<u>557,901</u>	<u>484,127</u>	<u>73,774</u>
Total Engineering	<u>4,260,066</u>	<u>4,254,376</u>	<u>3,950,297</u>	<u>304,079</u>
General Administration:				
City hall:				
Personal services	125,220	125,220	86,812	38,408
Contractual services	87,932	80,564	66,919	13,645
Supplies	23,638	16,006	14,235	1,771
Travel and training	1,750	1,750	-	1,750
Other services and charges	54,071	58,759	36,607	22,152
	<u>292,611</u>	<u>282,299</u>	<u>204,573</u>	<u>77,726</u>
City hall annex:				
Personal services	49,701	49,701	53,309	(3,608)
Contractual services	84,350	81,012	72,552	8,460
Supplies	6,933	19,413	830	18,583
Travel and training	-	-	-	-
Other services and charges	28,630	14,800	28,630	(13,830)
	<u>169,614</u>	<u>164,926</u>	<u>155,321</u>	<u>9,605</u>
Customer service:				
Contractual services	24,945	23,879	18,832	5,047
Supplies	6,394	6,394	1,451	4,943
Other services and charges	8,234	9,300	14,531	(5,231)
	<u>39,573</u>	<u>39,573</u>	<u>34,814</u>	<u>4,759</u>
Rental:				
Personal services	-	-	-	-
Contractual services	26,352	22,254	18,868	3,386
Supplies	27,297	29,297	3,298	25,999
Travel and training	-	-	-	-
Capital outlay	-	-	98,842	(98,842)
	<u>53,649</u>	<u>51,551</u>	<u>121,008</u>	<u>(69,457)</u>
Total Other General Administrative	<u>555,447</u>	<u>538,349</u>	<u>515,716</u>	<u>22,633</u>
Municipal court:				
Administration:				
Personal services	363,528	363,528	390,493	(26,965)
Contractual services	74,930	66,010	71,689	(5,679)
Supplies	17,471	14,000	14,809	(809)
Travel and training	15,128	15,128	11,532	3,596
Other services and charges	330,738	343,129	265,853	77,276
	<u>801,795</u>	<u>801,795</u>	<u>754,376</u>	<u>47,419</u>
Total Municipal Court	<u>801,795</u>	<u>801,795</u>	<u>754,376</u>	<u>47,419</u>
Total General Government	<u>10,237,747</u>	<u>801,795</u>	<u>10,000,980</u>	<u>9,199,185</u>

(Continued)

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public safety:				
Police department:				
Police administration division:				
Personal services	\$ 967,642	\$ 967,642	\$ 1,049,816	\$ (82,174)
Contractual services	290,419	290,419	277,715	12,704
Supplies	126,972	128,010	94,379	33,631
Travel and training	43,014	54,050	28,440	25,610
Other services and charges	415,424	412,194	367,534	44,660
Capital outlay	14,000	14,000	14,886	(886)
	<u>1,857,471</u>	<u>1,866,315</u>	<u>1,832,770</u>	<u>33,545</u>
Patrol bureau division:				
Personal services	7,983,727	7,978,099	6,287,938	1,690,161
Contractual services	199,821	199,821	156,708	43,113
Supplies	121,309	34,500	141,643	(107,143)
Travel and training	60,120	43,120	45,031	(1,911)
Other services and charges	974,806	970,333	986,697	(16,364)
	<u>9,339,783</u>	<u>9,225,873</u>	<u>7,618,017</u>	<u>1,607,856</u>
Investigative bureau division:				
Personal services	2,068,297	2,068,297	1,620,811	447,486
Contractual services	48,411	47,682	37,112	10,570
Supplies	73,284	57,350	35,675	21,675
Travel and training	48,060	48,060	27,302	20,758
Other services and charges	322,566	322,484	346,732	(24,248)
	<u>2,560,618</u>	<u>2,543,873</u>	<u>2,067,632</u>	<u>476,241</u>
Training:				
Personal services	362,366	362,366	330,898	31,468
Contractual services	7,901	7,901	6,989	912
Supplies	491,020	470,020	364,952	105,068
Travel and training	42,850	42,850	16,400	26,450
Other services and charges	39,266	39,266	37,138	2,128
Capital outlay	52,000	73,000	50,746	22,254
	<u>995,403</u>	<u>995,403</u>	<u>807,123</u>	<u>188,280</u>
Support services bureau division:				
Personal services	1,135,766	1,135,766	1,028,601	107,165
Contractual services	590,574	589,605	439,830	149,775
Supplies	51,720	59,220	26,957	32,263
Travel and training	9,246	10,215	3,995	6,220
Other services and charges	199,138	199,124	106,729	92,395
Debt service	131,972	131,687	131,971	(284)
	<u>2,118,416</u>	<u>2,125,617</u>	<u>1,738,083</u>	<u>387,534</u>
Crime lab:				
Personal services	929,367	929,367	858,302	71,065
Contractual services	199,780	199,780	188,946	10,834
Supplies	69,500	69,500	74,975	(5,475)
Travel and training	67,445	67,445	35,490	31,955
Other services and charges	130,902	130,902	126,897	4,005
	<u>1,396,994</u>	<u>1,396,994</u>	<u>1,284,610</u>	<u>112,384</u>
Total Police Department	<u>1,759,360</u>	<u>1,759,360</u>	<u>15,348,235</u>	<u>13,588,875</u>

(Continued)

CITY OF VALDOSTA, GEORGIA

SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public safety (Continued):				
Fire department:				
Fire administrative division:				
Personal services	\$ 663,138	\$ 663,138	\$ 648,081	\$ 15,057
Contractual services	31,239	31,239	37,448	(6,209)
Supplies	9,500	9,300	5,288	4,012
Travel and training	37,995	37,995	9,115	28,880
Other services and charges	65,373	65,573	79,242	(13,669)
	<u>807,245</u>	<u>807,245</u>	<u>779,174</u>	<u>28,071</u>
Fire fighting division:				
Personal services	6,380,676	6,380,676	6,259,254	121,422
Contractual services	226,773	226,773	218,929	7,844
Supplies	439,277	364,585	299,193	65,392
Travel and training	44,730	44,835	11,908	32,927
Other services and charges	910,874	920,874	1,105,237	(184,363)
Capital outlay	21,347	21,347	19,414	1,933
	<u>8,023,677</u>	<u>7,959,090</u>	<u>7,913,935</u>	<u>45,155</u>
Fire inspection division:				
Personal services	299,102	299,102	271,376	27,726
Contractual services	7,809	7,809	9,170	(1,361)
Supplies	29,050	29,050	24,578	4,472
Travel and training	10,510	10,510	7,393	3,117
Other services and charges	177,605	177,605	46,506	131,099
	<u>524,076</u>	<u>524,076</u>	<u>359,023</u>	<u>165,053</u>
Fire maintenance division:				
Personal services	127,520	127,520	121,694	5,826
Contractual services	78,366	78,366	56,058	22,308
Supplies	127,762	90,950	155,059	(64,109)
Travel and training	4,500	4,500	3,243	1,257
Other services and charges	38,602	54,914	50,800	4,114
	<u>376,750</u>	<u>356,250</u>	<u>386,854</u>	<u>(30,604)</u>
Fire training division:				
Personal services	250,845	250,845	117,810	133,035
Contractual services	24,820	24,820	26,832	(2,012)
Supplies	51,011	51,011	39,340	11,671
Travel and training	19,505	19,400	11,629	7,771
Other services and charges	16,903	16,903	9,045	7,858
	<u>363,084</u>	<u>362,979</u>	<u>204,656</u>	<u>158,323</u>
Special operations:				
Personal services	78,262	78,262	84,778	(6,516)
Contractual services	1,905	1,905	1,999	(94)
Supplies	24,459	24,319	24,085	234
Travel and training	10,000	20,500	3,605	16,895
Other services and charges	7,550	7,690	8,927	(1,237)
	<u>122,176</u>	<u>132,676</u>	<u>123,394</u>	<u>9,282</u>
Total Fire Department	<u>249,696</u>	<u>260,196</u>	<u>9,767,036</u>	<u>9,506,840</u>

(Continued)

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public safety (Continued):				
Other protection services department:				
Community protection:				
Personal services	\$ 342,073	\$ 342,073	\$ 361,503	\$ (19,430)
Contractual services	110,392	110,392	240,475	(130,083)
Supplies	36,137	29,900	11,017	18,883
Travel and training	8,320	7,060	7,822	(762)
Other services and charges	50,824	56,611	51,901	4,710
	<u>547,746</u>	<u>546,036</u>	<u>672,718</u>	<u>(126,682)</u>
Neighborhood development:				
Contractual services	-	-	1,401	(1,401)
	<u>-</u>	<u>-</u>	<u>1,401</u>	<u>(1,401)</u>
Total Other Protection Services	<u>24,459</u>	<u>24,319</u>	<u>674,119</u>	<u>(128,083)</u>
Total Public Safety	<u>376,532</u>	<u>386,892</u>	<u>25,789,390</u>	<u>25,402,498</u>
Public works:				
Public works department:				
Right of way maintenance:				
Personal services	1,480,150	1,480,150	1,419,840	60,310
Contractual services	127,702	126,919	122,051	4,868
Supplies	39,009	38,442	46,406	(7,964)
Travel and training	2,770	4,230	1,457	2,773
Other services and charges	324,959	324,849	288,855	35,994
Capital outlay	-	-	-	-
	<u>1,974,590</u>	<u>1,974,590</u>	<u>1,878,609</u>	<u>95,981</u>
Cemetery division:				
Personal services	461,162	461,162	484,542	(23,380)
Contractual services	36,533	36,229	38,696	(2,467)
Supplies	18,305	17,761	21,545	(3,784)
Travel and training	1,402	2,250	50	2,200
Other services and charges	104,998	104,998	82,961	22,037
Capital outlay	-	-	-	-
	<u>622,400</u>	<u>622,400</u>	<u>627,794</u>	<u>(5,394)</u>
Arborist:				
Personal services	165,028	165,028	184,879	(19,851)
Contractual services	17,899	17,899	11,715	6,184
Supplies	11,240	11,360	5,933	5,427
Travel and training	2,625	2,505	1,827	678
Other services and charges	54,355	54,355	24,762	29,593
Capital outlay	-	-	-	-
	<u>251,147</u>	<u>251,147</u>	<u>229,116</u>	<u>22,031</u>
Total Public Works	<u>1,731,297</u>	<u>1,731,297</u>	<u>2,735,519</u>	<u>1,004,222</u>

(Continued)

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Economic development and assistance:				
Administration:				
Personal services	\$ 93,698	\$ 93,698	\$ 82,270	\$ 11,428
Contractual services	1,506	1,506	2,320	(814)
Supplies	2,103	2,100	2,358	(258)
Travel and training	2,914	2,940	1,100	1,840
Other services and charges	18,605	18,582	12,276	6,306
Capital outlay	-	-	-	-
	<u>118,826</u>	<u>118,826</u>	<u>100,324</u>	<u>(18,502)</u>
Public relations:				
Personal services	166,661	166,661	214,607	(47,946)
Contractual services	34,190	34,190	33,766	424
Supplies	21,615	11,000	21,843	(10,843)
Travel and training	10,425	29,225	11,596	17,629
Other services and charges	51,311	43,126	44,778	(1,652)
Capital outlay	-	-	-	-
	<u>284,202</u>	<u>284,202</u>	<u>326,590</u>	<u>(42,388)</u>
Main street division:				
Personal services	149,065	149,065	111,651	37,414
Contractual services	44,867	242	47,640	(47,398)
Supplies	265,750	366,000	264,411	101,589
Travel and training	3,567	-	5,061	(5,061)
Other services and charges	151,743	99,685	86,692	12,993
Capital outlay	-	-	-	-
	<u>614,992</u>	<u>614,992</u>	<u>515,455</u>	<u>99,537</u>
Planning and zoning:				
Personal services	473,028	473,028	335,812	137,216
Contractual services	9,684	9,684	4,579	5,105
Supplies	4,801	4,801	863	3,938
Travel and training	13,736	14,136	5,765	8,371
Other services and charges	10,201	9,801	(18,828)	28,629
Capital outlay	-	-	-	-
	<u>511,450</u>	<u>511,450</u>	<u>328,191</u>	<u>183,259</u>
Neighborhood development:				
Personal services	71,091	71,091	25,141	45,950
Contractual services	879	879	2,527	(1,648)
Travel and training	200	200	-	200
Other services and charges	15,470	15,470	32,628	(17,158)
	<u>87,640</u>	<u>87,640</u>	<u>60,296</u>	<u>27,344</u>
Great promise internship:				
Personal services	-	-	(2,938)	2,938
Contractual services	-	-	87	(87)
Other services and charges	-	-	35,329	(35,329)
	<u>-</u>	<u>-</u>	<u>32,478</u>	<u>(32,478)</u>
Total Economic Development and Assistance	<u>473,028</u>	<u>473,028</u>	<u>1,363,334</u>	<u>890,306</u>
Total Expenditures	<u>\$ 12,818,604</u>	<u>\$ 3,393,012</u>	<u>\$ 39,889,223</u>	<u>\$ 36,496,211</u>

CITY OF VALDOSTA, GEORGIA

**CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ -	\$ 7,463	\$ 4,793	\$ (2,670)
Total revenues	<u>-</u>	<u>7,463</u>	<u>4,793</u>	<u>(2,670)</u>
EXPENDITURES				
Public safety	-	7,463	7,247	216
Total expenditures	<u>-</u>	<u>7,463</u>	<u>7,247</u>	<u>216</u>
Net change in fund balance	-	-	(2,454)	(2,454)
FUND BALANCES, beginning of year	<u>96,186</u>	<u>96,186</u>	<u>96,186</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 96,186</u>	<u>\$ 96,186</u>	93,732	<u>\$ (2,454)</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 93,732</u>	

CITY OF VALDOSTA, GEORGIA

**PROPERTY EVIDENCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	<u>742</u>	<u>742</u>	<u>742</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 742</u>	<u>\$ 742</u>	742	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 742</u>	

CITY OF VALDOSTA, GEORGIA

**U.S. DEPARTMENT OF JUSTICE LOCAL LAW BLOCK GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ -</u>	

CITY OF VALDOSTA, GEORGIA

**URBAN DEVELOPMENT ACTION GRANT (UDAG) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	<u>43,871</u>	<u>43,871</u>	<u>43,871</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 43,871</u>	<u>\$ 43,871</u>	<u>43,871</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 43,871</u>	

CITY OF VALDOSTA, GEORGIA

**GA DCA CHIP 02M-X-092-2-2695
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ -	\$ 600	\$ -	\$ (600)
Total revenues	<u>-</u>	<u>600</u>	<u>-</u>	<u>(600)</u>
EXPENDITURES				
Economic development and assistance	-	600	600	-
Total expenditures	<u>-</u>	<u>600</u>	<u>600</u>	<u>-</u>
Net change in fund balance	-	-	(600)	(600)
FUND BALANCES, beginning of year	<u>600</u>	<u>600</u>	<u>600</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 600</u>	<u>\$ 600</u>	-	<u>\$ (600)</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ -</u>	

CITY OF VALDOSTA, GEORGIA

**FEDERAL HUD GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 700,000	\$ 1,203,160	\$ 1,265,226	\$ 62,066
Total revenues	<u>700,000</u>	<u>1,203,160</u>	<u>1,265,226</u>	<u>62,066</u>
EXPENDITURES				
Current:				
Economic development and assistance	700,000	1,203,160	777,192	425,968
Total expenditures	<u>700,000</u>	<u>1,203,160</u>	<u>777,192</u>	<u>425,968</u>
Net change in fund balance	-	-	488,034	488,034
FUND BALANCES, beginning of year	<u>918,754</u>	<u>918,754</u>	<u>918,754</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 918,754</u>	<u>\$ 918,754</u>	1,406,788	<u>\$ 488,034</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>254,288</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 1,661,076</u>	

CITY OF VALDOSTA, GEORGIA

**GA DCA CHIP 07M-X-092-2-2961
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES				
Economic development and assistance	\$ -	\$ 5,600	\$ 5,600	\$ -
Total expenditures	<u>-</u>	<u>5,600</u>	<u>5,600</u>	<u>-</u>
Net change in fund balance	-	(5,600)	(5,600)	-
FUND BALANCES, beginning of year	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 5,600</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ -</u>	

CITY OF VALDOSTA, GEORGIA

**GA DCA CHIP 07MR-X-092-2-2979
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES				
Economic development and assistance	\$ -	\$ 2,000	\$ 2,000	\$ -
Total expenditures	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Net change in fund balance	-	(2,000)	(2,000)	-
FUND BALANCES, beginning of year	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ -</u></u>	<u><u>\$ (2,000)</u></u>	<u>-</u>	<u><u>\$ -</u></u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u><u>\$ -</u></u>	

CITY OF VALDOSTA, GEORGIA

**GA DCA CHIP 2016-116
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES				
Economic development and assistance	\$ -	\$ 76,199	\$ 76,199	\$ -
Total expenditures	<u>-</u>	<u>76,199</u>	<u>76,199</u>	<u>-</u>
Net change in fund balance	-	(76,199)	(76,199)	-
FUND BALANCES, beginning of year	<u>114,774</u>	<u>114,774</u>	<u>114,774</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 114,774</u>	<u>\$ 38,575</u>	38,575	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 38,575</u>	

CITY OF VALDOSTA, GEORGIA

**TRANSIT GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 1,651,791	\$ 1,651,791	\$ 720,814	\$ (930,977)
Total revenues	<u>1,651,791</u>	<u>1,651,791</u>	<u>720,814</u>	<u>(930,977)</u>
EXPENDITURES				
General government	2,371,207	2,371,207	1,890,062	481,145
Total expenditures	<u>2,371,207</u>	<u>2,371,207</u>	<u>1,890,062</u>	<u>481,145</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	684,600	684,600
Total other financing sources	<u>-</u>	<u>-</u>	<u>684,600</u>	<u>684,600</u>
Net change in fund balance	(719,416)	(719,416)	(484,648)	234,768
FUND DEFICITS, beginning of year	<u>(172,709)</u>	<u>(172,709)</u>	<u>(172,709)</u>	<u>-</u>
FUND DEFICITS, end of year	<u>\$ (892,125)</u>	<u>\$ (892,125)</u>	<u>(657,357)</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>(85,792)</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ (743,149)</u>	

CITY OF VALDOSTA, GEORGIA

**ACCOMODATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Other taxes	\$ 3,500,100	\$ 3,500,100	\$ 3,690,451	\$ 190,351
Total revenues	<u>3,500,100</u>	<u>3,500,100</u>	<u>3,690,451</u>	<u>190,351</u>
EXPENDITURES				
General government	2,537,095	2,537,095	2,278,029	259,066
Total expenditures	<u>2,537,095</u>	<u>2,537,095</u>	<u>2,278,029</u>	<u>259,066</u>
Excess of revenues over expenditures	<u>963,005</u>	<u>963,005</u>	<u>1,412,422</u>	<u>449,417</u>
OTHER FINANCING USES				
Transfers out	(1,367,332)	(1,367,332)	(367,332)	1,000,000
Total other financing sources	<u>(1,367,332)</u>	<u>(1,367,332)</u>	<u>(367,332)</u>	<u>1,000,000</u>
Net change in fund balance	(404,327)	(404,327)	1,045,090	1,449,417
FUND BALANCES, beginning of year	<u>2,535,467</u>	<u>2,535,467</u>	<u>2,535,467</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 2,131,140</u>	<u>\$ 2,131,140</u>	3,580,557	<u>\$ 1,449,417</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>(122,162)</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 3,458,395</u>	

CITY OF VALDOSTA, GEORGIA

**SALES TAX 2013 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 2,543	\$ 2,543
Total revenues	<u>-</u>	<u>-</u>	<u>2,543</u>	<u>2,543</u>
EXPENDITURES				
Capital outlay	<u>1,500,000</u>	<u>1,500,000</u>	<u>380,848</u>	<u>1,119,152</u>
Total expenditures	<u>1,500,000</u>	<u>1,500,000</u>	<u>380,848</u>	<u>1,119,152</u>
Net change in fund balance	(1,500,000)	(1,500,000)	(378,305)	1,121,695
FUND BALANCES, beginning of year	<u>3,457,979</u>	<u>3,457,979</u>	<u>3,457,979</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 1,957,979</u>	<u>\$ 1,957,979</u>	3,079,674	<u>\$ 1,121,695</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 3,079,674</u>	

CITY OF VALDOSTA, GEORGIA

**SALES TAX 2019 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 13,200,000	\$ 13,200,000	\$ 14,572,190	\$ 1,372,190
Total revenues	<u>13,200,000</u>	<u>13,200,000</u>	<u>14,572,190</u>	<u>1,372,190</u>
EXPENDITURES				
Capital outlay	15,841,404	15,841,404	6,622,099	9,219,305
Total expenditures	<u>15,841,404</u>	<u>15,841,404</u>	<u>6,622,099</u>	<u>9,219,305</u>
Excess (deficiency) of revenues over expenditures	(2,641,404)	(2,641,404)	7,950,091	10,591,495
OTHER FINANCING USES				
Transfers out	(799,919)	(799,919)	-	799,919
Total other financing uses	<u>(799,919)</u>	<u>(799,919)</u>	<u>-</u>	<u>799,919</u>
Net change in fund balance	(1,841,485)	(1,841,485)	7,950,091	10,591,495
FUND BALANCES, beginning of year	<u>11,418,372</u>	<u>11,418,372</u>	<u>11,418,372</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 9,576,887</u>	<u>\$ 9,576,887</u>	19,368,463	<u>\$ 10,591,495</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>1,266,361</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 20,634,824</u>	

CITY OF VALDOSTA, GEORGIA

**ROAD IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 640,566	\$ 640,566	\$ 659,061	\$ 18,495
Total revenues	<u>640,566</u>	<u>640,566</u>	<u>659,061</u>	<u>18,495</u>
EXPENDITURES				
Capital outlay	650,000	650,000	609,763	40,237
Total expenditures	<u>650,000</u>	<u>650,000</u>	<u>609,763</u>	<u>40,237</u>
Net change in fund balance	(9,434)	(9,434)	49,298	58,732
FUND BALANCES, beginning of year	<u>1,413,483</u>	<u>1,413,483</u>	<u>1,413,483</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 1,404,049</u>	<u>\$ 1,404,049</u>	1,462,781	<u>\$ 58,732</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>18,495</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 1,481,276</u>	

CITY OF VALDOSTA, GEORGIA

**TSPLOST 2018
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 10,374,182	\$ 10,374,182	\$ 1,135,424	\$ (9,238,758)
Total revenues	<u>10,374,182</u>	<u>10,374,182</u>	<u>1,135,424</u>	<u>(9,238,758)</u>
EXPENDITURES				
Capital outlay	9,558,182	9,558,182	1,073,300	8,484,882
Total expenditures	<u>9,558,182</u>	<u>9,558,182</u>	<u>1,073,300</u>	<u>8,484,882</u>
Excess of revenues over expenditures	816,000	816,000	62,124	(753,876)
OTHER FINANCING USES				
Transfers out	(219,416)	(219,416)	(184,600)	34,816
Total other financing uses	<u>(219,416)</u>	<u>(219,416)</u>	<u>(184,600)</u>	<u>34,816</u>
Net change in fund balance	596,584	596,584	(122,476)	(719,060)
FUND BALANCES, beginning of year	<u>2,729,138</u>	<u>2,729,138</u>	<u>2,729,138</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 3,325,722</u>	<u>\$ 3,325,722</u>	2,606,662	<u>\$ (719,060)</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>777,765</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 3,384,427</u>	

CITY OF VALDOSTA, GEORGIA

**SUNSET HILL PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ -	\$ 7,000	\$ 8,700	\$ 1,700
Other revenues	-	26,556	27,891	1,335
Total revenues	<u>-</u>	<u>33,556</u>	<u>36,591</u>	<u>3,035</u>
EXPENDITURES				
General government	-	-	2	(2)
Total expenditures	<u>-</u>	<u>-</u>	<u>2</u>	<u>(2)</u>
Net change in fund balance	-	33,556	36,589	3,033
FUND BALANCES, beginning of year	<u>1,832,471</u>	<u>1,832,471</u>	<u>1,832,471</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 1,832,471</u>	<u>\$ 1,866,027</u>	<u>1,869,060</u>	<u>\$ 3,033</u>
RECONCILIATION TO GAAP BASIS:				
Elimination of effect of encumbrances			<u>-</u>	
FUND BALANCE, GAAP basis, end of year			<u>\$ 1,869,060</u>	

CITY OF VALDOSTA, GEORGIA

FIDUCIARY FUNDS

Tree Commission Custodial Fund – to account for monies collected for the Tree Commission.

Evidence Custodial Fund – to account for monies taken in by the Valdosta Police Department but not condemned.

CITY OF VALDOSTA, GEORGIA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023**

	Tree Commission	Evidence Fund	Total
ASSETS			
Cash	\$ 64,001	\$ 85,429	\$ 149,430
Investments	7,408	-	7,408
Total assets	71,409	85,429	156,838
NET POSITION			
Restricted for individuals, organizations, and other governments	\$ 71,409	\$ 85,429	\$ 156,838

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

CITY OF VALDOSTA, GEORGIA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Tree Commission	Evidence Fund	Total
ADDITIONS			
Fines and fees collected	\$ 18,050	\$ 38,798	\$ 56,848
Total additions	18,050	38,798	56,848
DEDUCTIONS			
Fines and fees disbursed	22,924	5,845	28,769
Total deductions	22,924	5,845	28,769
Change in net position	(4,874)	32,953	28,079
Net position, beginning of the year	76,283	52,476	128,759
Net position, end of the year	\$ 71,409	\$ 85,429	\$ 156,838

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

CITY OF VALDOSTA, GEORGIA

NONMAJOR ENTERPRISE FUNDS

Operations of enterprise funds are designed to be self-supporting.

The **Inspection Fund** accounts for revenues and expenses relating to inspections of residential and commercial buildings within Lowndes County and to regulate zoning issues within Lowndes County.

The **Auditorium Fund** accounts for revenues and expenses relating to the operation of the Mathis City Auditorium.

The **Motor Fuel Fund** accounts for revenues and expenses relating to the sale of motor fuel to other governmental entities.

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2023

	<u>Inspection Fund</u>	<u>Auditorium Fund</u>	<u>Motor Fuel Fund</u>	<u>Totals</u>
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 2,634,651	\$ 66,414	\$ 53,053	\$ 2,754,118
Accounts receivable, net of allowances	-	-	80,017	80,017
Total current assets	<u>2,634,651</u>	<u>66,414</u>	<u>133,070</u>	<u>2,834,135</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	24,985	15,618	-	40,603
Current portion - compensated absences	26,000	7,000	-	33,000
Total current liabilities	<u>50,985</u>	<u>22,618</u>	<u>-</u>	<u>73,603</u>
NON-CURRENT LIABILITIES				
Compensated absences, net of current portion	24,176	9,794	-	33,970
Total non-current liabilities	<u>24,176</u>	<u>9,794</u>	<u>-</u>	<u>33,970</u>
Total liabilities	<u>75,161</u>	<u>32,412</u>	<u>-</u>	<u>107,573</u>
NET POSITION				
Unrestricted	2,559,490	34,002	133,070	2,726,562
Total net position	<u>\$ 2,559,490</u>	<u>\$ 34,002</u>	<u>\$ 133,070</u>	<u>\$ 2,726,562</u>

The notes are an integral part of these financial statements.

CITY OF VALDOSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Inspection Fund	Auditorium Fund	Motor Fuel Fund	Totals
OPERATING REVENUES				
Charges for services	\$ 126,052	\$ 44,000	\$ 445,321	\$ 615,373
Permits	1,749,685	-	-	1,749,685
Miscellaneous revenues	13,695	-	-	13,695
Total operating revenues	<u>1,889,432</u>	<u>44,000</u>	<u>445,321</u>	<u>2,378,753</u>
OPERATING EXPENSES				
Personnel services	717,514	208,378	-	925,892
Purchased or contracted service	72,199	75,907	-	148,106
Supplies	2,343	14,480	402,304	419,127
Travel and training	2,978	2,243	-	5,221
Miscellaneous	189,427	9,959	-	199,386
Depreciation	108	-	-	108
Total operating expenses	<u>984,569</u>	<u>310,967</u>	<u>402,304</u>	<u>1,697,840</u>
Operating income (loss)	<u>904,863</u>	<u>(266,967)</u>	<u>43,017</u>	<u>680,913</u>
TRANSFERS				
Transfers out	(238,795)	(18,642)	-	(257,437)
Transfers in	-	367,332	-	367,332
Total transfers	<u>(238,795)</u>	<u>348,690</u>	<u>-</u>	<u>109,895</u>
Change in net position	666,068	81,723	43,017	790,808
NET POSITION, beginning of year	<u>1,893,422</u>	<u>(47,721)</u>	<u>90,053</u>	<u>1,935,754</u>
NET POSITION, end of year	<u>\$ 2,559,490</u>	<u>\$ 34,002</u>	<u>\$ 133,070</u>	<u>\$ 2,726,562</u>

The notes are an integral part of these financial statements.

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Inspection Fund	Auditorium Fund	Motor Fuel Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 1,788,180	\$ 44,000	\$ 455,180	\$ 2,287,360
Payments to suppliers	(265,742)	(258,451)	(402,304)	(926,497)
Payments to employees	(712,978)	(210,820)	-	(923,798)
Net cash provided by (used in) operating activities	<u>809,460</u>	<u>(425,271)</u>	<u>52,876</u>	<u>437,065</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(238,795)	(18,642)	-	(257,437)
Transfers in	-	367,332	-	367,332
Net cash provided by noncapital financing activities	<u>(238,795)</u>	<u>348,690</u>	<u>-</u>	<u>109,895</u>
Change in cash and cash equivalents	570,665	(76,581)	52,876	546,960
Cash and cash equivalents:				
Beginning of year	<u>2,063,986</u>	<u>142,995</u>	<u>177</u>	<u>2,207,158</u>
End of year	<u>\$ 2,634,651</u>	<u>\$ 66,414</u>	<u>\$ 53,053</u>	<u>\$ 2,754,118</u>

(Continued)

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Inspection Fund	Auditorium Fund	Motor Fuel Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 904,863	\$ (266,967)	\$ 43,017	\$ 680,913
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	108	-	-	108
(Increase) decrease in assets:				
Accounts receivable	-	-	49,859	49,859
Increase (decrease) in liabilities:				
Accounts payable	3,473	(26,229)	-	(22,756)
Accrued liabilities	2,268	(1,221)	-	1,047
Due to other funds	(101,252)	(130,854)	(40,000)	(272,106)
Net cash provided by (used in) operating activities	<u>\$ 809,460</u>	<u>\$ (425,271)</u>	<u>\$ 52,876</u>	<u>\$ 437,065</u>

The notes are an integral part of these financial statements.

CITY OF VALDOSTA, GEORGIA

INTERNAL SERVICE FUNDS

The **Motor Pool Fund** accounts for the operations and maintenance of the City's fleet.

The **Group Insurance Fund** accounts for transactions related to the provision of health care benefits for career employees of the City.

The **Workman's Compensation Fund** accounts for transactions related to the workman's compensation claims paid by the City.

The **IT Service Fund** accounts for the cost of providing information technology to user departments.

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2023

	Moter Pool Fund	Group Insurance Fund	Workmen's Compensation Fund	IT Services Fund	Total
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ -	\$ 354,647	\$ 292,125	\$ 80,248	\$ 727,020
Accounts receivable, net of allowances	-	23,825	-	-	23,825
Due from other funds	-	699,102	935,739	-	1,634,841
Inventories	399,186	-	-	-	399,186
Total current assets	<u>399,186</u>	<u>1,077,574</u>	<u>1,227,864</u>	<u>80,248</u>	<u>2,784,872</u>
NON-CURRENT ASSETS					
Nondepreciable	97,670	-	-	-	97,670
Depreciable, net of accumulated depreciation	10,147,581	-	-	-	10,147,581
Total non-current assets	<u>10,245,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,245,251</u>
Total assets	<u>10,644,437</u>	<u>1,077,574</u>	<u>1,227,864</u>	<u>80,248</u>	<u>13,030,123</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	463,512	1,078,221	106,245	80,247	1,728,225
Accrued liabilities	33,427	-	-	-	33,427
Current portion - compensated absences	17,000	-	-	-	17,000
Current portion - financed purchases payable	455,340	-	-	-	455,340
Due to other funds	2,862,914	-	-	-	2,862,914
Total current liabilities	<u>3,832,193</u>	<u>1,078,221</u>	<u>106,245</u>	<u>80,247</u>	<u>5,096,906</u>
NON-CURRENT LIABILITIES					
Compensated absences, net of current portion	20,309	-	-	-	20,309
Financed purchases payable, net of current portion	1,825,586	-	-	-	1,825,586
Advance from other funds	4,966,349	-	-	-	4,966,349
Total non-current liabilities	<u>6,812,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,812,244</u>
Total liabilities	<u>10,644,437</u>	<u>1,078,221</u>	<u>106,245</u>	<u>80,247</u>	<u>11,909,150</u>
NET POSITION					
Net investment in capital assets	7,964,325	-	-	-	7,964,325
Unrestricted	(7,964,325)	(647)	1,121,619	1	(6,843,352)
Total net position	<u>\$ -</u>	<u>\$ (647)</u>	<u>\$ 1,121,619</u>	<u>\$ 1</u>	<u>\$ 1,120,973</u>

The notes are an integral part of these financial statements.

CITY OF VALDOSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Moter Pool Fund	Group Insurance Fund	Workmen's Compensation Fund	IT Services Fund	Total
OPERATING REVENUES					
Charges for services	\$ 6,058,437	\$ 5,144,106	\$ 695,978	\$ 1,725,051	\$ 13,623,572
Other services	-	165,305	-	-	165,305
Total operating revenues	<u>6,058,437</u>	<u>5,309,411</u>	<u>695,978</u>	<u>1,725,051</u>	<u>13,788,877</u>
OPERATING EXPENSES					
Personnel services	809,658	-	-	-	809,658
Purchased or contracted services	277,831	1,769,837	-	1,722,187	3,769,855
Travel and training	3,391	-	-	-	3,391
Claims paid	-	6,002,685	696,690	-	6,699,375
Supplies	2,666,830	5,787	-	1,729	2,674,346
Miscellaneous	265,580	18,486	187,995	1,135	473,196
Depreciation	1,908,383	-	-	-	1,908,383
Total operating expenses	<u>5,931,673</u>	<u>7,796,795</u>	<u>884,685</u>	<u>1,725,051</u>	<u>16,338,204</u>
Operating income (loss)	<u>126,764</u>	<u>(2,487,384)</u>	<u>(188,707)</u>	<u>-</u>	<u>(2,549,327)</u>
NON-OPERATING INCOME (EXPENSES)					
Interest expense	(88,683)	-	-	-	(88,683)
Loss on sale of capital assets	(38,081)	-	-	-	(38,081)
Total non-operating expenses, net	<u>(126,764)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(126,764)</u>
Loss before capital contributions and transfers	<u>-</u>	<u>(2,487,384)</u>	<u>(188,707)</u>	<u>-</u>	<u>(2,676,091)</u>
TRANSFERS					
Transfers in	-	2,486,737	-	-	2,486,737
Total transfers	<u>-</u>	<u>2,486,737</u>	<u>-</u>	<u>-</u>	<u>2,486,737</u>
Change in net position	-	(647)	(188,707)	-	(189,354)
Net position, beginning of year	<u>-</u>	<u>-</u>	<u>1,310,326</u>	<u>1</u>	<u>1,310,327</u>
Net position, end of year	<u>\$ -</u>	<u>\$ (647)</u>	<u>\$ 1,121,619</u>	<u>\$ 1</u>	<u>\$ 1,120,973</u>

The notes are an integral part of these financial statements.

CITY OF VALDOSTA, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Moter Pool Fund	Group Insurance Fund	Workmen's Compensation Fund	IT Services Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from interfund services provided	\$ 6,513,114	\$ 7,894,234	\$ 724,870	\$ 1,492,400	\$ 16,624,618
Payments to suppliers	(3,370,641)	(8,176,258)	(818,341)	(1,646,410)	(14,011,650)
Payments to employees	(822,262)	-	-	-	(822,262)
Net cash used in operating activities	<u>2,320,211</u>	<u>(282,024)</u>	<u>(93,471)</u>	<u>(154,010)</u>	<u>1,790,706</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(2,179,475)	-	-	-	(2,179,475)
Proceeds from the sale of capital assets	155,831	-	-	-	155,831
Principal paid on financed purchases	(440,868)	-	-	-	(440,868)
Interest paid	(88,683)	-	-	-	(88,683)
Net cash used in capital and related financing activities	<u>(2,553,195)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,553,195)</u>
Change in cash and cash equivalents	<u>(232,984)</u>	<u>(282,024)</u>	<u>(93,471)</u>	<u>(154,010)</u>	<u>(762,489)</u>
Cash and cash equivalents:					
Beginning of year	<u>232,984</u>	<u>636,671</u>	<u>385,596</u>	<u>234,258</u>	<u>1,489,509</u>
End of year	<u>\$ -</u>	<u>\$ 354,647</u>	<u>\$ 292,125</u>	<u>\$ 80,248</u>	<u>\$ 727,020</u>

(Continued)

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Moter Pool Fund	Group Insurance Fund	Workmen's Compensation Fund	IT Services Fund	Total
Reconciliation of operating income (loss) to net cash used in operating activities:					
Operating income (loss)	\$ 126,764	\$ (2,487,384)	\$ (188,707)	\$ -	\$ (2,549,327)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:					
Depreciation	1,908,383	-	-	-	1,908,383
(Increase) decrease in assets:					
deferred outflows of resources:					
Accounts receivable	-	(1,914)	-	-	(1,914)
Inventories	(44,742)	-	-	-	(44,742)
Due from other funds	-	100,000	209,700	-	309,700
Increase (decrease) in liabilities:					
inflows of resources:					
Accounts payable	(112,267)	(379,463)	66,344	78,641	(346,745)
Accrued liabilities	(12,604)	-	-	-	(12,604)
Advance from other funds	4,966,349	-	-	-	4,966,349
Due to other funds	(4,511,672)	2,486,737	(180,808)	(232,651)	(2,438,394)
Net cash used in operating activities	<u>\$ 2,320,211</u>	<u>\$ (282,024)</u>	<u>\$ (93,471)</u>	<u>\$ (154,010)</u>	<u>\$ 1,790,706</u>

The notes are an integral part of these financial statements.

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2013 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Project Description	Original	Revised	Expenditures		
	Estimated Cost	Estimated Cost	Prior Years	Current Year	Total
Resurfacing	\$ 2,000,000	\$ 2,226,754	\$ 1,794,145	\$ -	\$ 1,794,145
Road improvements	3,075,000	5,198,527	5,533,068	-	5,533,068
Sidewalk improvements	2,000,000	1,756,278	1,962,872	3,004	1,965,876
Intersection improvements	200,000	-	89,740	-	89,740
Drainage improvements	3,000,000	486,329	596,923	-	596,923
Traffic improvements	750,000	1,149,583	1,228,511	-	1,228,511
Street maintenance repairs	350,000	321,184	564,900	-	564,900
Piping of ditches	300,000	536,345	426,400	-	426,400
Police buildings	130,000	192,308	192,602	-	192,602
Police contingency	105,000	-	-	-	-
Public safety radio	2,505,000	2,241,574	2,596,378	-	2,596,378
Technology police	633,000	626,067	626,067	-	626,067
Police weapons	127,000	-	-	-	-
Miscellaneous parks and recreation projects	1,000,000	1,000,000	1,280,914	31,641	1,312,555
100' Aerial Fire Truck	1,100,000	-	-	-	-
County wide radio	2,000,000	1,641,750	1,286,945	-	1,286,945
Pumper trucks	1,600,000	-	-	-	-
Public works claw truck	435,000	-	-	-	-
Miscellaneous equipment	80,000	-	-	-	-
Front end loader	530,000	-	-	-	-
Pelican sweeper	165,000	-	-	-	-
Refuse trucks	960,000	160,000	107,180	-	107,180
Rear end loader	330,000	-	-	-	-
Water and sewer contingency	5,257,186	-	-	-	-
Sewer collections system	20,000,000	5,028,259	3,226,064	346,203	3,572,267
Equipment	375,000	-	-	-	-
GEFA debt repayment for Force Main Project	6,034,554	13,120,357	13,758,889	-	13,758,889
Manhole/liner rehabilitation	3,100,000	3,400,000	3,362,146	-	3,362,146
Sewer collections smoke testing	633,260	385,594	385,594	-	385,594
Willacoochee sewer plant	20,000,000	23,510,590	23,455,742	-	23,455,742
Downtown	500,000	500,000	-	-	-
Mathis Auditorium	250,000	-	-	-	-
Software & hardware	500,000	201,801	56,755	-	56,755
Vallotton lighting Force main easements	-	34,850	34,850	-	34,850
Force main easements	-	40,614	40,614	-	40,614
Supplement environmental project	-	331,801	340,802	-	340,802
Sugar Creek stream/wetlands credit	-	24,000	24,000	-	24,000
Withlacoochee stream/wetlands credit	-	62,605	62,605	-	62,605
Mathis Auditorium fly line replacement	-	174,300	174,300	-	174,300
Mathis Auditorium roof repairs	-	20,350	20,350	-	20,350
Vac con truck	-	323,541	323,541	-	323,541
Council chamber remodel	-	16,034	16,034	-	16,034
Customer service building	-	31,723	31,723	-	31,723
Downtown land improvements	-	243,094	243,094	-	243,094
Five points paving	-	36,307	36,307	-	36,307
AMI radio read system	-	1,148,481	1,906,927	-	1,906,927
	<u>80,025,000</u>	<u>66,171,000</u>	<u>65,786,982</u>	<u>380,848</u>	<u>66,167,830</u>
Transfer in	-	-	(827,565)	-	(827,565)
Transfer out	-	-	213,395	-	213,395
	<u>\$ 80,025,000</u>	<u>\$ 66,171,000</u>	<u>\$ 65,172,812</u>	<u>\$ 380,848</u>	<u>\$ 65,553,660</u>

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2019 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Project Description	Original	Revised	Expenditures		
	Estimated Cost	Estimated Cost	Prior Years	Current Year	Total
Resurfacing	\$ 4,160,000	\$ 4,160,000	\$ 517,565	\$ 816,514	\$ 1,334,079
Road improvements	-	-	-	-	-
Sidewalk improvements	4,943,660	4,943,660	1,210,441	252,756	1,463,197
Intersection improvements	271,440	271,440	31,521	-	31,521
Drainage improvements	821,718	821,718	-	-	-
Traffic improvements	240,000	240,000	152,424	125,970	278,394
Street maintenance repairs	1,005,000	1,005,000	104,237	76,840	181,077
Piping of ditches	1,800,000	1,800,000	-	5,720	5,720
Police buildings	250,000	250,000	-	250,000	250,000
Police in car camera system	600,000	600,000	-	349,080	349,080
Grapple loader (2)	350,000	350,000	-	-	-
Rear end loader (2)	540,000	540,000	1,224,568	-	1,224,568
Front end loader	265,000	265,000	-	-	-
Sweeper	220,000	220,000	-	-	-
Baler	450,000	450,000	-	-	-
Recycle shed	500,000	500,000	-	-	-
SCBA airpacks	380,000	380,000	261,756	141,576	403,332
Cascade air filling system	75,000	75,000	55,990	-	55,990
EPD sewer collection	6,500,000	6,500,000	910,155	2,210,954	3,121,109
Lift station replacement	4,000,000	4,000,000	-	7,500	7,500
Smoke testing	150,000	150,000	-	-	-
Water transmission system	2,000,000	2,000,000	-	-	-
Water mains	2,500,000	2,500,000	-	-	-
Manhole rehab	2,050,000	2,050,000	309,300	-	309,300
Water plant generator	1,500,000	1,500,000	461,500	-	461,500
Well rehab	3,000,000	3,000,000	-	-	-
Treatment plant basin resurfacing	450,000	450,000	-	-	-
Water treatment plant II or loop	2,000,000	2,000,000	-	-	-
Emergency repairs	2,000,000	2,000,000	1,607,615	448,792	2,056,407
GEFA debt reduction	10,917,140	10,917,140	6,818,182	-	6,818,182
AMI radio read system	2,500,000	2,500,000	1,440,034	-	1,440,034
Facilities	4,450,000	4,450,000	-	-	-
Hardware/software	300,000	300,000	-	-	-
Downtown	312,925	312,925	-	-	-
New District 5 Park	1,500,000	1,500,000	-	-	-
Existing parks	2,000,000	2,000,000	3,537,762	669,871	4,207,633
Undesignated contingency	-	-	362,521	-	362,521
Water/sewer utility adjustment	-	-	98,455	-	98,455
Bank fees	-	-	90	165	255
	<u>65,001,883</u>	<u>65,001,883</u>	<u>19,104,116</u>	<u>5,355,738</u>	<u>24,459,854</u>
Transfer in	-	-	(213,395)	-	(213,395)
	<u>\$ 65,001,883</u>	<u>\$ 65,001,883</u>	<u>\$ 18,890,721</u>	<u>\$ 5,355,738</u>	<u>\$ 24,246,459</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Valdosta’s Annual Comprehensive Financial Report (“ACFR”) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	125 – 133
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	134 – 140
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	141 – 145
<i>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.</i>	
Demographic and Economic Information	146 and 147
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	148 – 151
<i>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.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant year.

CITY OF VALDOSTA, GEORGIA

**NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 130,310,228	\$ 82,400,730	\$ 123,787,408	\$ 126,737,107	\$ 125,177,312	\$ 124,632,388	\$ 123,992,944	\$ 123,365,691	\$ 123,508,656	\$ 122,920,700
Restricted	4,545,543	4,545,543	3,998,000	5,034,717	6,786,721	6,234,963	3,749,772	7,152,077	3,434,376	27,769,864
Unrestricted	(7,135,321)	(6,568,573)	(55,838,470)	(52,750,184)	(64,753,444)	(58,377,709)	(53,588,328)	(48,774,061)	(37,978,404)	(50,007,200)
Total governmental activities net position	<u>\$ 127,720,450</u>	<u>\$ 80,377,700</u>	<u>\$ 71,946,938</u>	<u>\$ 79,021,640</u>	<u>\$ 67,210,589</u>	<u>\$ 72,489,642</u>	<u>\$ 74,154,388</u>	<u>\$ 81,743,707</u>	<u>\$ 88,964,628</u>	<u>\$ 100,683,364</u>
Business-type activities										
Net investment in capital assets	\$ 106,519,347	\$ 122,682,085	\$ 133,344,497	\$ 129,682,586	\$ 134,147,501	\$ 136,646,269	\$ 143,080,879	\$ 144,666,144	\$ 151,853,934	\$ 157,256,790
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(4,367,660)	(6,796,181)	(5,160,842)	(3,356,799)	(5,974,943)	(6,779,041)	(6,982,870)	(1,915,332)	(4,650,988)	(9,418,859)
Total business-type activities net position	<u>\$ 102,151,687</u>	<u>\$ 115,885,904</u>	<u>\$ 128,183,655</u>	<u>\$ 126,325,787</u>	<u>\$ 128,172,558</u>	<u>\$ 129,867,228</u>	<u>\$ 136,098,009</u>	<u>\$ 142,750,812</u>	<u>\$ 147,202,946</u>	<u>\$ 147,837,931</u>
Primary government										
Net investment in capital assets	\$ 236,829,575	\$ 205,082,815	\$ 257,131,905	\$ 256,419,693	\$ 259,324,813	\$ 261,278,657	\$ 267,073,823	\$ 268,031,835	\$ 275,362,590	\$ 280,177,490
Restricted	4,545,543	4,545,543	3,998,000	5,034,717	6,786,721	6,234,963	3,749,772	7,152,077	3,434,376	27,769,864
Unrestricted	(11,502,981)	(13,364,754)	(60,999,312)	(56,106,983)	(70,728,387)	(65,156,750)	(60,571,198)	(50,689,393)	(42,629,392)	(59,426,059)
Total primary government net position	<u>\$ 229,872,137</u>	<u>\$ 196,263,604</u>	<u>\$ 200,130,593</u>	<u>\$ 205,347,427</u>	<u>\$ 195,383,147</u>	<u>\$ 202,356,870</u>	<u>\$ 210,252,397</u>	<u>\$ 224,494,519</u>	<u>\$ 236,167,574</u>	<u>\$ 248,521,295</u>

Note: GASB 68 was implemented during fiscal year 2015.

CITY OF VALDOSTA, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year ^(a)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Primary government										
Governmental activities:										
General government	\$ 22,657,247	\$ 21,365,496	\$ 19,793,450	\$ 21,222,388	\$ 17,828,062	\$ 16,947,416	\$ 19,471,991	\$ 20,417,727	\$ 27,678,831	\$ 31,968,076
Public safety	21,558,234	21,876,662	24,181,599	22,026,971	25,732,425	25,588,378	25,900,150	28,712,613	26,848,385	28,083,951
Public works	1,597,172	1,720,736	2,042,771	1,664,440	1,763,484	1,772,936	1,886,658	2,170,497	1,985,794	2,961,258
Community development	1,276,726	1,036,031	1,104,091	2,037,292	2,188,188	2,166,248	2,273,856	3,730,409	3,659,396	3,197,075
Interest on long-term debt	9,846	5,003	3,044	9,645	16,659	5,941	10,658	2,278	5,138	-
Total governmental activities expenses	47,099,225	46,003,928	47,124,955	46,960,736	47,528,818	46,480,919	49,543,313	55,033,524	60,177,544	66,210,360
Business-type activities:										
Sanitation	4,611,013	4,793,589	4,992,623	5,262,973	5,709,783	5,660,431	5,632,534	6,207,759	5,955,614	6,226,700
Water and sewer	14,365,317	16,259,357	15,891,914	19,902,939	19,904,646	21,178,047	19,006,552	20,996,360	19,825,664	19,761,531
Inspection	1,042,114	949,697	862,507	811,270	840,559	900,375	883,166	1,006,627	1,000,373	1,033,669
DOL Building	341,979	373,249	423,139	343,828	343,698	309,336	301,288	282,704	278,620	287,958
Stormwater	1,238,148	1,090,243	1,091,578	1,354,319	1,489,702	1,397,631	1,474,837	1,727,600	1,782,234	2,086,520
Motor fuel	532,420	402,611	271,105	292,619	318,224	345,705	256,317	207,370	388,261	402,304
Auditorium	196,780	242,997	245,846	276,172	276,489	283,656	315,395	320,516	390,914	335,841
Total business-type activities expenses	22,327,771	24,111,743	23,778,712	28,244,120	28,883,101	30,075,181	27,870,089	30,748,936	29,621,680	30,134,523
Total primary government expenses	69,426,996	70,115,671	70,903,667	75,204,856	76,411,919	76,556,100	77,413,402	85,782,460	89,799,224	96,344,883
Program revenues										
Primary government										
Governmental activities:										
Charges for services										
General government	103,489	355,698	56,591	(14,556)	93,392	47,883	43,583	54,909	78,777	1,426,881
Public safety	2,267,311	2,320,195	2,203,592	2,307,698	2,365,134	2,426,640	2,128,015	2,343,097	1,481,144	658,653
Other activities	255,987	115,062	103,566	134,989	146,272	125,938	104,970	81,979	78,045	125,643
Operating grants and contributions	2,680,619	2,156,022	2,558,807	3,324,713	1,385,946	1,833,920	1,780,286	9,922,336	8,393,963	-
Capital grants and contributions	10,505,462	12,744,363	11,907,962	12,389,719	12,582,892	12,921,995	13,856,415	14,998,495	16,641,724	26,795,053
Total governmental activities program revenues	15,812,868	17,691,340	16,830,518	18,142,563	16,573,636	17,356,376	17,913,269	27,400,816	26,673,653	29,006,230

(Continued)

CITY OF VALDOSTA, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year ^(a)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Program revenues (Continued)										
Business-type activities:										
Charges for services ⁽¹⁷⁾										
Sanitation	\$ 4,701,759	\$ 4,762,126	\$ 5,025,549	\$ 5,166,514	\$ 5,870,885	\$ 5,728,960	\$ 5,962,743	\$ 6,369,081	\$ 6,496,336	\$ 6,212,625
Water and sewer	15,383,914	17,153,046	17,185,147	18,533,990	18,741,504	19,786,789	20,936,570	21,957,504	22,251,702	23,687,677
Inspection	784,402	920,440	860,838	1,163,724	1,315,570	1,229,120	1,468,150	1,666,774	1,779,057	1,889,432
DOL Building	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	435,514	502,800
Stormwater	1,280,524	1,286,864	1,283,342	1,690,913	1,795,212	1,808,869	1,813,191	1,841,585	1,819,547	1,842,000
Other activities	584,687	463,643	323,915	350,343	381,083	401,112	300,970	221,968	430,883	489,321
Capital grants and contributions										409,963
Total business-type activities										
program revenues	23,204,443	25,055,276	25,147,948	27,374,641	28,573,411	29,424,007	30,950,781	32,526,069	33,213,039	35,033,818
Total primary government										
program revenues	39,017,311	42,746,616	41,978,466	45,517,204	45,147,047	46,780,383	48,864,050	59,926,885	59,886,692	64,040,048
General revenues and other changes in net position										
Primary government										
Governmental activities:										
Property taxes	6,974,207	10,089,226	10,128,482	12,683,175	13,124,375	13,342,926	12,852,906	14,187,944	13,977,803	17,440,199
Sales taxes	8,954,342	9,083,678	8,853,226	8,723,677	9,060,686	9,443,496	9,905,639	11,661,631	12,109,364	11,441,263
Accommodations tax	1,856,448	2,725,208	2,893,595	3,059,867	3,194,645	3,338,537	2,699,082	2,889,155	3,841,113	3,690,451
Other taxes	8,844,442	9,381,528	9,532,899	9,704,815	9,689,613	10,287,970	10,524,167	10,641,956	10,978,131	8,760,762
Investment earnings	19,831	16,526	17,374	32,657	48,069	75,146	48,420	3,855	23,507	362,439
Miscellaneous	587,662	628,271	427,323	700,295	572,584	261,365	414,665	713,156	633,737	-
Transfers	(2,671,061)	(12,790,684)	(9,989,224)	988,389	(2,156,461)	(2,345,844)	(3,510,102)	(4,515,657)	(838,843)	4,264,310
Total governmental activities										
general revenues and changes										
in net position	24,565,871	19,133,753	21,863,675	35,892,875	33,533,511	34,403,596	32,934,777	35,582,040	40,724,812	45,959,424
Business-type activities:										
Investment earnings	123	-	-	-	-	-	-	-	21,932	-
Special items	-	-	939,291	-	-	-	-	-	-	-
Transfers	2,671,061	12,790,684	9,989,224	(988,389)	2,156,461	2,345,844	3,510,102	4,515,657	838,843	(4,264,310)
Total business type activities										
general revenues and changes										
in net position	2,671,184	12,790,684	10,928,515	(988,389)	2,156,461	2,345,844	3,510,102	4,515,657	860,775	(4,264,310)

(Continued)

CITY OF VALDOSTA, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year ^(a)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General revenues and other changes in net position (Continued)										
Total primary government general revenues and other changes in net position	\$ 27,237,055	\$ 31,924,437	\$ 32,792,190	\$ 34,904,486	\$ 35,689,972	\$ 36,749,440	\$ 36,444,879	\$ 40,097,697	\$ 41,585,587	\$ 41,695,114
Change in net position										
Governmental activities	(6,720,486)	(9,178,835)	(8,430,762)	7,074,702	2,578,329	5,279,053	1,304,733	7,949,332	7,220,921	8,755,294
Business-type activities	3,547,856	13,734,217	12,297,751	(1,857,868)	1,846,771	1,694,670	6,590,794	6,292,790	4,452,134	634,985
Total primary government change in net position	\$ (3,172,630)	\$ 4,555,382	\$ 3,866,989	\$ 5,216,834	\$ 4,425,100	\$ 6,973,723	\$ 7,895,527	\$ 14,242,122	\$ 11,673,055	\$ 9,390,279

^(a) Revenue growth from year to year due mostly to increased rates for services due to rising energy costs.

CITY OF VALDOSTA, GEORGIA

**FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund										
Nonspendable	\$ 2,899,736	\$ 4,277,368	\$ 3,551,702	\$ 3,292,866	\$ 2,677,584	\$ 4,868,536	\$ 4,440,823	\$ 6,080,536	\$ 7,120,094	\$ 5,960,221
Restricted	177,245	207,912	206,002	214,291	226,914	235,318	241,627	263,460	282,130	376,120
Committed	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767
Assigned	-	-	-	-	485,233	-	-	1,285,958	1,258,962	1,416,227
Unassigned	(1,080,989)	(1,873,454)	(1,235,605)	(498,949)	-	(1,334,464)	(359,886)	2,869,068	4,306,313	9,899,955
Total general fund	\$ 2,006,759	\$ 2,622,593	\$ 2,532,866	\$ 3,018,975	\$ 3,400,498	\$ 3,780,157	\$ 4,333,331	\$ 10,509,789	\$ 12,978,266	\$ 17,663,290
All other governmental funds										
Nonspendable, reported in:										
Special revenue funds	\$ 2,601,916	\$ 2,615,521	\$ 2,526,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital projects funds	300,000	213,395	213,395	-	-	-	-	-	213,395	213,395
Permanent funds	1,617,435	1,639,355	1,661,287	1,688,761	1,708,471	1,730,959	1,760,138	-	1,832,471	1,869,060
Restricted, reported in:										
Special revenue funds	409,505	259,555	179,820	2,692,805	2,726,461	2,275,612	5,159,397	5,159,397	1,331,698	2,561,788
Capital projects funds	6,336,172	11,623,286	2,141,728	2,893,717	3,566,599	2,608,899	1,745,711	1,745,711	7,319,024	24,982,379
Assigned, reported in:										
Special revenue funds	404,357	319,114	584,357	900,420	1,439,690	2,544,492	3,474,135	1,564,784	2,535,467	3,458,395
Capital projects funds	-	490,642	374,163	1,472,890	4,221,265	7,504,953	12,137,417	14,046,768	11,486,553	3,384,427
Unassigned, reported in:										
Special revenue funds	(311,093)	(115,034)	(43,746)	(193,979)	(437,349)	(198,863)	(1,333,397)	(1,333,397)	(1,115,872)	(743,149)
Capital projects funds	-	(11,229,531)	(4,387,331)	-	-	-	-	-	-	-
Total all other governmental funds	\$ 11,358,292	\$ 5,816,303	\$ 3,250,444	\$ 9,454,614	\$ 13,225,137	\$ 16,466,052	\$ 22,943,401	\$ 21,183,263	\$ 23,602,736	\$ 35,726,295
Total all governmental funds	\$ 13,365,051	\$ 8,438,896	\$ 5,783,310	\$ 12,473,589	\$ 16,625,635	\$ 20,246,209	\$ 27,276,732	\$ 31,693,052	\$ 36,581,002	\$ 53,389,585

CITY OF VALDOSTA, GEORGIA
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 26,306,492	\$ 30,611,633	\$ 30,908,671	\$ 33,558,371	\$ 34,650,674	\$ 35,826,202	\$ 35,537,026	\$ 38,826,267	\$ 40,491,993	\$ 41,827,566
Licenses and permits	508,051	529,749	536,322	557,575	523,976	522,495	509,315	553,358	578,565	482,605
Charges for services	376,127	458,832	142,285	109,622	216,154	170,735	126,887	361,863	188,590	625,266
Fines and forfeitures	1,233,369	1,150,198	1,038,107	1,186,152	1,125,592	984,425	823,201	859,645	598,608	570,713
Interest revenues	19,831	18,034	17,374	32,657	48,069	75,147	48,420	3,855	23,507	362,439
Contributions and donations	40,764	17,731	28,648	21,236	276,761	19,314	23,314	66,245	18,544	708
Miscellaneous	695,265	644,895	537,879	670,526	634,940	200,454	147,696	772,348	361,426	531,885
Intergovernmental	14,681,553	16,116,112	15,208,742	17,109,319	14,982,586	16,215,780	16,849,550	25,245,914	24,114,841	30,012,850
Total revenues	43,861,452	49,547,184	48,418,028	53,245,458	52,458,752	54,014,552	54,065,409	66,689,495	66,376,074	74,414,032
Expenditures										
Current:										
General government	9,818,403	10,815,741	10,738,650	11,040,044	11,524,672	11,306,100	11,246,174	12,177,450	13,210,875	20,831,024
Public safety	19,540,786	20,389,657	22,679,350	22,467,739	24,704,297	24,280,599	25,265,381	27,591,150	24,718,053	25,525,185
Public works	1,381,317	1,532,042	1,820,409	1,506,781	1,633,232	1,625,467	1,807,948	2,019,765	1,708,983	2,724,307
Economic development and assistance	1,235,625	984,591	1,054,921	1,992,277	2,136,657	2,115,199	2,240,363	3,672,912	3,574,471	3,197,712
Capital outlay	12,474,501	19,913,386	16,238,204	9,043,280	9,486,284	11,220,282	10,948,626	12,232,652	20,372,540	6,972,823
Debt service:										
Principal	9,846	-	3,044	9,645	16,659	5,941	10,658	2,278	72,106	124,712
Interest and fiscal charges	145,862	27,904	77,511	138,188	189,361	129,323	165,192	74,966	5,138	7,259
Total expenditures	44,606,340	53,663,321	52,612,089	46,197,954	49,691,162	50,682,911	51,684,342	57,771,173	63,662,166	59,383,022
Deficiency of revenues over expenditures	(744,888)	(4,116,137)	(4,194,061)	7,047,504	2,767,590	3,331,641	2,381,067	8,918,322	2,713,908	15,031,010

(Continued)

CITY OF VALDOSTA, GEORGIA
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other financing sources (uses)										
Transfers in	\$ -	\$ -	\$ 1,918,894	\$ 2,241,065	\$ 2,839,733	\$ 2,657,326	\$ 3,577,536	\$ 6,599,282	\$ 3,037,095	\$ 4,603,176
Transfers out	2,179,651	2,231,000	(2,514,434)	(2,718,798)	(1,903,400)	(2,368,393)	(2,155,554)	(6,322,691)	(2,657,429)	(2,825,603)
Financed purchase	(3,312,311)	(3,041,018)	2,134,015	120,508	448,123	-	117,235	126,022	-	-
Total other financing sources (uses)	(1,132,660)	(810,018)	1,538,475	(357,225)	1,384,456	288,933	1,539,217	402,613	379,666	1,777,573
Net change in fund balances	\$ (1,877,548)	\$ (4,926,155)	\$ (2,655,586)	\$ 6,690,279	\$ 4,152,046	\$ 3,620,574	\$ 3,920,284	\$ 9,320,935	\$ 3,093,574	\$ 16,808,583
Debt service as a percentage of noncapital expenditures	0.50%	0.49%	0.08%	0.22%	0.51%	0.34%	0.43%	0.17%	0.19%	0.24%

CITY OF VALDOSTA, GEORGIA
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Governmental activities:										
General government	\$ 10,348,558	\$ 12,988,509	\$ 11,831,839	\$ 12,242,922	\$ 12,371,305	\$ 12,903,232	\$ 13,849,669	\$ 18,706,232	\$ 18,956,639	\$ 1,426,881
Public safety	4,823,989	3,789,268	4,364,660	4,742,804	3,124,634	3,718,756	3,424,877	8,164,616	7,056,719	4,709,915
Public works	168,377	115,062	103,566	125,293	136,402	125,103	104,970	81,979	78,045	19,714,986
Public involvement	471,944	798,501	530,453	1,075,780	941,295	609,285	533,753	447,989	582,250	6,117,890
Total governmental activities	15,812,868	17,691,340	16,830,518	18,186,799	16,573,636	17,356,376	17,913,269	27,400,816	26,673,653	31,969,672
Expenditures										
Business-type activities:										
Sanitation	4,701,759	4,762,126	5,025,549	5,166,514	5,870,885	5,728,960	5,962,743	6,369,081	6,496,336	6,388,914
Water and sewer	15,383,914	17,153,046	17,185,147	18,533,990	18,741,504	19,786,789	20,936,570	21,957,504	22,251,702	23,921,351
Inspection	784,402	920,440	860,838	1,163,724	1,315,570	1,229,120	1,468,150	1,666,774	1,779,057	1,889,432
DOL Building	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	502,800
Stormwater	1,280,524	1,286,864	1,283,342	1,690,913	1,795,212	1,808,869	1,813,191	1,841,585	1,819,547	1,842,000
Auditorium	42,536	51,130	43,734	49,011	54,835	46,822	38,198	11,793	35,638	44,000
Motor fuel	542,151	412,513	280,181	301,332	326,248	354,290	262,772	210,175	395,245	445,321
Total business-type activities	23,204,443	25,055,276	25,147,948	27,374,641	28,573,411	29,424,007	30,950,781	32,526,069	33,246,682	35,033,818
Total primary government	\$ 39,017,311	\$ 42,746,616	\$ 41,978,466	\$ 45,561,440	\$ 45,147,047	\$ 46,780,383	\$ 48,864,050	\$ 59,926,885	\$ 59,920,335	\$ 67,003,490

CITY OF VALDOSTA, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(In thousands)

Fiscal Year	Property Tax	Sales and Use Tax	Gross Receipts & Business	Other	Total
2014	\$ 6,841,008	\$ 19,436,390	\$ 8,654,695	\$ 1,856,448	\$ 36,788,541
2015	10,027,554	21,228,559	8,457,767	2,959,335	42,673,215
2016	10,088,963	19,806,857	8,862,637	3,007,983	41,766,440
2017	12,605,365	19,512,076	9,053,726	3,059,866	44,231,033
2018	13,016,374	19,324,703	9,160,644	4,339,113	45,840,834
2019	13,334,408	20,219,071	9,603,869	4,375,402	47,532,750
2020	12,784,319	21,629,445	9,639,514	4,058,538	48,111,816
2021	14,086,089	25,983,317	9,344,441	3,642,787	53,056,634
2022	14,046,151	25,560,230	10,407,885	5,313,769	55,328,035
2023	14,739,725	26,939,988	10,369,885	4,350,158	56,399,756

CITY OF VALDOSTA, GEORGIA

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

Fiscal Year Ended June 30,	Digest Tax Year	Residential Property	Commercial Property	Industrial Property	Utility Property	Agricultural Property	Historic Property	Other Property	Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate
2014	2013	636,464,744	568,638,842	290,065,770	33,532,264	1,608,965	991,169	80,605,794	150,161,004	1,461,746,544	4.102
2015	2014	629,977,119	586,799,538	286,741,138	35,739,813	1,717,959	1,626,297	93,245,936	150,697,124	1,485,150,676	6.102
2016	2015	621,844,752	675,809,277	309,723,341	37,643,223	2,791,956	2,107,567	60,784,731	198,655,408	1,512,049,439	6.102
2017	2016	918,968,964	647,258,960	315,738,862	35,279,028	2,762,184	2,068,745	46,531,393	183,194,374	1,785,413,762	7.950
2018	2017	616,813,247	643,516,697	315,719,145	34,938,130	2,805,968	2,337,397	34,303,453	179,265,606	1,471,168,431	8.001
2019	2018	620,291,063	651,896,039	341,643,108	33,253,858	2,763,145	91,094	26,293,497	173,888,986	1,502,342,818	8.001
2020	2019	627,083,691	674,967,806	330,428,668	40,176,255	3,093,673	2,308,258	1,234,027	189,295,933	1,489,996,445	7.809
2021	2020	634,096,077	681,242,868	324,541,201	42,684,068	3,160,446	2,147,147	689,170	187,527,338	1,501,033,639	7.974
2022	2021	655,845,415	693,394,352	294,453,508	45,255,145	3,129,650	1,884,668	889,208	189,439,285	1,505,412,661	7.796
2023	2022	723,067,975	705,182,101	368,078,553	48,158,084	3,394,641	1,866,660	822,007	192,099,342	1,949,391,626	6.947

Source: Lowndes County Tax Commissioner

CITY OF VALDOSTA, GEORGIA

**WATER AND SEWER RATES
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Residential Class</u>			
	<u>Water Base Charge</u>	<u>Sewer Base Charge</u>	<u>Water Rate Per CCF</u>	<u>Sewer Rate Per CCF</u>
2014	5.60	5.60	1.40	2.80
2015	6.30	6.30	1.40	2.80
2016	7.00	7.00	1.40	2.80
2017	7.35	7.35	1.40	2.80
2018	7.72	7.72	1.47	2.94
2019	8.11	8.11	1.47	2.94
2020	8.52	8.52	1.47	2.94
2021	8.95	8.95	1.47	2.94
2022	9.40	9.40	1.47	2.94
2023	8.95	8.95	1.47	2.94

Note: Rates are based on 5/8" meter, which is the standard household meter size. Rates for outside the city limits are doubled.

CITY OF VALDOSTA, GEORGIA

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$1,000 of assessed value)**

Fiscal Year	Operating Millage Base Charge	Total Direct Rate	Overlapping Rates*		
			Valdosta School District	Community Improvement District	Lowndes County
2014	4.102	4.102	16.98	5.00	9.560
2015	6.102	6.102	16.98	5.00	9.560
2016	6.102	6.102	16.98	5.00	9.050
2017	7.950	7.950	16.98	5.00	8.974
2018	8.001	8.001	16.98	5.00	8.974
2019	7.916	7.916	16.98	5.00	8.814
2020	7.809	7.809	16.75	5.00	8.688
2021	7.974	7.974	16.69	5.00	8.601
2022	7.796	7.796	16.32	5.00	8.406
2023	7.800	7.800	15.79	5.00	8.406

Source: Lowndes County Tax Commissioner

* Overlapping rates are those of local and county governments that apply to property owners within the City of Valdosta. Not all overlapping rates apply to all Valdosta property owners; for example, the Community Improvement District rates

CITY OF VALDOSTA, GEORGIA

**PRINCIPAL WATER SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

Customer	2023			2022			2021			2020			2019		
	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total
A D M	\$976,193	1	3.37%	\$905,414	1	4.14%	\$949,900	1	4.45%	\$939,345	1	4.54%	\$898,154	1	4.57%
Valdosta State University	612,166	2	2.11%	601,751	2	2.75%	591,570	2	2.77%	678,180	2	3.28%	716,731	2	3.65%
Institute	522,302	3	1.80%	438,501	4	2.00%	416,614	5	1.95%	399,450	5	1.93%	424,047	3	2.16%
South Georgia Medical Center	470,688	4	1.62%	505,362	3	2.31%	515,034	3	2.41%	445,530	3	2.15%	362,941	4	1.85%
Valdosta Board of Education	458,213	5	1.58%	430,276	5	1.97%	437,979	4	2.05%	434,383	4	2.10%	161,960	5	0.82%
Advanced Disposal/Veolia Solid Waste SE	228,754	6	0.79%	229,805	6	1.05%	212,250	6	0.99%	232,648	6	1.13%	154,427	6	0.79%
Lowndes County Jail	215,445	7	0.74%	201,003	7	0.92%	201,833	7	0.95%	-	-	-	-	-	-
EBSCO Northwind	209,437	8	0.72%	175,467	9	0.80%	149,974	9	0.70%	142,441	7	0.69%	134,780	7	0.69%
Evergreen at 5 Points	162,112	9	0.56%	199,015	8	0.91%	191,569	8	0.90%	134,294	8	0.65%	-	-	-
City of Remerton	123,645	10	0.57%	123,645	10	0.57%	-	-	-	-	-	-	-	-	-
Park Chase Apartments	-	-	-	-	-	-	122,049	10	0.57%	-	-	-	-	-	-
South Georgia Pecan Co.	-	-	-	-	-	-	-	-	-	128,129	9	0.62%	117,682	10	0.60%
DLP Realty	-	-	-	-	-	-	-	-	-	124,717	10	0.60%	-	-	-
Blanton Commons	-	-	-	-	-	-	-	-	-	-	-	-	129,313	8	0.66%
Chemical Research Technology Inc.	-	-	-	-	-	-	-	-	-	-	-	-	127,711	9	0.65%
Total	\$3,978,955.00		13.86%	\$3,810,239.00		17.41%	\$3,788,772.00		17.75%	\$3,659,117.00		17.70%	\$3,227,746.00		16.44%

CITY OF VALDOSTA, GEORGIA

**PRINCIPAL WATER SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

Customer	2018			2017			2016			2015			2014		
	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total
A D M	\$719,181	1	3.89%	\$725,622	1	4.24%	\$763,160	1	4.46%	\$778,395	1	4.55%	\$667,428	1	4.36%
Valdosta State University	447,815	2	2.42%	436,046	2	2.55%	453,423	2	2.65%	613,452	2	3.58%	618,673	2	4.04%
Valdosta Correctional Institute	415,796	3	2.25%	382,266	3	2.23%	351,497	3	2.05%	384,952	3	2.25%	360,132	3	2.35%
City of Remerton	98,579	7	0.53%	207,932	4	1.21%	184,607	6	1.08%	169,669	6	0.99%	155,272	6	1.01%
South Georgia Medical Center	222,373	4	1.20%	192,159	5	1.12%	295,014	4	1.72%	266,597	4	1.56%	228,558	4	1.49%
South Georgia Pecan Co.	126,576	6	0.68%	105,109	6	0.61%	93,513	8	0.55%	100,987	9	0.59%	165,707	5	1.08%
Woodstone Apartments	97,638	8	0.53%	87,233	7	0.51%	72,684	10	0.42%	107,680	8	0.63%	129,448	7	0.85%
Chemical Research Technology Inc.	166,530	5	0.90%	83,981	8	0.49%	-	-	-	-	-	-	-	-	-
Union Tank Car	92,636	9	0.50%	83,400	9	0.49%	-	-	-	-	-	-	-	-	-
Evergreen at 5 Points	87,303	10	0.47%	79,711	10	0.47%	-	-	-	-	-	-	-	-	-
Lowndes County Utilities	-	-	-	-	-	-	279,747	5	1.63%	261,083	5	1.53%	85,611	10	0.56%
Lowndes County Jail	-	-	-	-	-	-	141,415	7	0.83%	100,976	10	0.59%	109,822	9	0.72%
Quad Graphics	-	-	-	-	-	-	85,725	9	0.50%	-	-	-	-	-	-
ERCO Worldwide	-	-	-	-	-	-	-	-	-	114,299	7	0.67%	120,371	8	0.79%
Total	\$2,474,607.00		13.37%	\$2,383,459.00		13.92%	\$2,720,785.00		15.89%	\$2,898,090.00		16.93%	\$2,641,022.00		17.26%

CITY OF VALDOSTA, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2023			2014			
	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value
Archer Daniels Midland Co.	\$ 74,424,930	1	5.36%	Archer Daniels Midland Co.	\$ 55,643,310	1	3.81%
Corteva Agriscience	40,251,018	2	2.90%	Lowes Distribution, Inc.	39,593,096	2	2.71%
Lowes Distribution	37,970,932	3	2.74%	JM Smith Corp	29,304,991	3	2.00%
Georgia Power	32,528,725	4	2.34%	South Georgia Pecan	18,628,855	4	1.27%
South Georgia Pecan	25,953,118	5	1.87%	Dupont	15,183,508	5	1.04%
Home Depot	20,737,953	6	1.49%	Wal-Mart/Sam's Club	12,188,934	6	0.83%
Saft Newco, Inc.	15,226,560	7	1.10%	Marelana Valdosta Mall	12,042,698	7	0.82%
GF Valdosta Mall	14,635,638	8	1.05%	Saft Newco, Inc.	10,743,357	8	0.73%
Ring Container	9,843,014	9	0.71%	Stratas Foods LLC	7,893,959	9	0.54%
Bimbo QSR Ohio LLC	9,500,426	10	0.68%	Home Depot	7,039,908	10	0.48%
Total Principal Taxpayers	\$281,072,314		20.25%		\$208,262,616		14.25%
All Other Taxpayers	\$1,106,835,392		79.75%		1,253,483,928		85.75%
Total	\$ 1,387,907,706		100.00%		\$ 1,461,746,544		100.00%

Source: Lowndes County Tax Commissioner's Office

CITY OF VALDOSTA, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30, ^(a)	Digest Tax Year	Taxes Levied for the Fiscal Year ^(a)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2014	2013	5,523,422	5,297,924	95.92%	225,499	5,523,423	100.00%
2015	2014	8,200,148	7,924,813	96.64%	273,806	8,198,619	99.98%
2016	2015	8,860,209	8,287,698	93.54%	567,869	8,855,567	99.95%
2017	2016	11,339,178	10,923,838	96.34%	409,161	11,332,999	99.95%
2018	2017	11,308,767	10,923,838	96.60%	376,322	11,300,160	99.92%
2019	2018	11,564,827	10,889,853	94.16%	664,147	11,554,000	99.91%
2020	2019	11,425,916	10,976,173	96.06%	393,746	11,369,919	99.51%
2021	2020	11,703,901	11,319,600	96.72%	315,145	11,634,745	99.41%
2022	2021	11,777,909	11,481,312	97.48%	231,789	11,713,101	99.45%
2023	2022	12,589,246	12,193,079	96.85%	-	12,193,079	96.85%

Sources: Lowndes County Tax Commissioner's Office

^(a) Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2022 are used for fiscal year ended in 2023).

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

<u>Fiscal Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
	<u>Financed Purchase</u>	<u>Revenue Bonds</u>	<u>Notes Payable</u>			
2014	150,705	2,313,000	48,100,481	50,564,186	0.03	895
2015	57,497	2,080,000	71,774,022	73,911,519	0.04	1,253
2016	2,114,046	2,630,310	84,929,014	89,673,370	0.05	1,592
2017	2,599,644	1,614,000	86,516,027	90,729,671	0.05	1,593
2018	2,487,268	1,381,000	81,130,276	84,998,544	0.05	1,507
2019	4,543,413	1,148,000	73,827,629	79,519,042	0.04	1,409
2020	3,887,603	915,000	66,815,617	71,618,220	0.04	1,269
2021	3,518,995	31,451,997	38,546,196	73,517,188	0.04	1,325
2022	3,020,022	28,427,022	30,168,355	61,615,399	N/A	N/A
2023	2,447,182	25,337,431	27,416,675	80,538,719	N/A	N/A

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

CITY OF VALDOSTA, GEORGIA

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Funds</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2014	\$ -	\$ -	\$ -	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	-

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

CITY OF VALDOSTA, GEORGIA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2023
(In thousands)**

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Valdosta ⁽¹⁾</u>	<u>Amount Applicable to City of Valdosta</u>
Debt repaid with property taxes			
Valdosta City School System - 2015 Bond Series	\$ 48,117,955	100.00%	<u>\$ 48,117,955</u>
Other debt:			
Lowndes County - Financed purchases	45,612,575	46.23%	21,086,693
Lowndes County - Bonds	1,053,563	46.23%	<u>487,062</u>
Subtotal, overlapping debt			<u>\$ 69,691,711</u>
City direct debt			<u>\$ 2,447,182</u>
			<u>\$ 72,138,893</u>

Sources: Assessed value data used to estimate applicable percentage provided by Lowndes County.
Debt outstanding provided by each government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Estimated percentage applicable based on 2022 County taxable valuation of \$4,034,259,227 and City taxable valuation of \$1,865,055,809 percent 46.23%.

CITY OF VALDOSTA, GEORGIA

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$ 146,174,654	\$ 145,662,006	\$ 151,204,944	\$ 147,202,543	\$ 144,681,681	\$ 148,618,300	\$ 148,406,528	\$ 148,552,709	\$ 152,502,377	\$ 138,790,771
Total net debt applicable to limit	150,705	57,497	2,114,046	2,599,644	2,487,268	4,543,412	3,887,603	3,518,995	3,020,022	2,447,182
Legal debt margin	<u>\$ 146,023,949</u>	<u>\$ 145,604,509</u>	<u>\$ 149,090,898</u>	<u>\$ 144,602,899</u>	<u>\$ 142,194,413</u>	<u>\$ 144,074,888</u>	<u>\$ 144,518,925</u>	<u>\$ 55,446</u>	<u>\$ 149,482,355</u>	<u>\$ 136,343,589</u>
Total net debt applicable to the limit as a percentage of debt limit	0.10%	0.04%	1.40%	1.77%	1.72%	3.06%	2.62%	2.37%	1.98%	1.76%
Legal Debt Margin Calculation for Fiscal Year 2023										
Assessed value										\$ \$1,387,907,706
Debt limit (10% of total taxable assessed value)										138,790,771
Debt applicable to limit										<u>-</u>
Legal debt margin										<u>\$ 138,790,771</u>

CITY OF VALDOSTA, GEORGIA

**REVENUE BOND COVERAGE – WATER SEWER REVENUE BONDS
LAST TEN FISCAL YEARS
(In thousands)**

Fiscal Year	Operating Revenue	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2014	\$ 15,383,914	\$ 13,082,734	\$ 2,301,180	\$ -	\$ -	\$ -	-
2015	17,153,046	14,792,123	2,360,923	-	-	-	-
2016	17,185,147	14,303,538	2,881,609	-	-	-	-
2017	18,482,449	16,264,679	2,217,770	-	-	-	-
2018	18,707,077	17,557,671	1,149,406	-	-	-	-
2019	19,784,219	16,636,772	3,147,447	-	-	-	-
2020	20,934,210	17,042,703	3,891,507	-	-	-	-
2021	21,633,912	17,921,093	3,712,819	-	-	-	-
2022	22,233,064	17,959,313	4,273,751	-	-	-	-
2023	23,687,677	18,274,802	5,412,875	-	-	-	-

Note: Details about the City's outstanding debt can be found in the notes to the financial statements. Operating revenue includes charges for services within the water/sewer fund.

CITY OF VALDOSTA, GEORGIA

**DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate ⁽¹⁾</u>
2014	56,481	4,672,714	32,504	30.00	8,012	7.90%
2015	58,994	4,644,735	32,138	26.60	8,074	6.60%
2016	56,324	4,591,688	32,986	27.00	7,834	5.70%
2017	56,945	4,772,327	34,739	28.50	8,134	5.00%
2018	56,405	5,052,400	N/A	29.10	8,390	4.40%
2019	56,426	N/A	N/A	29.70	8,967	4.00%
2020	56,457	N/A	N/A	29.80	8,427	6.60%
2021	56,700	N/A	N/A	29.90	8,562	4.20%
2022	55,567	N/A	N/A	28.40	8,270	3.60%
2023	54,903	N/A	N/A	29.20	8,291	3.90%

Sources:

US Census Bureau
 US Department of Commerce - BEA
 Georgia Department of Labor
 Valdosta City School Board
 Valdosta Chamber of Commerce

CITY OF VALDOSTA, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2023			Employer	2014		
	Employees	Rank	Percentage of Total Employment		Employees	Rank	Percentage of Total Employment
Moody Air Force Base	8,000	1	16.48%	Moody Air Force Base	6,066	1	9.15%
South Georgia Medical Center	2,700	2	5.56%	South Georgia Medical Center	2,800	2	4.23%
Valdosta State University	2,467	3	5.08%	Valdosta State University	3,026	3	4.57%
Lowndes County Schools	1,395	4	2.87%	Lowndes County Schools	1,425	4	2.15%
Valdosta City School System	1,291	5	2.66%	Valdosta City School System	1,200	5	1.81%
Lowe's Distribution Center	942	6	1.94%	Lowe's Distribution Center	750	6	1.13%
Fresh Beginnings and Elead One	850	7	1.75%	Walmart Supercenters	680	7	1.03%
Wild Adventures	750	8	1.55%	Convergys Corp.	572	8	0.86%
Lowndes County	746	9	1.54%	City of Valdosta Government	539	9	0.81%
Wal-Mart Supercenters	672	10	1.38%	Lowndes County Government	535	10	0.81%
Total Principal Employees	19,813		40.82%	Total Principal Employees	17,593		26.55%
Other Employees	28,720		59.18%	Other Employees	48,676		73.45%
Total Employees	48,533		100.00%	Total Employees	66,269		100.00%

* Sources - Valdosta-Lowndes Chamber of Commerce/Georgia Department of Labor

CITY OF VALDOSTA, GEORGIA

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

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City Manager's Office	4	5	5	6	5	5	4	4	4	4
Public relations	2	2	2	2	3	3	2	2	3	3
Municipal Court	4	4	4	4	4	5	5	5	5	5
Human resources	4	3	4	4	4	4	4	4	4	4
Finance	25	24	24	23	24	24	23	23	24	26
Engineering	22	23	25	26	21	25	28	28	24	24
Information technology	2	-	-	-	-	-	-	-	-	-
Facility maintenance	4	4	5	5	6	6	6	6	6	6
Police	169	162	166	183	171	164	182	182	157	146
Fire	102	101	96	105	109	106	108	108	100	99
Public works	21	30	27	31	32	33	36	37	31	37
Public involvement	7	2	2	2	2	2	2	2	1	2
Community development	21	21	22	22	19	18	18	19	19	19
Sanitation	44	48	55	51	54	51	54	55	43	41
Water	45	59	66	69	69	68	75	76	71	64
Sewer	36	24	18	18	18	18	19	20	16	21
Stormwater	14	13	12	15	15	12	12	12	14	15
Zoning	4	4	4	4	4	4	4	4	4	4
Fleet	11	13	14	14	15	14	15	15	14	13
Total	541	542	551	584	575	562	597	602	540	533

Source: City Human Resource Department

CITY OF VALDOSTA, GEORGIA

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Engineering										
Feet of failed pavement repaired	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,500	10,500	10,000
Percent of projects awarded within 10% of engineer's estimate	90%	90%	67%	67%	70%	80%	75%	80%	85%	85%
Municipal Court										
Dockets processed	17,000	14,000	12,000	12,000	12,500	12,000	12,400	12,500	13,250	10,700
Police										
Increase in citizen contacts	2,770	2,770	2,800	2,850	2,900	2,900	2,950	2,975	3,275	3,075
Narcotics arrests	320	320	325	330	335	335	340	345	375	350
Students completing DARE	1,202	1,370	1,380	1,385	1,400	1,400	1,350	1,355	-	-
Fire										
Number of fire stations	7	7	7	7	7	7	7	7	7	7
Number of fire inspections performed	1,500	1,245	1,200	1,200	1,300	1,200	1,250	1,275	1,400	1,650
Public works										
Street sweeping frequency per year	15	12	13	12	13	13	14	15	15	9
Arborist										
Number of trees planted	100	40	40	40	45	10	35	40	40	89
Number of trees pruned	500	1,000	800	800	850	1,000	1,050	1,100	2,500	1,000
Public involvement										
Bi-monthly newsletters produced	4	4	4	4	5	5	4	5	5	6
Net gain of new downtown businesses	5	5	5	6	5	5	4	5	5	5
Sanitation										
Residential stops/collection employee/week	2,650	2,640	2,660	2,670	2,680	2,680	2,675	2,680	2,680	2,680
Commercial lifts per hour/driver	40	40	38	39	40	40	41	42	42	42
Drainage										
Feet of storm drain cleaned and maintained	15,000	50,000	50,000	50,000	51,000	50,000	51,000	51,500	51,500	51,000

CITY OF VALDOSTA, GEORGIA

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Water										
Average volume of water treated (MGD)	9.7	11.3	11.6	11.6	12.0	11.9	12.0	12.3	12.3	12.0
New meters installed annually	1,500	1,500	1,500	500	500	350	400	410	410	400
Sewer										
Average volume of wastewater treated daily (MGD)	8.1	9.9	10	10	11	7.2	7.3	7.4	7.4	9.2
Miles of sewers maintained	275	330	315	330	335	355	355	360	360	450
Inspections										
Percentage of plans completed within 10 days	95%	95%	95%	95%	95%	97%	98%	97%	98%	96%
Percentage of inspections completed in 24 hours	95%	95%	95%	95%	95%	100%	100%	100%	100%	100%
Auditorium										
Number of days rented	330	175	175	175	180	185	100	150	150	180

Sources: City of Valdosta Budget Document

CITY OF VALDOSTA, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	158	158	158	158	158	158	160	160	160	160
Fire stations	7	7	7	7	7	7	7	7	7	7
Refuse collection										
Collection trucks	13	13	13	13	13	13	13	13	13	13
Other public works										
Streets (miles)	304	304	304	304	304	304	304	304	304	304
Highways (miles)										
Streetlights	6,277	6,277	6,277	6,277	6,281	6,200	6,290	6,290	6,290	6,390
Traffic signals	127	127	127	128	128	128	128	128	128	128
Parks and recreation										
Acreage	300	300	300	300	300	300	300	300	300	300
Playgrounds	2	2	2	2	2	2	2	4	4	4
Baseball/softball diamonds	24	24	24	24	24	24	24	24	24	24
Soccer/football fields	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	402	410	419	430	439	441	441	441	441	450
Fire hydrants	3,387	3,443	3,477	3,481	3,531	3,548	3,548	3,548	3,548	3,602
Storage capacity (gallons)	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000
Wastewater										
Sanitary sewers (miles)	330	330	335	342	380	382	382	382	382	382
Treatment capacity (gallons)	17,270,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000

Sources: Various City departments.

COMPLIANCE SECTION



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**To the Honorable Mayor and Members
of the City Council
City of Valdosta, Georgia
Valdosta, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia (the "City"), as of and for the year ending June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 22, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
May 22, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members
of the City Council
City of Valdosta, Georgia
Valdosta, Georgia

Report on Compliance For Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Valdosta, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of the Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia

May 22, 2024

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Grant Title</u>	<u>Federal AL Number</u>	<u>Grant I. D. Number</u>	<u>Expenditures</u>
<u>Department of Homeland Security</u>			
Direct Federal Grants:			
Homeland Security Grant Program	97.067	EMW-2020	\$ 1,958
Homeland Security Grant Program	97.067	EMW-2021	260
Homeland Security Grant Program	97.067	EMW-2022	15,481
Total Homeland Security Grant Program			<u>17,699</u>
Law Enforcement Officer Reimb. Agreement	97.090	70T02021T6114N284	20,025
TOTAL U S DEPARTMENT OF HOMELAND SECURITY			<u>37,724</u>
<u>Department of Housing and Urban Development</u>			
Direct Federal Grants:			
Entitlement Grants Cluster	14.218	B-16-MC-13-0015	58,641
Entitlement Grants Cluster	14.218	B-19-MC-13-0015	69,972
Entitlement Grants Cluster	14.218	B-20-MC-13-0015	324,841
Entitlement Grants Cluster	14.218	B-21-MC-13-0015	229,624
Entitlement Grants Cluster	14.218	B-22-MC-13-0015	250,150
Entitlement Grants Cluster	14.218	B-20-MW-13-0015	117,587
Total CDBG - Entitlement Grants Cluster			<u>1,050,815</u>
TOTAL U S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>1,050,815</u>
<u>Department of Justice</u>			
Direct Federal Grants:			
Bulletproof Vest Partnership Program	16.607	N/A	21,586
TOTAL U S DEPARTMENT OF JUSTICE			<u>21,586</u>
<u>Department of Transportation</u>			
Direct Federal Grants:			
Airport Development Aid Program	20.106	3-13-0115-39-2020	566,073
Airport Development Aid Program	20.106	3-13-0115-40-2021	9,462
Airport Development Aid Program	20.106	3-13-0115-41-2021	64
Airport Development Aid Program	20.106	3-13-0115-42-2022	1,217,748
Airport Development Aid Program	20.106	3-13-0115-44-2022	70,412
Total Airport Development Aid Program			<u>1,863,759</u>
State of Georgia Passthrough Federal Grants:			
Governor's Office of Highway Safety			
Highway Safety Cluster	20.600	TEN-2022-402PT-011	4,553
Highway Safety Cluster	20.600	TEN-2023-405PT-007	12,311
Total Highway Safety Cluster			<u>16,864</u>
Federal Transit-Urbanized Area Formula Program-Capital	20.507	GA-2022-022-01-00	738,000
Federal Transit-Urbanized Area Formula Program-Operating	20.507	GA-2022-022-01-00	465,291
Federal Transit-Urbanized Area Formula Program-Operating	20.507	GA-2022-021-01-00	17,587
Total Federal Transit Cluster			<u>1,220,878</u>
TOTAL U S DEPARTMENT OF TRANSPORTATION			<u>3,101,501</u>
<u>Department of Treasury</u>			
Direct Federal Grants:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Coronavirus State and Local Fiscal Recovery Funds	7,014,704
TOTAL OF EXPENDITURES OF FEDERAL AWARDS			<u>\$ 11,226,330</u>

CITY OF VALDOSTA, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Valdosta, Georgia (the "City"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the 10% de minimis cost rate for the year ended June 30, 2023.

NOTE 3. NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended June 30, 2023.

NOTE 4. SUBRECIPIENTS

The City did not pass through any funds to subrecipients during the year ended June 30, 2023

CITY OF VALDOSTA, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP. Unmodified

Internal control over financial reporting: Material weaknesses identified? ___ Yes ___X___ No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes ___X___ None Reported

Noncompliance material to financial statements noted? ___ Yes ___X___ No

Federal Awards

Internal control over major programs: Material weaknesses identified? ___ Yes ___X___ No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes ___X___ None Reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the 2CFR 200.516 (a)? ___ Yes ___X___ No

Identification of major program:

Table with 2 columns: AL Number and Name of Federal Program or Cluster. Rows include 14.218 (U.S. Department of Housing and Urban Development) and 21.027 (U.S. Department of Treasury).

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SECTION I (CONTINUED)
SUMMARY OF AUDIT RESULTS (CONTINUED)**

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes No

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

CITY OF VALDOSTA, GEORGIA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.